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STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF HUMAN SERVICES  
**BUREAU OF HOMELESS AND HOUSING SERVICES**

Nicholas A. Toumpas  
Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857  
603-271-9196 1-800-852-3345 Ext. 9196

Mary Ann Cooney  
Associate  
Commissioner

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March 24, 2014

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

100% federal funds

Authorize the Department of Health and Human Services, Office of Human Services, Bureau of Homeless and Housing Services to enter into agreements with the vendors listed in the table below to provide Homeless Outreach Intervention Prevention services to homeless individuals and families in an amount not to exceed \$333,836 effective July 1, 2014 or upon Governor and Executive Council Approval, whichever is later, to June 30, 2015.

Vendor	Vendor Number	Location	Amount
Community Action Program Belknap-Merrimack Counties, Inc.	177203-B001	Belknap & Merrimack Counties	\$84,607
Community Action Partnership of Strafford County	177200-B004	Strafford County	\$37,585
Southwestern Community Services, Inc.	177511-P001	Cheshire & Sullivan Counties	\$84,091
Tri-County Community Action Program, Inc.	177195-B001	Carroll, Coos & Grafton Counties	\$127,553
		<b>Total:</b>	<b>\$333,836</b>

Funds are available in State Fiscal Year 2015, in the following accounts with the authority to adjust encumbrances in each of the State Fiscal Years through the Budget Office, if needed and justified.

**05-95-42-423010-7927 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: HUMAN SERVICES, HOMELESS & HOUSING, HOUSING- SHELTER PROGRAM**

See attachment for fiscal details and areas served

**EXPLANATION**

This package includes four (4) of four (4) agreements that will utilize Continuum of Care Grant funds to provide Homeless Outreach Intervention Prevention services to homeless individuals and/or families. Homeless Outreach Intervention Prevention services include the provision and payment of supportive services, rental/leasing assistance, and administrative costs associated with providing these services. It is anticipated that these four (4) Homeless Outreach Intervention Prevention contracts will serve approximately two thousand eight hundred (2,800) individuals and/or families statewide. Through the U.S. Department of Housing and Urban Development funded Continuum of Care program, the vendors will provide a comprehensive support services network to provide the unmet housing needs of individuals and/or families and will promote the ability of participants to live more independently.

The Department has participated in over twenty (20) rounds of disbursing federal awards to local communities. Experience has informed the Department in the ability to estimate the following year's grant awards based on the community-based agencies' previous year's applications to the U.S. Department of Housing and Urban Development. Therefore, the grant awards that are contracted for the U.S. Department of Housing and Urban Development Continuum of Care, Homeless Outreach Intervention Prevention program funds are contracted with the intention of amending those contracts needing adjustment when the federal government provides official notification of the dollar amounts awarded to the community-based agencies. The U.S. Department of Housing and Urban Development has specifically announced the awards being contracted here. When awards are issued retroactively, the result is community-based programs receiving funds much later than when the funds are actually needed for program operations. Funds awarded retroactively can result in New Hampshire citizens who are homeless, or at risk of becoming homeless, not receiving the assistance when it is actually needed.

Grant awards to communities were subject to the U.S. Department of Housing and Urban Development application and award process. Communities seeking funds from the U.S. Department of Housing and Urban Development Continuum of Care program must apply directly to the federal agency for Homeless Outreach Intervention Prevention funds, where their applications are scored by the federal program based on criteria set forth by the U.S. Department of Housing and Urban Development Continuum of Care, Homeless Outreach Intervention Prevention program. The New Hampshire Department of Health and Human Services is notified by the U.S. Department of Housing and Urban Development Continuum of Care, Homeless Outreach Intervention Prevention program of the grant awards several months after the federal program receives the communities' applications, which in some cases causes the awards to be allocated retroactively. Although law does not mandate the Homeless Outreach Intervention Prevention program, the community-based agencies must follow the federal process to access the funds, which are distributed by the states.

These agreements provide funds from the Department of Housing and Urban Development Continuum of Care program for Homeless Outreach Intervention Prevention (HOIP). Homeless Outreach Intervention Prevention is a collaborative project between Community Action Agencies and the State of New Hampshire, Bureau of Homeless and Housing Services. This program is designed to provide aggressive street outreach and intervention services to the unsheltered homeless people throughout the state. The U.S. Department of Housing and Urban Development requires a Continuum of Care process for communities seeking these funds. A Continuum of Care is a coordinated planning approach to setting priorities for the housing and service needs of homeless people within a specific area. The Continuum includes broad participation of community stakeholders.

The U.S. Department of Housing and Urban Development developed the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

- 1) A strategic planning process for addressing homelessness in the community.
- 2) A process to engage broad-based, community-wide involvement in addressing homelessness on a year-round basis.
- 3) An opportunity to submit an application to the Department of Housing and Urban Development for resources targeting housing and support services for homeless individuals and families.

The U.S. Department of Housing and Urban Development scores the applications, then awards funding based on their criteria. The Bureau of Homeless and Housing Services receives notification of the awards from the Department of Housing and Urban Development several months later. Although law does not mandate the Continuum of Care, the process must be followed to access funding.

The Bureau assures contract compliance and provider performance through the following:

- 1) Annual compliance reviews are performed that include the collection of data relating to compliance with administrative rules and contractual agreements.
- 2) Statistical reports are submitted on a semi-annual basis from all funded providers, including various demographic information and income and expense reports including match dollars.
- 3) All providers funded for shelter, transitional housing, or outreach services will be required to maintain timely and accurate data entry on the New Hampshire Homeless Management Information System, unless they are required by law to use an alternate data collection. The NH Homeless Management Information System will be the primary reporting tool for outcomes and activities of shelter and housing programs funded through these contracts.

Should Governor and Executive Council determine not to approve this request, shelter and homeless prevention resources for people who are homeless may not be available in their communities, and there will be an increase in demand for services placed upon the region's local welfare authorities. Further, an ongoing project may not be able to continue, causing many individuals and/or families to become homeless. People who are without housing and resources will resort to seeking shelter in places that are not fit for habitation, or will attempt to travel to shelters in other communities. This will increase the likelihood that people who are homeless will be in danger of injury or death, and will be cut off from basic supports for housing, health, education and treatment. Numerous jobs would also be lost since the shelter and/or resource agency would have to close its doors or drastically reduce staff.

Area served: Statewide

Source of funds: 100% Federal Funds.

In the event that the federal funds become no longer available, general funds will not be requested to support this program.

Respectfully submitted,



Mary Ann Cooney  
Associate Commissioner

Approved by:



Nicholas A. Toumpas  
Commissioner

Continuum of Care, Homeless Outreach Intervention and Prevention Program

**Community Action Program Belknap- Merrimack, Inc. (Vendor # 177203-B001)**  
**Areas Served: Belknap and Merrimack Counties**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	4230608	2015	\$84,607
			<b>Sub-total</b>	<b>\$84,607</b>

**Community Action Partnership of Strafford County (Vendor # 177200-B004)**  
**Area Served: Strafford County**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	4230608	2015	\$37,585
			<b>Sub-total</b>	<b>\$37,585</b>

**Southwestern Community Services, Inc. (Vendor # 177511-P001)**  
**Area Served: Cheshire, Sullivan & Western Hillsborough Counties**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	4230608	2015	\$84,091
			<b>Sub-total</b>	<b>\$84,091</b>

**Tri-County Community Action Program, Inc. (Vendor # 177195-B001)**  
**Area Served: Carroll, Coos & Grafton Counties**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	4230608	2015	\$127,553
			<b>Sub-total</b>	<b>\$127,553</b>

<b>Total</b>	<b>\$333,836</b>
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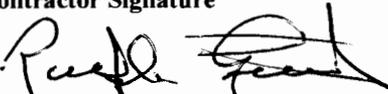
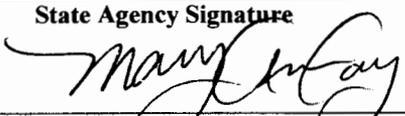
Subject: Continuum of Care Program, Homeless Outreach Intervention Prevention Program

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

<b>1.1 State Agency Name</b> Department of Health and Human Services Office of Human Services		<b>1.2 State Agency Address</b> 129 Pleasant Street Concord, NH 03301	
<b>1.3 Contractor Name</b> Community Action Program Belknap-Merrimack Counties, Inc.		<b>1.4 Contractor Address</b> 2 Industrial Park Drive Concord, NH 03302 Mailing Address: P.O. Box 1016 Concord, NH 03302-1016	
<b>1.5 Contractor Phone Number</b> (603) 225-3295	<b>1.6 Account Number</b> 05-95-42-423010-7927 102-500731	<b>1.7 Completion Date</b> June 30, 2015	<b>1.8 Price Limitation</b> \$84,607
<b>1.9 Contracting Officer for State Agency</b> Eric D. Borrin		<b>1.10 State Agency Telephone Number</b> (603) 271-9558	
<b>1.11 Contractor Signature</b> 		<b>1.12 Name and Title of Contractor Signatory</b> Ralph Littlefield, Executive Director	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of <u>Merrimack</u> On <u>4/23/14</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.			
<b>1.13.1 Signature of Notary Public or Justice of the Peace</b> [Seal] 			
<b>1.13.2 Name and Title of Notary or Justice of the Peace</b> Kathy L. Howard, Notary Public			
<b>1.14 State Agency Signature</b> 		<b>1.15 Name and Title of State Agency Signatory</b> MARY Ann Cooney Associate Commissioner	
<b>1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)</b> By: _____ Director, On: _____			
<b>1.17 Approval by the Attorney General (Form, Substance and Execution)</b> By:  On: <u>5/7/14</u>			
<b>1.18 Approval by the Governor and Executive Council</b> By: _____ On: _____			

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 5/7/14

**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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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. 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 consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written 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 \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance 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 fifteen (15) 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 endeavor to provide the Contracting Officer

identified in block 1.9, or his or her successor, no less than ten (10) 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.

**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.



Exhibit A

**SCOPE OF SERVICES**

**Homeless Outreach and Prevention Program (HOIP), Continuum of Care Program**

1. **CONDITIONAL NATURE OF AGREEMENT**

1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. **SERVICES**

2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve Two Hundred (200) homeless individuals with disabilities.

2.2. The goal of this program is to facilitate the movement of homeless individuals to permanent housing and maximum self-sufficiency.

2.3. To be eligible for contract services, individuals must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. **PROGRAM REPORTING REQUIREMENTS**

3.1. The Contractor shall submit the following reports:

3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

3.1.2. Other Reports as requested by the State.

3.2. All programs under this contract are required to be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs under this contract must be familiar with and follow NH HMIS policy, including specific information that is required for data entry, accuracy of data entered, and time required for data entry. Current NH HMIS policy can be accessed electronically through the following website: <http://www.nh-hmis.org>.

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**Exhibit A**

3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

**4. CONTRACT ADMINISTRATION**

- 4.1. The Contractor shall have appropriate levels of staff attend all meetings or trainings requested by the BHHS. To the extent possible, BHHS shall notify the contractor of the need to attend such meetings five working days in advance of each meeting.
- 4.2. The Bureau Administrator of BHHS or designee may observe performance, activities and documents under this Agreement; however, these personnel may not unreasonably interfere with contractor performance.
- 4.3. The Contractor shall inform BHHS of any staffing changes.
- 4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.
- 4.5. Changes to the contract services that do not affect its scope, duration, or financial limitations may be made upon mutual agreement between the Contractor and the BHHS.

**5. FINANCIAL**

5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care Program agreement value specified in Exhibit B of this agreement from the HUD Continuum of Care Program, for contract services.

**5.1.1. Operating Expenses**

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

5.1.1.2. Ineligible costs include rental assistance and operating costs in the same project, operating costs of emergency shelter- and supportive service-only facilities, maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.1.2. Supportive Services**

5.1.2.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53. Eligible services are available to those individuals actively participating in the permanent housing program.

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and

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**Exhibit A**

providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

**5.1.3. Rental Assistance**

5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.

5.1.3.3. Long-term rental assistance must be administered by someone other than the Contractor. The Contractor must have a Memorandum of Understanding (MOU), with a State, unit of general local government, or a public housing agency.

5.1.3.4. Short or medium term rental assistance provided under the Rapid ReHousing program component is not subject to requirements in 578.51 (b), and is not required to be administered by a state, unit of local government, or public housing agency.

5.1.3.5. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

5.1.3.6. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.

5.1.3.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits in an amount not to exceed two month's rent, advance payment of first month's rent and/or advance payment of last month's rent.

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**Exhibit A**

- 5.1.3.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.
  - 5.1.3.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.
  - 5.1.3.10. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid ReHousing program component must be tenant based rental assistance.
  - 5.1.3.11. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
  - 5.1.3.12. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
  - 5.1.3.13. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.
- 5.1.4. Administrative Costs
- 5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).

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**Exhibit A**

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- 5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).
  - 5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.
  - 5.2.2. Match requirements are to be documented with each payment request.
- 5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 4.1. The Contractor must have written approval from the State prior to billing for any other expenses.
- 5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

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**Exhibit B**

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**Homeless Outreach and Prevention Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Homeless Outreach and Prevention Program.

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund: Not applicable

Federal Funds:

CFDA #: 14.235

Federal Agency: U.S. Department of Housing & Urban Development

Program Title: Homeless Outreach Intervention Prevention Program

Total Amount Homeless Outreach Intervention Prevention Program;

July 1, 2014 – June 30, 2015: not to exceed \$84,607

Funds allocation under this agreement for Homeless Outreach Intervention Prevention Program;

Supportive Services: \$83,335

Leasing or Rental Assistance: \$1,272

Total program amount: \$84,607

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.
2. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE
  - 2.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.
  - 2.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a

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## Exhibit B

monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

- 2.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part 578.

### 3. USE OF GRANT FUNDS

- 3.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.
- 3.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.
- 3.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

### 4. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

- 4.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 4.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 of this Agreement.

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**SPECIAL PROVISIONS**

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

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

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Date *4/20/14*



- 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.

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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. **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:

- 16.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 16.2. 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
- 16.3. Monitor the subcontractor's performance on an ongoing basis
- 16.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 16.5. 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.



**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. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:
  - 14.1.1 comprehensive general liability against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence with additional general liability umbrella coverage of not less than \$5,000,000; and

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4/23/11



**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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4/23/19

New Hampshire Department of Health and Human Services  
Exhibit D



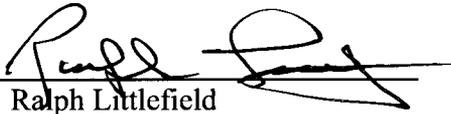
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted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

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

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

Contractor Name: Community Action Program  
Belknap-Merrimack Counties, Inc.

04/23/14  
Date

  
Name: Ralph Littlefield  
Title: Executive Director



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name: Community Action Program  
Belknap-Merrimack Counties, Inc.

04/23/14  
Date

  
Name: Ralph Littlefield  
Title: Executive Director



**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

*RE*



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

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

#### PRIMARY COVERED TRANSACTIONS

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

#### LOWER TIER COVERED TRANSACTIONS

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

Contractor Name: Community Action Program  
Belknap-Merrimack Counties, Inc.

04/23/14  
Date

  
Name: Ralph Kittlefield  
Title: Executive Director



**CERTIFICATION REGARDING**  
**THE AMERICANS WITH DISABILITIES ACT COMPLIANCE**

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 make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

Contractor Name: Community Action Program  
Belknap-Merrimack Counties, Inc.

04/23/14

Date

  
Name: Ralph Littlefield  
Title: Executive Director



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

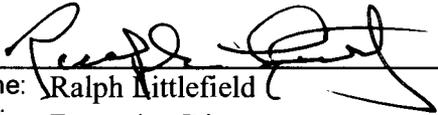
Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, 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: Community Action Program  
Belknap-Merrimack Counties, Inc.

04/23/14  
Date

  
Name: Ralph Littlefield  
Title: Executive Director



**HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY 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 and those parts of the HITECH Act 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.

**Definitions**

1. "Breach" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D. Sec. 13400.
2. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
3. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
4. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
5. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
6. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
7. "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.
8. "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.
9. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
10. "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.
11. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
12. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
13. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
14. "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.
15. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreasonable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
16. 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.

*RS*

*9/23/14*



**Use and Disclosure of Protected Health Information**

1. 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, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. Business Associate may use or disclose PHI:
  - 2.1. For the proper management and administration of the Business Associate;
  - 2.2. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - 2.3. For data aggregation purposes for the health care operations of Covered Entity.
3. 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 HITECH Act, Subtitle D, Part 1, Sec. 13402 of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
4. 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 Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.
5. 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.

**Obligations and Activities of Business Associate**

1. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.
2. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec.13404.
3. 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.
4. 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)b and (3)k herein. 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 pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
5. 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.



6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. 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 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.

#### Obligations of Covered Entity

1. 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.
2. 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.
3. 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.

#### Termination for Cause

In addition to standard provision #10 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.



**Miscellaneous**

1. 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, and the HITECH Act as 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.
2. 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.
3. 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.
4. 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 and the HITECH Act.
5. 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.
6. 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 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.

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

Contractor Name: Community Action Program  
Belknap-Merrimack Counties, Inc.

04/23/14  
Date

*Ralph Littlefield*  
Name: Ralph Littlefield  
Title: Executive Director

State Agency Name:  
*NH DHHS*

4/28/14  
Date

*Mary Ann Cooney*  
Name: *Mary Ann Cooney*  
Title: *Associate Commissioner*



**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: Community Action Program  
Belknap-Merrimack Counties, Inc.

04/23/14  
Date

  
Name: Ralph Littlefield  
Title: Executive Director



**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: 07-399-7504
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO                       YES

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

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

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

NO                       YES

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

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

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

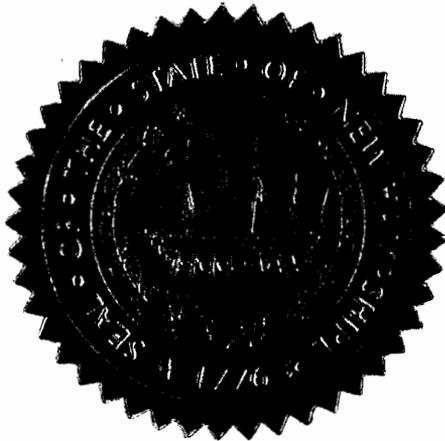
Name: _____	Amount: _____

RS  
4/23/14

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 COMMUNITY ACTION PROGRAM BELKNAP AND MERRIMACK COUNTIES, INC. is a New Hampshire nonprofit corporation formed May 28, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 10<sup>th</sup> day of April A.D. 2014

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

William M. Gardner  
Secretary of State

**Community Action Program Belknap-Merrimack Counties, Inc.**

**CERTIFICATE OF VOTE**

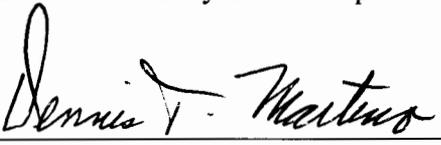
I, Dennis T. Martino, Secretary-Clerk of Community Action Program Belknap-Merrimack Counties, Inc. (hereinafter the "Corporation"), a New Hampshire corporation, hereby certify that: (1) I am the duly elected and acting Secretary-Clerk of the Corporation; (2) I maintain and have custody and am familiar with the minute books of the Corporation; (3) I am duly authorized to issue certificates with respect to the contents of such books; (4) that the Board of Directors of the Corporation have authorized, on 12/12/13, such authority to be in force and effect until 06/30/15 (contract termination date). (see attached)

The person(s) holding the below listed position(s) are authorized to execute and deliver on behalf of the Corporation any contract or other instrument for the sale of products and services:

Ralph Littlefield, Executive Director

(5) The meeting of the Board of Directors was held in accordance with New Hampshire, (state of incorporation) law and the by-laws of the Corporation; and (6) said authorization has not been modified, amended or rescinded and continues in full force and effect as of the date hereof. Excerpt of dated minutes or copy of article or section of authorizing by-law must be attached.

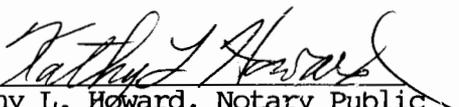
IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the corporation this 23rd day of April, 2014.

  
Secretary-Clerk

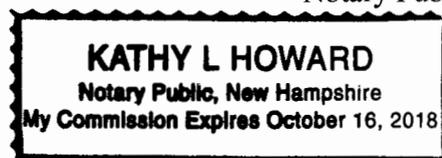
STATE OF NEW HAMPSHIRE  
COUNTY OF MERRIMACK

On this 23rd day of April, 2014, before me, Kathy L. Howard the undersigned Officer, personally appeared Dennis T. Martino who acknowledged her/himself to be the Secretary-Clerk of Community Action Program Belknap-Merrimack Counties, Inc., a corporation and that she/he as such Secretary-Clerk being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

  
Kathy L. Howard, Notary Public  
Notary Public/Justice of the Peace

Commission Expiration Date:



COMMUNITY ACTION PROGRAM  
BELKNAP-MERRIMACK COUNTIES, INC.

**CORPORATE RESOLUTION**

The Board of Directors of Community Action Program Belknap-Merrimack Counties, Inc. authorizes the Executive Director, Deputy Director, Chief Accountant, President, Vice-President(s) or Treasurer of the Agency to sign contracts and reports with the State of New Hampshire, Departments of the Federal Government, which include all federal #269 and #272 Forms, and public or private nonprofit agencies *including, but not limited to, the following:*

- Department of Administrative Services for food distribution programs
- Department of Education for nutrition programs
- Department of Health and Human Services
  - Bureau of Elderly and Adult Services for elderly programs
  - Bureau of Homeless and Housing Services for homeless/housing programs
  - Division of Children, Youth, and Families for child care programs
  - Division of Family Assistance for Community Services Block Grant
  - Division of Public Health Services for public health programs
- Department of Justice for child advocacy/therapy programs
- Department of Transportation-Public Transportation Bureau for transportation programs
- Public Utilities Commission for utility assistance programs
- Workforce Opportunity Council for employment and job training programs
- Department of Resources and Economic Development
- Governor's Office of Energy and Planning for Head Start, Low Income Energy Assistance, Weatherization and Block Grant programs
- New Hampshire Community Development Finance Authority
- New Hampshire Housing Finance Authority
- New Hampshire Secretary of State
- U. S. Department of Housing and Urban Development
- U. S. Department of the Treasury – Internal Revenue Service
- and other departments and divisions as required

This Resolution authorizes the signing of all supplementary and subsidiary documents necessary to executing the authorized contracts as well as any modifications or amendments relative to said contracts or agreements.

This Resolution was approved by the Board of Directors of Community Action Program Belknap-Merrimack Counties, Inc. on December 12, 2013, and has not been amended or revoked and remains in effect as of the date listed below.

April 23, 2014

Date



Dennis T. Martino  
Secretary/Clerk

SEAL



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
4/22/2014

PRODUCER (603) 669-3218 FAX: (603) 645-4331

Cross Insurance  
Laura Perrin  
1100 Elm Street  
Manchester NH 03101

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

## INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: Arch Insurance Company

INSURER B: QBE

INSURER C: Hanover Insurance Co

18058

INSURER D: N.H.M.M. JUA

INSURER E:

## INSURED

Community Action Program  
Belknap-Merrimack Counties Inc.  
P.O. Box 1016  
Concord NH 03302

## COVERAGES

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. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A		GENERAL LIABILITY	NCPKG02266000	6/17/2013	6/17/2014	EACH OCCURRENCE	\$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ 5,000
						PERSONAL & ADV INJURY	\$ 1,000,000
						GENERAL AGGREGATE	\$ 2,000,000
						PRODUCTS - COMP/OP AGG	\$ 2,000,000
A		AUTOMOBILE LIABILITY	NCAUT02266000	6/17/2013	6/17/2014	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
		<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
		<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
		<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
		<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: EA ACC AGG	\$
A		EXCESS / UMBRELLA LIABILITY	NCUMB02266000	6/17/2013	6/17/2014	EACH OCCURRENCE	\$ 5,000,000
		<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$ 5,000,000
		<input type="checkbox"/> DEDUCTIBLE					\$
		<input checked="" type="checkbox"/> RETENTION \$ 10,000					\$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	QWC3000372	6/17/2013	6/17/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	OTHER
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	(3a.) NH			E.L. EACH ACCIDENT	\$ 500,000
		If yes, describe under SPECIAL PROVISIONS below	All officers included			E.L. DISEASE - EA EMPLOYEE	\$ 500,000
						E.L. DISEASE - POLICY LIMIT	\$ 500,000
A		OTHER Directors & Officers	PHSD727025	4/1/2014	4/1/2015	\$1,000,000	
C		Blanket Crime	BDV1649128	3/27/2014	3/27/2015	500,000	
D		Professional	NHJUA11882	12/30/2013	12/30/2014	1,000,000	

## DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Refer to policy for exclusionary endorsements and special provisions.

## CERTIFICATE HOLDER

Department of Health & Human Services  
Office of Human Services  
129 Pleasant Street  
Concord, NH 03301

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Laura Perrin/KS5

ACORD 25 (2009/01)  
INS025 (200901)

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**COMMUNITY ACTION PROGRAM  
BELKNAP-MERRIMACK COUNTIES, INC.**

(Approved by Agency Board of Directors on 02/24/05  
as part of the Agency Bylaws.)

**STATEMENT OF PURPOSE**

The purpose the corporation includes providing assistance for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals to become fully self-sufficient through planning and coordinating the use of a broad range of federal, state, local, and other assistance (including private resources) related to the elimination of poverty; the organization of a range of services related to the needs of low-income families and individuals, so that these services may have a measurable and potentially major impact on the causes of poverty and may help the families and individuals to achieve self-sufficiency; the maximum participation of residents of the low-income communities and members of the groups served to empower such residents and members to respond to the unique problems and needs within their communities; and to secure a more active role in the provision of services for private, religious, charitable, and neighborhood-based organizations, individual citizens, and business, labor, and professional groups, who are able to influence the quantity and quality of opportunities and services for the poor.

*Financial Statements*

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**COMMUNITY ACTION PROGRAM  
BELKNAP-MERRIMACK COUNTIES, INC.**

**FOR THE YEARS ENDED FEBRUARY 28, 2013 AND 2012  
AND  
INDEPENDENT AUDITORS' REPORT**

**COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.**

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To the Board of Directors  
Community Action Program of Belknap-Merrimack Counties, Inc.  
Concord, New Hampshire

## **INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying financial statements of Community Action Program of Belknap-Merrimack Counties, Inc. (a New Hampshire nonprofit organization), which comprise the statements of financial position as of February 28, 2013 and February 29, 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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

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

### ***Auditor's Responsibility***

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

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

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

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Action Program of Belknap-Merrimack Counties, Inc. as of February 28, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### **Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2013, on our consideration of Community Action Program of Belknap-Merrimack Counties, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Program of Belknap-Merrimack Counties, Inc.'s internal control over financial reporting and compliance.

*Leone, McDonnell + Roberts*  
*Professional Association*

October 10, 2013  
Concord, New Hampshire

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**STATEMENTS OF FINANCIAL POSITION  
FEBRUARY 28, 2013 AND FEBRUARY 29, 2012**

	<u>2013</u>	<u>2012</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 1,205,452	\$ 2,027,864
Accounts receivable	3,484,861	3,431,174
Prepaid expenses	<u>424,367</u>	<u>527,020</u>
Total current assets	<u>5,114,680</u>	<u>5,986,058</u>
<b>PROPERTY</b>		
Land and buildings	4,618,289	4,618,289
Equipment	<u>5,935,585</u>	<u>5,909,477</u>
	10,553,874	10,527,766
Less accumulated depreciation	<u>(5,928,189)</u>	<u>(5,492,531)</u>
Property, net	<u>4,625,685</u>	<u>5,035,235</u>
<b>OTHER ASSETS</b>		
Investments	82,419	74,291
Due from related party	<u>139,441</u>	<u>139,441</u>
Total other assets	<u>221,860</u>	<u>213,732</u>
<b>TOTAL ASSETS</b>	<u>\$ 9,962,225</u>	<u>\$ 11,235,025</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Current portion of notes payable	\$ 129,407	\$ 122,029
Accounts payable	2,022,052	2,442,548
Accrued expenses	1,179,626	1,149,313
Refundable advances	<u>1,070,024</u>	<u>1,504,542</u>
Total current liabilities	4,401,109	5,218,432
<b>LONG TERM LIABILITIES</b>		
Notes payable, less current portion shown above	<u>1,744,319</u>	<u>1,871,566</u>
Total liabilities	<u>6,145,428</u>	<u>7,089,998</u>
<b>NET ASSETS</b>		
Unrestricted	2,909,675	3,127,371
Temporarily restricted	<u>907,122</u>	<u>1,017,656</u>
Total net assets	<u>3,816,797</u>	<u>4,145,027</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 9,962,225</u>	<u>\$ 11,235,025</u>

See Notes to Financial Statements

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED FEBRUARY 28, 2013  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED FEBRUARY 29, 2012**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2013 Total</u>	<u>2012 Total</u>
<b>REVENUES AND OTHER SUPPORT</b>				
Grant awards	\$ 19,545,688		\$ 19,545,688	\$ 21,051,500
Other funds	3,708,706	\$ 2,333,637	6,042,343	6,269,875
In-kind	1,066,723		1,066,723	1,143,537
United Way	150,918		150,918	145,880
Total revenues and other support	24,472,035	2,333,637	26,805,672	28,610,792
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u>2,444,171</u>	<u>(2,444,171)</u>		
Total	<u>26,916,206</u>	<u>(110,534)</u>	<u>26,805,672</u>	<u>28,610,792</u>
<b>EXPENSES</b>				
Compensation	8,633,277		8,633,277	9,208,281
Payroll taxes and benefits	2,245,454		2,245,454	2,305,424
Travel	318,080		318,080	334,076
Occupancy	1,191,059		1,191,059	1,144,249
Program services	11,379,654		11,379,654	11,588,545
Other costs	1,780,824		1,780,824	2,549,575
Depreciation	518,831		518,831	529,623
In-kind	1,066,723		1,066,723	1,143,538
Total expenses	<u>27,133,902</u>		<u>27,133,902</u>	<u>28,803,311</u>
<b>CHANGE IN NET ASSETS</b>	(217,696)	(110,534)	(328,230)	(192,519)
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>3,127,371</u>	<u>1,017,656</u>	<u>4,145,027</u>	<u>4,337,546</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 2,909,675</u>	<u>\$ 907,122</u>	<u>\$ 3,816,797</u>	<u>\$ 4,145,027</u>

See Notes to Financial Statements

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED FEBRUARY 28, 2013 AND FEBRUARY 29, 2012**

	<u>2013</u>	<u>2012</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (328,230)	\$ (192,519)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	518,831	529,623
Donated equipment	26,080	-
Gain on sale of property	(3,242)	(19,068)
(Increase) decrease in current assets:		
Accounts receivable	(53,687)	1,195,179
Prepaid expenses	102,653	(88,703)
Increase (decrease) in current liabilities:		
Accounts payable	(420,496)	(112,608)
Accrued expenses	30,313	153,178
Refundable advances	(434,518)	(245,677)
<b>NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES</b>	<u>(562,296)</u>	<u>1,219,405</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property	(139,369)	(464,455)
Investment in partnership	(8,128)	(6,362)
Proceeds from sale of property	7,250	20,000
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(140,247)</u>	<u>(450,817)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long term debt	(119,869)	(131,193)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(119,869)</u>	<u>(131,193)</u>
<b>NET (DECREASE) INCREASE IN CASH</b>	(822,412)	637,395
<b>CASH BALANCE, BEGINNING OF YEAR</b>	<u>2,027,864</u>	<u>1,390,469</u>
<b>CASH BALANCE, END OF YEAR</b>	<u>\$ 1,205,452</u>	<u>\$ 2,027,864</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid during the year for interest	<u>\$ 116,248</u>	<u>\$ 122,905</u>

See Notes to Financial Statements

**COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED FEBRUARY 28, 2013**

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization**

Community Action Program Belknap – Merrimack Counties, Inc. (the Organization) is a New Hampshire nonprofit organization that serves nutritional, health, living and support needs of the low income and elderly clients in the two county service areas, as well as state wide. These services are provided with the financial support of various federal, state, county and local organizations.

**Basis of Accounting**

The financial statements are prepared on the accrual basis of accounting.

**Basis of Presentation**

Financial statement presentation follows the recommendations of the FASB in its Accounting Standard Codification No. 958 *Financial Statements of Not-For-Profit Organizations*. Under FASB ASC No. 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The classes of net assets are determined by the presence or absence of donor restrictions. As of February 28, 2013 the Organization had no permanently restricted net assets and temporarily restricted net assets of \$907,122.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended February 29, 2012, from which the summarized information was derived.

**Income Taxes**

Community Action Program Belknap – Merrimack Counties, Inc. is organized as a nonprofit corporation and is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Internal Revenue Service has determined them to be other than a private foundation.

Community Action Program of Belknap-Merrimack Counties, Inc. files information returns in the United States and the State of New Hampshire. Community Action Program of Belknap-Merrimack Counties, Inc. is no longer subject to examinations by tax authorities for years before 2009.

Accounting Standard Codification No. 740 (ASC 740), *Accounting for Income Taxes*, established the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. The Organization has analyzed its tax position taken on its income tax returns for the years (2009 through 2012), for the

purposes of implementation, and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

### **Property**

Property is recorded at cost, except for donated assets, which are recorded at fair value at the date of the donation. Assets purchased with a useful life in excess of one year and exceeding \$5,000 are capitalized unless a lower threshold is required by certain funding sources. Depreciation is computed on the straight line basis over the estimated useful lives of the related assets as follows:

Buildings and improvements	40 years
Equipment and office furniture	7 years
Vehicles	5 years
Computer hardware and software	3 years

### **Use of Estimates**

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

### **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers all liquid investments purchased with original maturities of three months or less to be cash equivalents. Community Action Program Belknap-Merrimack Counties, Inc. maintains its cash in bank deposit accounts, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts.

### **Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restriction. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.

### **In-Kind Donations / Noncash Transactions**

Donated facilities, services and supplies are reflected as revenue and expense in the accompanying financial statements, if the criteria for recognition is met. This represents the estimated fair value for the service, supplies and space that the Organization might incur under normal operating activities.

### **Advertising**

The Organization expenses advertising costs as incurred.

## **2. REFUNDABLE ADVANCES**

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or

incurred. Funds received in advance of grantor conditions being met aggregated \$1,070,024 as of February 28, 2013.

3. **RETIREMENT PLAN**

The Organization has a qualified contributory pension plan which covers substantially all employees. The cost of the plan is charged to programs administered by the Organization. The expense of the plan for the year ended February 28, 2013 was \$368,026.

4. **LEASED FACILITIES**

Facilities occupied by the Organization for its community service programs are leased under various operating leases. The lease terms range from month to month to every two years. For the year ended February 28, 2013, the annual lease expense for the leased facilities was \$525,767.

The approximate future minimum lease payments on the above leases are as follows:

<u>Year Ended February 28</u>	<u>Amount</u>
2014	\$ 149,815
2015	<u>33,631</u>
Total	<u>\$ 183,446</u>

5. **ACCRUED EARNED TIME**

The Organization has accrued a liability for future annual leave time that its employees have earned and vested in the amount of \$446,087 at February 28, 2013.

6. **LONG TERM DEBT**

Long term debt consisted of the following as of February 28, 2013:

5.75% note payable to a financial institution in monthly installments for principal and interest of \$12,373 through July, 2023. The note is secured by property of the Organization for Lakes Region Family Center. \$ 1,300,888

Note payable to a bank in monthly installments for principal and interest of \$4,494 through April, 2023. Interest is stated at 1% above the prime rate as published by the Wall Street Journal, which resulted in an interest rate of 4.25% at February 28, 2013. The note is secured by a first real estate mortgage and assignment of rents and leases on property located in Concord, New Hampshire for Early Head Start. 447,321

3% note payable to the City of Concord for leasehold improvements in monthly installments for principal and interest of \$747 through May, 2027. The note is secured by property of the Organization for the agency administrative building renovations. 103,802

4.75% note payable to Rural Development in monthly installments for principal and interest of \$148 per month through September, 2031. The note is secured by property of the Organization for Franklin Community Services building. 21,715

Total 1,873,726  
 Less amounts due within one year 129,407

Long term portion \$ 1,744,319

The scheduled maturities of long term debt as of February 28, 2013 were as follows:

<u>Year Ending February 28</u>	<u>Amount</u>
2014	\$ 129,407
2015	137,236
2016	145,551
2017	154,380
2018	163,753
Thereafter	<u>1,143,399</u>
	<u>\$ 1,873,726</u>

**7. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of February 28, 2013:

Land	\$ 168,676
Building and improvements	4,449,613
Equipment	<u>5,935,585</u>
	<u>\$ 10,553,874</u>

Depreciation expense for the year ended February 28, 2013 was \$518,831.

**8. CONTINGENCIES**

The Organization receives grant funding from various sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Organization might be required to repay the funds. No provisions have been made for this

contingency because specific amounts, if any, have not been determined or assessed as of February 28, 2013. Monitoring has not indicated any discrepancies.

**9. CONCENTRATION OF RISK**

For the year ended February 28, 2013, approximately \$11,301,000 (42%) of the Organization's total revenue was received from the Department of Health and Human Services. The future scale and nature of the Organization is dependent upon continued support from this department.

The Organization maintains its cash accounts in several financial institutions in southern New Hampshire. At February 28, 2013, the balances were insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Effective July 1, 2010, one of the financial institutions agreed to collateralize all deposits with them in excess of the FDIC limit. Another financial institution agreed to collateralize the Organization's sweep repurchase account up to 110% of the account balance with US Government Agencies. At February 28, 2013, there were no deposits in excess of the uninsured limits.

**10. TEMPORARILY RESTRICTED NET ASSETS**

At February 28, 2013, temporarily restricted net assets consisted of the following unexpended, purpose restricted donations:

**Restricted Purpose**

Agency Fuel Assistance Program	\$ 31,029
Nutrition and Elder Services	604,678
Caring Fund	14,709
Common Pantry	7,135
Software Program-FAP/EAP	781
Senior Center	122,102
Agency Head Start	106,508
Agency Family Planning and Prenatal Program	9,043
NH Food Pantry Coalition	663
Agency Senior Companion Program	5,404
NH Rotary Food Challenge	<u>5,070</u>
	<u>\$ 907,122</u>

**11. STATEMENT OF FUNCTIONAL EXPENSES**

The Statement of Activities discloses expenses by natural classification. The classification of expenses by function is summarized below:

	<u>Program</u>	<u>Management</u>	<u>Total</u>
Salaries and wages	\$ 8,206,340	\$ 426,937	\$ 8,633,277
Benefits and payroll taxes	2,126,957	118,497	2,245,454
Travel	315,110	2,970	318,080
Occupancy	1,092,178	98,881	1,191,059
Program services	11,379,654		11,379,654

Other costs:			
Accounting fees	18,290	29,844	48,134
Legal fees	9,264	1,452	10,716
Supplies	243,980	28,746	272,726
Postage and shipping	59,575	994	60,569
Equipment rental and maintenance	17,367	694	18,061
Printing and publications	5,282	49	5,331
Conferences, conventions and meetings	2,790	13,888	16,678
Interest	108,936	7,312	116,248
Insurance	183,556	32,212	215,768
Membership fees	9,356	11,126	20,482
Utility and maintenance	5,868	56,739	62,607
Other	911,807	21,697	933,504
Depreciation	512,250	6,581	518,831
In kind	<u>1,066,723</u>		<u>1,066,723</u>
	<u>\$ 26,275,283</u>	<u>\$ 858,619</u>	<u>\$ 27,133,902</u>

**12. RELATED PARTY TRANSACTIONS**

Community Action Program Belknap – Merrimack Counties, Inc. is related to the following corporation as a result of common management:

<u>Related Party</u>	<u>Function</u>
CAPBMC Development Corporation	Real Estate Development

**Development Service Agreement**

Community Action Program Belknap – Merrimack Counties, Inc. has a development services agreement with Sandy Ledge Limited Partnership whose purpose is to acquire, rehabilitate and operate a qualified low-income apartment building as defined by Internal Revenue Code Section 42. CAPBMC Development Corporation is the general partner in Sandy Ledge Limited Partnership. The agreement called for payment of services in the amount of \$194,000. The amount due from Sandy Ledge Limited Partnership at February 28, 2013 totaled \$139,441.

**13. RECLASSIFICATION**

Certain amounts and accounts from the prior year financial statements have been reclassified to enhance the comparability with the presentation of the current year.

**14. FAIR VALUE OF FINANCIAL INSTRUMENTS**

Community Action Program of Belknap-Merrimack Counties, Inc. is a limited liability company member of Community Provider Network of Central NH, LLC. The investment total at February 28, 2013 was \$35,000.

The Organization has also invested money relating to its Fix-it program in certain mutual funds. The fair market value of the mutual funds totaled \$47,419 at February 28, 2013.

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

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

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

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

At February 28, 2013, the Organization's investments were classified as Level 1 and 3 and were based on fair value.

Fair Value Measurements using Significant Observable Inputs (Level 1)

Beginning balance – mutual funds (at fair value)	\$ 39,291
Total gains or (losses) - realized /unrealized	4,815
Purchases	<u>3,313</u>
Ending Balance – mutual funds	<u>\$ 47,419</u>

Fair Value Measurements using Significant Unobservable Inputs (Level 3)

Beginning balance (at fair value)	\$ 35,000
Total gains or (losses) - realized/unrealized	<u>-</u>
Ending Balance	<u>\$ 35,000</u>

The carrying amount of cash, current assets, other assets and current liabilities, approximates fair value because of the short maturity of those instruments.

**15. FISCAL AGENT**

Community Action Program Belknap-Merrimack Counties, Inc. acts as the fiscal agent for the following community organizations: Franklin Community Services Building (Franklin), the Common Pantry (Laconia), the Caring Fund (Meredith), the NH Food Pantry Coalition, and the NH Rotary Food Challenge. The Agency provides the management and oversight of the revenues received (donations) and the expenses (utilities, food and emergency services).

**16. SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the balance sheet date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the balance sheet date, but arose after that date. Management has evaluated subsequent events through October 10, 2013, the date the financial statements were available to be issued.

**SUPPLEMENTAL INFORMATION**

**(See Independent Auditors' Report)**

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF FEDERAL AWARDS  
FOR THE YEAR ENDED FEBRUARY 28, 2013**

<u>FEDERAL GRANTOR/ PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>PASS THROUGH GRANTOR NUMBER</u>	<u>EXPENDITURES</u>
<u>US DEPT. OF HEALTH AND HUMAN SERVICES</u>			
Head Start	93.600	N/A	\$ 3,703,275
<b>Through State of New Hampshire</b>			
Weatherization-HRRP	93.568		82,023
Fuel Assistance	93.568	611001	4,409,813
Fuel Assistance-SEAS	93.044	611001	6,729
Title III Part C	93.045	410338	902,541
Community Services Block Grant	93.569	610155	412,049
Community Services Block Grant Discretionary	93.570		24,240
Title XX - Block Grant	93.667	410338	558,596
Family Planning	93.217	610237	121,249
Family Planning	93.558	610237	38,619
Family Planning	93.940	610237	4,710
Public Health Network - (ID-PICS)	93.069		39,812
Public Health Network - (ID-PICS)	93.283		3,927
Public Health Network - (ID-PICS)	93.268		11,484
Title III Part B Rural Transportation	93.044	410338	258,053
TANF - Home Visiting	93.558	N/A	2,281
Home Visiting New Hampshire	93.505		32,417
Prenatal	93.994	520243	26,167
Merrimack County Service Link Program	93.778	N/A	91,317
Merrimack County Service Link Program	93.052	N/A	20,572
Merrimack County Service Link Program	93.667	N/A	8,231
Merrimack County Service Link Program	93.048	N/A	7,545
Merrimack County Service Link Program	93.779	N/A	19,333
Elder Services/NSIP	93.053	410338	222,944
<b>Through Southern New Hampshire Services</b>			
Workplace Success	93.558	N/A	280,809
<b>Through Lakes Region Partnership for Public Health</b>			
MIPPA	93.518		4,875
MIPPA	93.779		1,625
MIPPA	93.791		5,725
			<u>11,300,961</u>
<u>US DEPARTMENT OF AGRICULTURE</u>			
<b>Through State of New Hampshire</b>			
WIC	10.557	611080	823,408
CSFP	10.565	611080	1,032,566
Senior Farmers Market	10.576		93,364
Surplus Food-TEFAP/Admin	10.568	N/A	105,577
Surplus Food-TEFAP	10.569	N/A	1,072,985
CACF Head Start/USDA	10.558	N/A	195,295
Summer Food-USDA	10.559		136,863
			<u>3,460,058</u>
<u>CORPORATION FOR NATIONAL SERVICES</u>			
Senior Companion	94.016	N/A	<u>398,054</u>

**US DEPARTMENT OF TRANSPORTATION****Through State of New Hampshire**

Concord Area Transit	20.509		481,406
Concord Area Transit-New Freedom	20.521		2,546
Concord Area Transit-JARC	20.516		67,074
Winnepesaukee Transit System	20.509	68022	63,324
ARRA-Winnepesaukee Transit System	20.509		7,882
ARRA-Concord Area Transit	20.509		8,670
ARRA-Concord Area Transit-JARC	20.516		7,094
5309 Capital Advance	20.500		1,491

**Through County of Merrimack**

Volunteer Driver Program	20.513		32,278
			<u>671,765</u>

**US DEPARTMENT OF JUSTICE****Through State of New Hampshire**

ARRA-Therapeutic Classroom	16.801		<u>21,102</u>
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**US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT****Through New Hampshire Housing Finance Authority**

Statewide Lead Abatement Program	14.900		737,642
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**Through State of New Hampshire**

ESG - New Start/Outreach Program	14.235	N/A	162,051
Homeless Prevention	14.235	N/A	13,072
ARRA-Homeless Prevention & Rapid Re-housing	14.257		83,864
Supportive Housing Services	14.235		66,429
			<u>1,063,058</u>

**US DEPARTMENT OF ENERGY****Through State of New Hampshire**

Weatherization	81.042	551896	121,870
ARRA-Weatherization	81042		315,051
MH Park Weatherization	81.042	N/A	261,052
			<u>697,973</u>

**US DEPARTMENT OF LABOR****Through State of New Hampshire**

Senior Community Service Employment	17.235	610063	540,614
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**Through Southern New Hampshire Services**

WIA-Adult Program	17.258	N/A	110,544
WIA-Dislocated Worker Program	17.260	N/A	113,650
			<u>764,808</u>

**Homeland Security****Through State of New Hampshire**

Emergency Management Performance Grant	97.042	N/A	8,281
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**Through United Way**

Emergency Food and Shelter Program	97.024	N/A	1,362
			<u>9,643</u>

**TOTAL AWARDS EXPENDED**

\$ 18,387,422

**NOTE A - BASIS OF PRESENTATION**

The schedule of Expenditures of Federal Awards includes federal grant activity of Community Action Program of Belknap - Merrimack Counties, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations." Because the schedule presents only a selected portion of the operations of Community Action Program of Belknap-Merrimack Counties, Inc., it is not intended to and does not present the financial position, change in net assets, or cash flows of Community Action Program of Belknap-Merrimack Counties, Inc.

**COMMUNITY ACTION PROGRAM OF BELKNAP-MERRIMACK COUNTIES, INC.**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Community Action Program of Belknap-Merrimack Counties, Inc.  
Concord, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Action Program of Belknap-Merrimack Counties, Inc. (New Hampshire nonprofit organization), which comprise the statement of financial position as of February 28, 2013, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 10, 2013.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Community Action Program of Belknap-Merrimack Counties, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Program of Belknap-Merrimack Counties, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Community Action Program of Belknap-Merrimack Counties, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial

statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Leone, McDonnell + Roberts*  
*Professional Association*

October 10, 2013  
Concord, New Hampshire

**COMMUNITY ACTION PROGRAM OF BELKNAP-MERRIMACK COUNTIES, INC.**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Directors  
Community Action Program of Belknap-Merrimack Counties, Inc.  
Concord, New Hampshire

***Report on Compliance for Each Major Federal Program***

We have audited Community Action Program of Belknap-Merrimack Counties, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Community Action Program of Belknap-Merrimack Counties, Inc.'s major federal programs for the year ended February 28, 2013. Community Action Program of Belknap-Merrimack Counties, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Community Action Program of Belknap-Merrimack Counties, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Action Program of Belknap-Merrimack Counties, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Action Program of Belknap-Merrimack Counties, Inc.'s compliance.

***Opinion on Each Major Federal Program***

In our opinion, Community Action Program of Belknap-Merrimack Counties, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended February 28, 2013.

## ***Report on Internal Control Over Compliance***

Management of Community Action Program of Belknap-Merrimack Counties, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Action Program of Belknap-Merrimack Counties, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Action Program of Belknap-Merrimack Counties, Inc.'s internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Leone, McDonnell + Roberts  
Professional Association*

October 10, 2013  
Concord, New Hampshire

**COMMUNITY ACTION PROGRAM OF BELKNAP-MERRIMACK COUNTIES, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED FEBRUARY 28, 2013**

**SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unmodified opinion on the financial statements of Community Action Program of Belknap-Merrimack Counties, Inc.
2. No material weaknesses or significant deficiencies relating to the audit of the financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Community Action Program of Belknap-Merrimack Counties, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs during the audit are reported in the *Independent Auditors' Report on Compliance for Each Major Program and On Internal Control Over Compliance Required by OMB Circular A-133*.
5. The auditors' report on compliance for the major federal award programs for Community Action Program of Belknap-Merrimack Counties, Inc. expresses an unmodified opinion on all major programs.
6. There were no audit findings which the auditor would be required to report under Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs include:
  - 93.600 Head Start
  - 93.045 Title III Part C
  - 93.044 Title III Part B
  - 93.053 Elder Services/Nutrition Service Incentive Program
  - 93.569 Community Services Block Grant
  - 93.667 Title XX Block Grant
  - 14.900 Statewide Lead Abatement Program
  - 14.235 Supportive Housing Services
  - 81.042 Weatherization
  - 81.042 ARRA Weatherization
  - 17.235 Senior Community Service Employment
  - 17.258 WIA – Adult Program
  - 17.260 WIA – Dislocated Worker Program
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. Community Action Program of Belknap-Merrimack Counties, Inc. was determined to be a low-risk auditee.

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS AUDIT**

None

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**SCHEDULE OF REVENUES AND EXPENDITURES  
FOR THE LOW INCOME HOME ENERGY ASSISTANCE PROGRAM - CFDA 93.568  
FOR THE YEAR ENDED FEBRUARY 28, 2013**

	<u>Grant Period</u> <u>10/1/12-9/30/12</u>	<u>Grant Period</u> <u>10/1/12-9/30/13</u>	<u>Total</u>
<b>Revenues</b>			
Division of Human Resources	\$ 1,097,863	\$ 3,311,950	\$ 4,409,813
Other	<u>7,822</u>	<u></u>	<u>7,822</u>
	<u>\$ 1,105,685</u>	<u>\$ 3,311,950</u>	<u>\$ 4,417,635</u>
<b>Expenditures</b>			
Personnel	\$ 214,574	\$ 106,025	\$ 320,599
Fringe benefits	29,868	17,949	47,817
Travel	3,403	2,099	5,502
Occupancy	28,818	24,972	53,790
Direct program costs	794,872	3,132,651	3,927,523
Other costs	<u>34,150</u>	<u>28,254</u>	<u>62,404</u>
	<u>\$ 1,105,685</u>	<u>\$ 3,311,950</u>	<u>\$ 4,417,635</u>

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**SCHEDULE OF REVENUES AND EXPENDITURES  
FOR THE SENIOR COMPANION PROGRAM - CFDA 94.016  
FOR THE YEAR ENDED FEBRUARY 28, 2013**

	<u>Grant Period</u> <u>7/1/11 - 6/30/12</u>	<u>Grant Period</u> <u>7/1/12 - 6/30/13</u>	<u>Total</u>
<b>Revenues</b>			
Corporation for National Services	<u>\$ 126,509</u>	<u>\$ 271,545</u>	<u>\$ 398,054</u>
<b>Expenditures</b>			
Personnel	\$ 85,160	\$ 148,129	\$ 233,289
Fringe benefits	-	20,186	20,186
Travel	38,265	70,987	109,252
Other costs	<u>3,605</u>	<u>32,243</u>	<u>35,848</u>
	<u>\$ 127,030</u>	<u>\$ 271,545</u>	<u>\$ 398,575</u>

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**SCHEDULE OF REVENUES AND EXPENDITURES  
FOR THE HEAD START PROGRAM - CFDA 93.600  
FOR THE YEAR ENDED FEBRUARY 28, 2013**

	<u>Grant Period</u> <u>1/1/12-12/31/12</u>	<u>Grant Period</u> <u>1/1/13-12/31/13</u>	<u>Total</u>
<b>Revenues</b>			
U.S. Department of Health and Human Services	\$ 3,036,096	\$ 667,179	\$ 3,703,275
In-Kind	<u>804,274</u>	<u>229,596</u>	<u>1,033,870</u>
	<u>\$ 3,840,370</u>	<u>\$ 896,775</u>	<u>\$ 4,737,145</u>
<b>Expenditures</b>			
Personnel	\$ 1,980,245	\$ 459,983	\$ 2,440,228
Fringe benefits	258,175	56,771	314,946
Travel	33,052	7,997	41,049
In-Kind	804,274	229,596	1,033,870
Other costs	<u>764,624</u>	<u>142,428</u>	<u>907,052</u>
	<u>\$ 3,840,370</u>	<u>\$ 896,775</u>	<u>\$ 4,737,145</u>

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**SCHEDULE OF REVENUES AND EXPENDITURES  
FOR THE NUTRITION AND ELDER SERVICES PROGRAM -  
CFDA 93.045, 93.667 and 93.053  
FOR THE YEAR ENDED FEBRUARY 28, 2013**

	<u>Grant Period</u> <u>7/1/11 - 6/30/12</u>	<u>Grant Period</u> <u>7/1/12 - 6/30/13</u>	<u>Total</u>
<b>Revenues</b>			
US Department of Health and Human Services:			
Title XX	\$ 151,892	\$ 406,704	\$ 558,596
Title III Part C	281,104	621,437	902,541
NH Department of Health and Human Services	116,706	106,238	222,944
Other	<u>206,406</u>	<u>417,423</u>	<u>623,829</u>
	<u>\$ 756,108</u>	<u>\$ 1,551,802</u>	<u>\$ 2,307,910</u>
<b>Expenditures</b>			
Personnel	\$ 351,629	\$ 742,874	\$ 1,094,503
Fringe benefits	32,493	78,811	111,304
Occupancy	54,196	107,062	161,258
Travel	43,720	86,507	130,227
Other costs	<u>260,020</u>	<u>513,086</u>	<u>773,106</u>
	<u>\$ 742,058</u>	<u>\$ 1,528,340</u>	<u>\$ 2,270,398</u>

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**SCHEDULE OF REVENUES AND EXPENDITURES  
FOR THE ELECTRIC ASSISTANCE PROGRAM  
FOR THE YEAR ENDED FEBRUARY 28, 2013**

	<u>Grant Period</u> <u>10/1/11-9/30/12</u>	<u>Grant Period</u> <u>10/1/12-9/30/13</u>	<u>Total</u>
<b>Revenues</b>	<u>\$ 888,072</u>	<u>\$ 987,837</u>	<u>\$ 1,875,909</u>
<b>Expenditures</b>			
Personnel	\$ 156,951	\$ 112,976	\$ 269,927
Fringe benefits	29,247	21,385	50,632
Travel	1,669	843	2,512
Occupancy	15,846	4,492	20,338
Other costs	<u>684,359</u>	<u>848,141</u>	<u>1,532,500</u>
	<u>\$ 888,072</u>	<u>\$ 987,837</u>	<u>\$ 1,875,909</u>

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**SCHEDULE OF REVENUES AND EXPENDITURES - BY PROGRAM**  
**FOR THE YEAR ENDED FEBRUARY 28, 2013**

	<u>Revenues</u>	<u>Expenses</u>
Tornado Relief Fund (018)	8,281	8,281
Twin River Community Corp (052 & 053)	27,326	44,185
Cottage Hotel (063 & 064)	24,530	12,141
Sandy Ledge (092 & 093)	10,597	19,509
Ozanam (103 & 104)	23,801	23,728
Senior Center Program (138)	169,798	16,731
Franklin Intergenerational (183 & 184)	63,888	45,912
Senior Companion Program - Non-Federal (222 & 223)	49,035	48,544
Senior Companion Program - State (232 & 233)	33,480	34,152
Franklin Community Services (292 & 293)	24,420	23,633
Head Start - Childcare (352 & 353)	1,056,899	1,091,218
Belknap County - WXN Program (374)	5,415	696
Lakes Region Family Center (382 & 383)	158,900	158,900
REIP (402)	162,587	162,587
Purchase Rehabilitation Project (426)	213,824	213,824
NH Modular Ramp (431 & 432)	76,599	67,982
National Grid Program (472)	174,532	189,571
New Hampshire Housing Guarantee Program (492 & 493)	188,308	198,732
Core Program (502 & 503)	550,420	668,709
NH Rotary (540)	2	-
Common Pantry (552 & 553)	1,227	54
Software Program - FAP/EAP (583)	-	6,098
Oral Health WIC (600)	4,463	-

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

SCHEDULE OF REVENUES AND EXPENDITURES - BY PROGRAM  
FOR THE YEAR ENDED FEBRUARY 28, 2013

	<u>Revenues</u>	<u>Expenses</u>
Bedside Pilot Program (632)	1,674	1,674
Epsom Elderly Housing (642 & 643)	62,694	77,552
Belmont Housing (652 & 653)	67,442	69,442
Alton Housing (662 & 663)	52,757	52,240
Kearsarge Housing (672 & 673)	66,864	66,864
Riverside Housing (682 & 683)	76,569	76,569
Pembroke Housing (707 & 708)	54,127	54,127
Homeless Revolving Loan (728)	15,457	15,457
Area Centers (762 & 763)	265,554	344,107
Home Access Program ( 774)	2,981	2,981
THE FIXIT Program (832 & 833)	14,854	11,887
Loan Guarantee Program (847)	82,620	82,620
MC Loan Guarantee Program (848)	2,666	2,666
The Caring Fund (862 & 863)	6,976	4,294
Agency WIC & CSF (883)	5,515	225
Newbury Elderly Housing (884)	43,365	43,365
Housing Future (892)	20,000	20,000
Agency Account (911 & 980)	89,800	221,899
Agency Account FAP (922)	75,632	103,380
Agency Account SCP (931 & 932)	18,522	10,379
H/S Agency (942 & 943)	(49,635)	(16,111)
Agency FP/PN (963)	144	55
Saving Heat & Reducing Energy (970)	169,798	169,992
Agency Horseshoe Pond Place (993 & 994)	28,679	28,679

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**SCHEDULE OF REFUNDABLE ADVANCES  
FOR THE YEAR ENDED FEBRUARY 28, 2013**

<b><u>FUND #</u></b>	<b><u>FUND NAME</u></b>	<b><u>HHS PROGRAM CFDA#</u></b>	<b><u>AMOUNT</u></b>
018	Tornado Relief Fund		\$ 19,161
045	Supportive Housing Services		3,651
154	Merrimack County Service Link	93.778	3,090
163	Elder Services Program	93.045,93.667 (amount is not federal)	8,647
194	Electric Assistance Program		67,657
223	Senior Companion Program - Non-Federal		667
263	Rural Transportation Service	93.044	42,508
343	Head Start - USDA		10,531
372	Greater Lakes Child Advocacy		5,000
483	Public Health Network	93.069,93.283,93.268	6,421
493	NH Housing Guarantee Program		104,833
573	Fuel Assistance Program	93.568	356,905
593	Homeless Prevention		186,975
613	WIC		926
623	Commodity Supplemental Food Supply		1,199
713	Concord Area Transit		61,288
728	Homeless Revolving Loan Fund-Belknap County		46,527
729	Homeless Revolving Loan Fund-Merrimack County		8,179
733	Winnepesaukee Transit System		211
746	Community Crisis Fund		3,578
763	Area Center Program		1,476
803	Shelter Program		168
833	FixIt Program		49,918
847	Loan Guarantee Program		30
854	New Start Program		6,650
904	Community Services Block Grant	93.569	<u>73,828</u>
		<b>TOTAL</b>	<b><u>\$ 1,070,024</u></b>



# Community Action Program Belknap–Merrimack Counties, Inc.



P.O. Box 1016 ♦ 2 Industrial Park Drive ♦ Concord, NH 03302-1016  
Phone (603) 225-3295 ♦ Toll Free (800) 856-5525 ♦ Fax (603) 228-1898 ♦ Web www.bm-cap.org

Effective 12/2/13

## BOARD OF DIRECTORS

	<u>Term Expires</u>
Sara A. Lewko, <i>President</i>	Indefinite
Charles Russell, Esq., <i>Vice-President</i>	3/2014
Dennis Martino, <i>Secretary-Clerk</i>	Indefinite
Kathy Goode, <i>Treasurer</i>	Indefinite
Heather Brown	1/2015
Nicolette Clark	1/2016
Susan Koerber	1/2016
Bill Johnson	Indefinite
Theresa Cromwell	3/2014
Cindy Cantelo	1/2015
Andrea MacEachern	1/2016

Public Sector – Indefinite  
Elected Sector – 3-year term  
Private Sector – 3-year term

**ALTON**  
Senior Center.....875-7102  
Prospect View Housing .....875-3111

**BELMONT**  
Senior Center.....267-9887  
Heritage Terr. Housing .....267-8801

**BRADFORD**  
Senior Center.....938-2104

**CONCORD**  
Area Center.....225-6880  
Head Start.....224-6492  
Early Head Start.....224-6492  
Concord Area  
Meals-on-Wheels.....225-9062  
Concord Area Transit.....223-1889  
Horseshoe Pond Place.....228-6956  
WCRCSFP.....225-2086  
Workplace Success.....223-2305

**EPSOM**  
Meadow Brook Housing ...736-6250

**FRANKLIN**  
Area Center.....934-3444  
Head Start.....934-2181  
Early Head Start.....934-2181  
Senior Center.....934-4151  
Riverside Housing.....934-5340

**KEARSARGE VALLEY**  
Area Center.....456-2207  
Head Start.....456-2208  
North Ridge Housing.....456-3398

**LACONIA**  
Area Center.....524-5512  
Head Start.....528-5334  
Early Head Start.....528-5334  
Senior Center.....524-7689  
Family Planning.....524-5453  
Prenatal.....524-5453  
Winnetoesaukee Transit.....528-2496  
Workplace Success.....524-4367

**MEREDITH**  
Area Center.....279-4096  
Senior Center.....279-5631

**OSSIPEE**  
Family Planning.....539-7552  
Prenatal.....539-7552

**PEMBROKE**  
Village at Pembroke Farms  
Housing.....485-1842

**PITTSFIELD**  
Senior Center.....435-8482  
Head Start.....435-6618  
Early Head Start.....435-6611

**SUNCOOK**  
Area Center.....485-7824  
Senior Center.....485-4254

**TILTON**  
Senior Center.....627-6291

## RALPH LITTLEFIELD

### EDUCATION

High School – Winnacunnet High School, Graduated June 1966  
College – Keene State College, Keene, NH, Graduated May 1971  
Degree – Bachelor of Education

### EMPLOYMENT

#### January 1980 – Present

Community Action Program Belknap-Merrimack Counties, Inc.  
Executive Director

Responsible for the general administration of the agency which is comprised of 85 major programs and has an annual budget in excess of \$37 million dollars and a staff of 410 employees.

#### June 1978 – January 1980

Southwestern Community Services, Inc., Keene, New Hampshire  
Deputy Director

#### 1976 – June 1978

Southwestern Community Services, Inc., Keene, New Hampshire  
Head Start Director

#### 1974 – 1975

Southwestern Community Services, Inc., Keene, New Hampshire  
Program Coordinator-Food Stamp Program, Green Thumb Project,  
Nutrition West

#### 1974 – Head Counselor, Summer Neighborhood Youth Corps

#### 1972 – Assistant Head Start Director, Cheshire County Head Start Claremont, New Hampshire

#### June 1971 – General Services Director

# KATHRYN R. LAVIGNE

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## WORK EXPERIENCE

- July 1993-Present      CHIEF ACCOUNTANT  
Community Action Program Belknap-Merrimack Counties, Inc.  
P.O. Box 1016, Concord, New Hampshire 03302-1016
- November 1992-  
June 1993              SENIOR ACCOUNTANT  
John Killion & Co., Concord, New Hampshire  
Responsible for compilations and reviews of commercial accounts, preparation of financial statements and tax returns. Auditing at junior level for nonprofit organizations. Preparation of weekly payrolls, quarterly payroll tax returns and year-end W-2's for service bureau accounts. Installation of accounting software. Set-up of clients chart of accounts and trial balance. Software used: Real World, Word Perfect, Cougar Mountain, Accountants Trial Balance, Fixed Assets Management and Tax Machine.
- January 1989-  
November 1992        OFFICE MANAGER  
Rudolph Electrical Co., Inc., Concord, New Hampshire  
Supervise staff of three. Responsible for implementing computerized accounting system. Handle all aspects of accounting, i.e. accounts receivable, accounts payable, payroll, general ledger and job cost. Responsible for preparation of weekly payroll, monthly financial statements and quarterly payroll tax returns. Collect overdue accounts.
- October 1979-  
September 1988       Rivco, Penacook, New Hampshire
- June 1986-  
September 1988       ACCOUNTING MANAGER  
Supervise staff of seven. Responsible for hiring, assigning, appraising performance and directing department personnel, including recommending compensation changes and promotions. Participant in audit preparation. Administrator of profit sharing plan and trip promotion program.
- August 1984-  
September 1988       CREDIT MANAGER  
Monitor all accounts and collect overdue accounts. Determine credit rating of prospective customers. Open accounts. Consult with lawyers, salesmen and sales manager. Represent company in court. Handle customer correspondence and telephone calls. Train and supervise credit personnel.
- October 1979-  
August 1984            ACCOUNTS RECEIVABLE CLERK  
Handle all aspects of accounts receivable and billing. Reconcile accounts. Prepare monthly sales reports and aged trial balance by customer and by salesmen.

## EDUCATION

- 1982-1989              Franklin Pierce College, Concord, New Hampshire  
Bachelor's Degree in Accounting and Business Management  
May 1989, Graduated Magna Cum Laude
- 1963-1967              Franklin High School, Franklin, New Hampshire  
Business-Secretarial, Graduated with high honors

## REFERENCES

Available upon request.

Michael Bernier

EDUCATION:

B.A., Human Services, College for Lifelong Learning, Bow, NH, 1998-present

A.A., General Studies, College for Lifelong Learning, Bow, NH, May 2003.

Criminal Justice, Edison College, Fort Meyers, FL, 1987-1988.

Criminal Justice, Hillsborough Junior College, Tampa, FL, 1986-1987.

WORK EXPERIENCE:

Homeless Outreach Intervention Specialist Community Action Program, Belknap/Merrimack

- \*Provide homeless client with required needs for a better quality of life.
- \*Provide homeless client with information on shelters, town and city welfare offices.
- \*Support the rights of the client
- \*Engage and disengage with client.

Residential Counselor Spaulding Youth Center, Tilton, NH, 1997-present.

- \*Provide learning and behavioral programming to special needs students.
- \*Develop and implement recreational programming.
- \*Document and interpret data for learning and behavioral programs.
- \*Support and enhance daily living and self-care skills.

Learning Lab Assistant, Franklin Middle School, Franklin, NH, 2000.

- \*Provided support to learning challenged population.
- \*Assisted teacher with instructional lessons and programs.
- \*Developed and maintained strong rapport with at-risk students.

Classroom Aide, Spaulding Youth Center, Tilton, NH, 1994-1997.

- \*Provided academic and behavioral support to special needs population.
- \*Instructed and supported students in small group lessons and activities.
- \*Provided one-to-one support to students to concentrate on specific needs.
- \*Conducted outdoor recreational and fitness programs.

Substitute Teacher, Winnisquam School District, Tilton, NH, 1998-2000.

Substitute Teacher, Franklin School District, Franklin, NH, 1998-2000.

- \*Worked primarily with elementary level students.
- \*Executed lesson plans and activities designed by teachers.

RELATED TRAINING:

Certified in Red Cross Community CPR and First Aid.  
Certified in Mandt Behavioral Management System.

OTHER WORK EXPERIENCE AND LEADERSHIP ROLES:

Associate scout Pittsburgh Pirates. 2001-present

\* Responsible for looking for potential prospects and tracking their velocity, speed and power. As well as helping out setting up and running free-agent try-out camps across the Northeast.

Head Baseball Coach, Franklin High School. Franklin, NH, 2000-present.

- \*Responsible for directing varsity and JV baseball programs.

Assistant Baseball Coach, New Hampshire Technical Institute, Concord, NH, 2000-2002.

\*Assisted head coach in all aspects of intercollegiate baseball program.

Varsity Assistant Coach, Belmont High School, Belmont, NH, 1997-1999.

\*Assisted head coach in all areas of varsity baseball program.

Head Baseball Coach, Pittsfield High School, Pittsfield, NH, 1995-1996.

\*Responsible for directing varsity and JV baseball programs.

Level Three Instructor, Doyle Baseball, Winter Haven, FL, 1999-2001

\*Organized and conducted hitting clinics throughout New England.

**Community Action Program Belknap-Merrimack Counties, Inc.**

**Department of Health and Human Services  
Office of Human Services**

**Homeless Outreach Intervention Prevention Program (HOIP)  
7/01/14 – 6/30/15**

**Key Personnel Salaries and Allocation**

<b>Name</b>	<b>Job Title</b>	<b>Salary</b>	<b>% Paid from this Contract</b>	<b>Amount Paid from this Contract</b>
Ralph Littlefield	Executive Director	\$ 120,651	0%	\$ 0
Kathy Lavigne	Chief Accountant	\$ 61,464	0%	\$ 0
<i>Vacant</i>	Director of Homeless & Family Housing	<i>vacant</i>	0%	\$ 0
Michael Bernier	Homeless Outreach Intervention Specialist	\$ 37,834	100%	\$ 37,834
<i>Vacant</i>	Homeless Outreach Intervention Specialist	<i>vacant</i>	100%	\$ 28,392

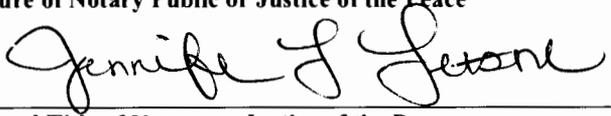
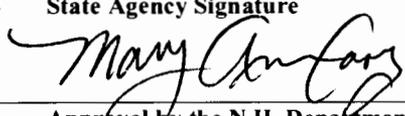
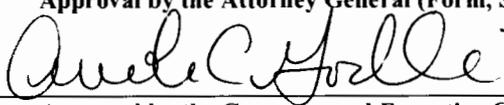
Subject: Continuum of Care Program, Homeless Outreach Intervention Prevention Program

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

<b>1.1 State Agency Name</b> Department of Health and Human Services Office of Human Services		<b>1.2 State Agency Address</b> 129 Pleasant Street Concord, NH 03301	
<b>1.3 Contractor Name</b> Community Action Partnership of Strafford County		<b>1.4 Contractor Address</b> 642 Central Avenue Dover, NH 03820 Mailing Address: P.O. Box 160 Dover, NH 03821-0160	
<b>1.5 Contractor Phone Number</b> (603)516-8193	<b>1.6 Account Number</b> 05-95-42-423010-7927 102-500731	<b>1.7 Completion Date</b> June 30, 2015	<b>1.8 Price Limitation</b> \$37,585
<b>1.9 Contracting Officer for State Agency</b> Eric D. Borrin		<b>1.10 State Agency Telephone Number</b> (603) 271-9558	
<b>1.11 Contractor Signature</b> 		<b>1.12 Name and Title of Contractor Signatory</b> Betsey Andrews Parker, Exec. Director	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of <u>Strafford</u> On <u>4/2/14</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.			
<b>1.13.1 Signature of Notary Public or Justice of the Peace</b> [Seal] 			
<b>1.13.2 Name and Title of Notary or Justice of the Peace</b> Jennifer L. Letson, Executive Assistant			
<b>1.14 State Agency Signature</b> 		<b>1.15 Name and Title of State Agency Signatory</b> MARY ANN COONEY Associate Commissioner	
<b>1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)</b> By: _____ Director, On: _____			
<b>1.17 Approval by the Attorney General (Form, Substance and Execution)</b> By:  On: <u>5/7/14</u>			
<b>1.18 Approval by the Governor and Executive Council</b> 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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. 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.**

EAP  
4/2/14

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 consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written 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 \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance 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 fifteen (15) 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 endeavor to provide the Contracting Officer

identified in block 1.9, or his or her successor, no less than ten (10) 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.

**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.



Exhibit A

**SCOPE OF SERVICES**

**Homeless Outreach and Prevention Program (HOIP), Continuum of Care Program**

1. **CONDITIONAL NATURE OF AGREEMENT**

1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. **SERVICES**

2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve Three Hundred (300) homeless individuals with disabilities.

2.2. The goal of this program is to facilitate the movement of homeless individuals to permanent housing and maximum self-sufficiency.

2.3. To be eligible for contract services, individuals must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. **PROGRAM REPORTING REQUIREMENTS**

3.1. The Contractor shall submit the following reports:

3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

3.1.2. Other Reports as requested by the State.

3.2. All programs under this contract are required to be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs under this contract must be familiar with and follow NH HMIS policy, including specific information that is required for data entry, accuracy of data entered, and time required for data entry. Current NH HMIS policy can be accessed electronically through the following website: <http://www.nh-hmis.org>.



Exhibit A

3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

4. CONTRACT ADMINISTRATION

- 4.1. The Contractor shall have appropriate levels of staff attend all meetings or trainings requested by the BHHS. To the extent possible, BHHS shall notify the contractor of the need to attend such meetings five working days in advance of each meeting.
- 4.2. The Bureau Administrator of BHHS or designee may observe performance, activities and documents under this Agreement; however, these personnel may not unreasonably interfere with contractor performance.
- 4.3. The Contractor shall inform BHHS of any staffing changes.
- 4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.
- 4.5. Changes to the contract services that do not affect its scope, duration, or financial limitations may be made upon mutual agreement between the Contractor and the BHHS.

5. FINANCIAL

5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care Program agreement value specified in Exhibit B of this agreement from the HUD Continuum of Care Program, for contract services.

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

5.1.1.2. Ineligible costs include rental assistance and operating costs in the same project, operating costs of emergency shelter- and supportive service-only facilities, maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.1.2. Supportive Services

5.1.2.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53. Eligible services are available to those individuals actively participating in the permanent housing program.

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and



Exhibit A

providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.

5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.

5.1.3.3. Long-term rental assistance must be administered by someone other than the Contractor. The Contractor must have a Memorandum of Understanding (MOU), with a State, unit of general local government, or a public housing agency.

5.1.3.4. Short or medium term rental assistance provided under the Rapid ReHousing program component is not subject to requirements in 578.51 (b), and is not required to be administered by a state, unit of local government, or public housing agency.

5.1.3.5. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.

5.1.3.6. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.

5.1.3.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits in an amount not to exceed two month's rent, advance payment of first month's rent and/or advance payment of last month's rent.



Exhibit A

- 5.1.3.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.
  - 5.1.3.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.
  - 5.1.3.10. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid ReHousing program component must be tenant based rental assistance.
  - 5.1.3.11. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
  - 5.1.3.12. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
  - 5.1.3.13. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.
- 5.1.4. Administrative Costs
- 5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).



**Exhibit A**

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- 5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).
  - 5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.
  - 5.2.2. Match requirements are to be documented with each payment request.
- 5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 4.1. The Contractor must have written approval from the State prior to billing for any other expenses.
- 5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.



Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**Homeless Outreach and Prevention Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Homeless Outreach and Prevention Program.

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund: Not applicable

Federal Funds:

CFDA #: 14.235

Federal Agency: U.S. Department of Housing & Urban Development

Program Title: Homeless Outreach Intervention Prevention Program

Total Amount Homeless Outreach Intervention Prevention Program;

July 1, 2014 – June 30, 2015: not to exceed \$37,585

Funds allocation under this agreement for Homeless Outreach Intervention Prevention Program;

Supportive Services: \$37,585

Total program amount: \$37,585

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.
2. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE
  - 2.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.
  - 2.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of



### Exhibit B

each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

- 2.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part 578.

### 3. USE OF GRANT FUNDS

- 3.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.
- 3.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.
- 3.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

### 4. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

- 4.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 4.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 of this Agreement.



**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 fundors 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 fundors, 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. **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:

- 16.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 16.2. 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
- 16.3. Monitor the subcontractor's performance on an ongoing basis
- 16.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 16.5. 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.



**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. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:
  - 14.1.1 comprehensive general liability against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence with additional general liability umbrella coverage of not less than \$2,000,000; and



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

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

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

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

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

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

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



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

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

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

4/2/14  
Date

Contractor Name: Community Action Partnership of Strafford County CAPSC  
Betsy Andrew's Parker  
Name: Betsy Andrew's Parker  
Title: Executive Director



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name: CAPSC

4/2/14  
Date

  
Name: Betsy Andrews Parker  
Title: Executive Director



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

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

**INSTRUCTIONS FOR CERTIFICATION**

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



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

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

**PRIMARY COVERED TRANSACTIONS**

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

**LOWER TIER COVERED TRANSACTIONS**

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

Contractor Name: CAPSC

4/2/14  
Date

  
Name: Betsy Andrews Parker  
Title: Executive Director



**CERTIFICATION REGARDING**  
**THE AMERICANS WITH DISABILITIES ACT COMPLIANCE**

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 make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

Contractor Name: CAPSC

4/2/14  
Date

[Signature]  
Name: Betsy Andrews Parker  
Title: Executive Director



**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: CAPSC

4/2/14  
Date

Betsy Andrews Parker  
Name: Betsy Andrews Parker  
Title: Executive Director



**HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY 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 and those parts of the HITECH Act 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.

**Definitions**

1. "Breach" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D, Sec. 13400.
2. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
3. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
4. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
5. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
6. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
7. "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.
8. "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.
9. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
10. "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.
11. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
12. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
13. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
14. "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.
15. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreasonable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
16. 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.



### Use and Disclosure of Protected Health Information

1. 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, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. Business Associate may use or disclose PHI:
  - 2.1. For the proper management and administration of the Business Associate;
  - 2.2. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - 2.3. For data aggregation purposes for the health care operations of Covered Entity.
3. 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 HITECH Act, Subtitle D, Part 1, Sec. 13402 of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
4. 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 Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.
5. 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.

### Obligations and Activities of Business Associate

1. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.
2. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec.13404.
3. 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.
4. 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)b and (3)k herein. 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 pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
5. 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.



6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. 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 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.

#### Obligations of Covered Entity

1. 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.
2. 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.
3. 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.

#### Termination for Cause

In addition to standard provision #10 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.



**Miscellaneous**

1. 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, and the HITECH Act as 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.
2. 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.
3. 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.
4. 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 and the HITECH Act.
5. 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.
6. 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 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.

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

Contractor Name: CAFSC

4/2/14  
Date

[Signature]  
Name: Bersey Andrews Parker  
Title: Executive Director

State Agency Name:  
NH DHHS

4/28/14  
Date

[Signature]  
Name: Mary Ann Cooney  
Title: Associate Commissioner



**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.

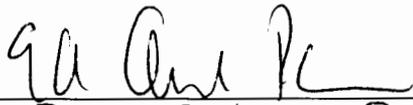
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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: CAPSC

4/2/14  
Date

  
Name: Betsy Andrews Parker  
Title: Executive Director



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: 099356586
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO  YES

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

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

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

NO  YES

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

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

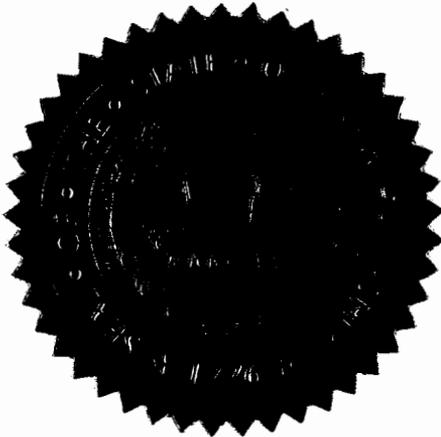
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____

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 Community Action Partnership of Strafford County is a New Hampshire nonprofit corporation formed May 25, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 4<sup>th</sup> day of April A.D. 2014

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

William M. Gardner  
Secretary of State

CERTIFICATE OF VOTE  
(Corporate Authority)

I, **Colene Arnold**, Secretary of **Community Action Partnership of Strafford County**. (hereinafter the "Corporation"), a New Hampshire corporation, hereby certify that:

- (1) I am that duly elected and acting Clerk/Secretary of the Corporation;
- (2) I maintain and have custody and am familiar with the minute books of the Corporation;
- (3) I am duly authorized to issue certificates with respect to the contents of such books;
- (4) That the Board of Directors of the Corporation have authorized, on **January 15, 2014**, such authority to be in force and effect until June 30, 2015.  
(Contract Termination Date)
- (5) The person(s) holding the below listed position(s) to execute and deliver on behalf of the Corporation any contract or other instrument for sale of products and services:

<u>Betsy Andrews Parker</u>	<u>Executive Director</u>
<u>Don Routhier</u>	<u>Board Chair</u>
_____	_____

- (6) The meeting of the Board of Directors was held in accordance with New Hampshire law and the by-laws of the Corporation; and
- (7) Said authorization has not been modified, amended or rescinded and continues in full force and effect as of the date hereof. Excerpt of dated minutes or copy of article or/ section of authorizing by-law must be attached.

IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the Corporation this 2 day of April, 2014.

Colene Arnold  
Clerk/Secretary

STATE OF NEW HAMPSHIRE  
COUNTY OF ***Strafford***

On this the 2 day of April, 2014, before me, Jennifer L. Letson, the undersigned Officer, personally appeared, Colene Arnold, who acknowledged her/himself to be the Secretary of Community Action Partnership of Strafford County, a corporation, and that she/he as such Secretary being authorized to do so, executed the foregoing instrument for the purposed therein contained.

IN WITNESS THEREOF, I hereunto set my hand and official seal.

Jennifer L. Letson  
Notary Public Justice of the Peace

My Commission expires: 9/9/2014





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
1/3/2014

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

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

<b>PRODUCER</b> CGI Business Insurance PO Box 1260  North Hampton NH 03862		<b>CONTACT NAME:</b> Kathleen Flibotte, CISR <b>PHONE (A/C No. Ext):</b> (603)964-6065 x101 <b>E-MAIL ADDRESS:</b> kflibotte@dbwarlick.com <b>FAX (A/C No.):</b> (603)964-9029	
<b>INSURED</b> Community Action Partnership of Strafford County & CAP of Strafford County Head Start PO Box 160 Dover NH 03821-1060		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Hanover Insurance Company <b>INSURER B:</b> Travelers Indemnity Co <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	

**COVERAGES**      **CERTIFICATE NUMBER:** 13-14 Master Incls Prof      **REVISION NUMBER:**

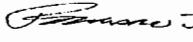
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR INSR	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/>			Being Issued	12/31/2013	12/31/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			Being Issued	12/31/2013	12/31/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist combined \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE			Being Issued	12/31/2013	12/31/2014	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			6KUB 5B34239-1-13	12/31/2013	12/31/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E L EACH ACCIDENT \$ 500,000 E L DISEASE - EA EMPLOYEE \$ 500,000 E L DISEASE - POLICY LIMIT \$ 500,000
A	Professional Liability			Being Issued	12/31/2013	12/31/2014	Each Occurrence \$1,000,000 Aggregate \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 Workers Compensation Coverage-Statutory State - NH The following officers have not elected coverage under the Workers Compensation coverage: Mark Rideout President, Carol Garlough VP, Jeni Mosca Treas.

### CERTIFICATE HOLDER

### CANCELLATION

State of New Hampshire DHHS 129 Pleasant Street Concord, NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  Edward Young/KF 
--	--



#### Article II – Statement of Purpose

This organization was formed by the residents within Strafford County, State of New Hampshire, for the express purpose of initiating and administering such measures as are found and deemed necessary for the eradication of poverty within the County, and to that end shall employ those means made available under the Economic Opportunity Act of 1964, as amended. The above is construed to mean that the intent of this Agency is to utilize and mobilize present and future resources from federal, public or private sources to the end the poverty related activities will bear considerable impact on poverty in the County, subject to the provisions of the Community Service Block Grant and the guidelines issued by the State of New Hampshire pursuant to the Community Services Block Grant.

The purpose of this organization shall be served through the following activities:

1. The continuing examination of the extent and nature of poverty in the County, and into the variety and adequacy of existing relevant.
2. The coordination of existing and future programs with a purpose or a potential for combating poverty.
3. The proposing and planning of needed programs.
4. By securing and operating grants and awards for programs consistent with and appropriate to the purposes of the organization.

---

**Community Action Partnership of Strafford County**  
**Administrative & Weatherization Office, 270 County Farm Road, Dover, NH 603-516-8130**  
**Mailing address: P.O. Box 160, Dover, NH 03821-0160**

**Outreach Offices:**

61 Locust Street, Dover 603-516-8126  
527 Main Street, Farmington 603-516-8191  
1 Wakefield Street, Rochester 603-516-8131

**Head Start Centers:**

62A Whittier Street, Dover 603-742-1732  
120 Main Street, Farmington 603-755-2883  
55 Industrial Drive, Milton 603-652-0990  
150 Wakefield Street, Rochester 603-335-3611  
9 Bartlett Avenue, Somersworth 603-692-6367

**Community Action Partnership  
of Strafford County**

**Independent Auditors' Report and  
Management's Financial Statements**

**December 31, 2012**

**Ron L. Beaulieu & Company**  
CERTIFIED PUBLIC ACCOUNTANTS

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**DECEMBER 31, 2012**

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# Ron L. Beaulieu & Company

## CERTIFIED PUBLIC ACCOUNTANTS

[www.rlbco.com](http://www.rlbco.com)  
[accting@rlbco.com](mailto:accting@rlbco.com)

41 Bates Street  
Portland, Maine 04103

Tel: (207) 775-1717  
Fax: (207) 775-7103

### INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Community Action Partnership of Strafford County  
Dover, New Hampshire

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

We have audited the accompanying financial statements of Community Action Partnership of Strafford County, which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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

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

#### **Auditor's Responsibility**

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

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

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

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Action Partnership of Strafford County as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the year 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 July 31, 2013, on our consideration of Community Action Partnership of Strafford County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Partnership of Strafford County's internal control over financial reporting and compliance.

*Ron L. Beaulieu & Co.*

Portland, Maine  
July 31, 2013

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31,**

	<b>2012</b>	<b>2011</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 442,627	\$ 279,981
Contracts receivable (net)	670,252	1,147,746
Inventory	113,598	160,373
Prepaid expenses	41,261	35,923
Total current assets	1,267,738	1,624,023
<b>FIXED ASSETS</b>		
Real estate	719,429	719,429
Vehicles and equipment	862,174	1,217,476
Total fixed assets	1,581,603	1,936,905
Less - accumulated depreciation	(873,643)	(1,132,426)
Net fixed assets	707,960	804,479
<b>OTHER ASSETS</b>		
Cash - security deposits	11,279	17,171
Total other assets	11,279	17,171
<b>TOTAL ASSETS</b>	<b>\$ 1,986,977</b>	<b>\$ 2,445,673</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	33,577	317,684
Accrued payroll	87,522	74,449
Accrued expenses	47,476	242
Accrued compensated absences	68,621	80,000
Deferred revenue	483,720	637,245
Line of credit	90,000	90,000
Security deposits payable	2,993	36,431
Current portion of long term debt	34,050	43,842
Total current liabilities	847,959	1,279,893
<b>LONG-TERM DEBT</b> , less current portion	-	-
<b>TOTAL LIABILITIES</b>	847,959	1,279,893
<b>NET ASSETS</b>		
Unrestricted	1,139,018	1,165,780
<b>TOTAL NET ASSETS</b>	1,139,018	1,165,780
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,986,977</b>	<b>\$ 2,445,673</b>

See accompanying independent auditors' report and management's notes to financial statements.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
STATEMENTS OF ACTIVITIES  
YEARS ENDED DECEMBER 31,**

	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>		
Grant and contract support	\$ 7,473,264	\$ 8,125,790
Contributions	390,396	216,269
Rental income	10,512	3,145
Interest income	872	929
Fees for service	255,110	359,296
Fundraising	4,230	4,520
Other revenue	6,388	53,246
In-kind contributions	787,562	875,710
<b>TOTAL REVENUES</b>	<u>\$ 8,928,334</u>	<u>\$ 9,638,905</u>
<b>EXPENSES</b>		
Program services:		
Child services	3,463,622	3,756,476
Community services	816,014	842,062
Energy assistance	2,750,053	3,480,874
Housing	179,657	152,811
Weatherization	857,534	1,032,396
Workforce development	209,060	199,784
Total program services	<u>8,275,940</u>	<u>9,464,403</u>
Support services:		
Management and general	<u>679,156</u>	<u>409,066</u>
<b>TOTAL EXPENSES</b>	<u>8,955,096</u>	<u>9,873,469</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	(26,762)	(234,564)
<b>NET ASSETS - JANUARY 1</b>	<u>1,165,780</u>	<u>1,400,344</u>
<b>NET ASSETS - DECEMBER 31</b>	<u>\$ 1,139,018</u>	<u>\$ 1,165,780</u>

See accompanying independent auditors' report and management's notes to financial statements.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2012**

	Program Services				
	Child Services	Community Services	Energy Assistance	Housing	Weatherization
Payroll	\$ 1,738,167	\$ 358,965	\$ 186,618	\$ 38,430	\$ 129,399
Payroll taxes	124,436	30,759	14,910	3,735	20,661
Fringe benefits	284,435	56,116	23,556	2,880	34,147
Retirement	7,831	510	694	55	319
Consultants and contract labor	33,390	23,659	5,778	422	12,579
Consumable supplies	38,588	13,450	2,516	2	1,457
Meetings/events/training	44,750	34,428	1,109	590	13,546
Copying & postage	7,108	7,870	8,879	25	366
Utilities	64,033	11,019	7,025	6,952	9,811
Rent expense	65,650	10,320	15,756	-	-
Equipment and computer expense	4,104	24,164	2,993	357	2,673
maintenance	80,648	17,031	4,069	3,415	13,702
Travel/transportation	34,478	30,228	2,902	1,056	8,692
Other/program support	3,119	640	139	-	390
Weatherization material/fuel and client assistance	102,664	113,963	2,462,271	116,545	481,896
Indirect costs	-	-	-	-	-
In-kind expenses	723,505	50,222	-	-	13,835
Depreciation	30,647	4,293	-	1,431	51,243
Property taxes	-	-	-	-	-
Insurance	76,069	28,377	10,838	3,762	62,818
Interest expense	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 3,463,622</b>	<b>\$ 816,014</b>	<b>\$ 2,750,053</b>	<b>\$ 179,657</b>	<b>\$ 857,534</b>

See accompanying independent auditors' report and management's notes to financial statements.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2012**

	Program Services		Support Services	Total Expenses
	Workforce Development	Total Program Services	Management and General	
Payroll	\$ 129,015	\$ 2,580,594	\$ 401,732	\$ 2,982,326
Payroll taxes	9,601	204,102	32,510	236,612
Fringe benefits	18,399	419,533	23,629	443,162
Retirement	1,028	10,437	(217)	10,220
Consultants and contract labor	1,870	77,698	35,894	113,592
Consumable supplies	2,186	58,199	8,390	66,589
Meetings/events/training	569	94,992	9,058	104,050
Copying & postage	419	24,667	5,747	30,414
Utilities	1,966	100,806	7,437	108,243
Rent expense	22,908	114,634	-	114,634
Equipment and computer expense	792	35,083	6,691	41,774
Repairs and maintenance	3,313	122,178	6,311	128,489
Travel/transportation	3,684	81,040	12,669	93,709
Other/program support	-	4,288	2,119	6,407
Weatherization material/fuel and client assistance	2,974	3,280,313	(3)	3,280,310
Indirect costs	-	-	98,601	98,601
In-kind expenses	-	787,562	-	787,562
Depreciation	1,827	89,441	6,278	95,719
Property taxes	-	-	1,790	1,790
Insurance	8,509	190,373	16,262	206,635
Interest expense	-	-	4,258	4,258
<b>TOTAL</b>	<b>\$ 209,060</b>	<b>\$ 8,275,940</b>	<b>\$ 679,156</b>	<b>\$ 8,955,096</b>

See accompanying independent auditors' report and management's notes to financial statements.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2011**

	Program Services				
	Child Services	Community Services	Energy Assistance	Housing	Weatherization
Payroll	\$ 1,937,928	\$ 305,841	\$ 290,711	\$ 29,119	\$ 273,686
Payroll taxes	132,661	25,865	22,501	2,700	42,652
Fringe benefits	305,889	60,084	48,030	7,788	76,194
Retirement	13,708	1,470	1,352	7	727
Consultants and contract labor	28,358	28,350	1,482	344	2,135
Consumable supplies	57,527	1,963	2,519	319	6,474
Meetings/events/training	54,891	15,597	498	30	9,195
Copying & postage	9,473	1,556	14,533	11	2,847
Utilities	63,708	13,227	10,636	4,135	9,396
Rent expense	74,300	14,135	14,115	833	-
Equipment and computer expense	13,116	2,406	7,634	322	8,639
Repairs and maintenance	101,172	16,990	6,384	6,104	26,899
Travel/transportation	81,420	12,049	1,945	35	4,972
Other/program support	8,200	2,482	232	46	65,641
Weatherization material/fuel and client assistance	143,400	78,463	3,053,180	90,637	373,424
Indirect costs	-	-	-	-	-
In-kind expenses	627,520	248,189	-	-	-
Depreciation	41,129	4,293	-	1,431	43,030
Property taxes	-	-	-	5,473	-
Insurance	62,076	7,853	4,868	3,423	86,345
Interest expense	-	1,249	254	54	140
<b>TOTAL</b>	<b>\$ 3,756,476</b>	<b>\$ 842,062</b>	<b>\$ 3,480,874</b>	<b>\$ 152,811</b>	<b>\$ 1,032,396</b>

See accompanying independent auditors' report and management's notes to financial statements.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2011**

	Program Services		Support Services	Total Expenses
	Workforce Development	Total Program Services	Management and General	
Payroll	\$ 124,665	\$ 2,961,950	\$ 190,848	\$ 3,152,798
Payroll taxes	9,973	236,352	16,560	252,912
Fringe benefits	17,643	515,628	7,849	523,477
Retirement	1,365	18,629	173	18,802
Consultants and contract labor	3,449	64,118	33,903	98,021
Consumable supplies	2,237	71,039	4,273	75,312
Meetings/events/training	238	80,449	9,308	89,757
Copying & postage	381	28,801	2,777	31,578
Utilities	2,804	103,906	21,464	125,370
Rent expense	20,655	124,038	-	124,038
Equipment and computer expense	197	32,314	7,404	39,718
Repairs and maintenance	634	158,183	11,617	169,800
Travel/transportation	4,478	104,899	6,601	111,500
Other/program support	488	77,089	6,970	84,059
Weatherization material/fuel and client assistance	4,125	3,743,229	3,370	3,746,599
Indirect costs	-	-	74,279	74,279
In-kind expenses	-	875,709	-	875,709
Depreciation	457	90,340	5,111	95,451
Property taxes	-	5,473	-	5,473
Insurance	5,928	170,493	5,343	175,836
Interest expense	67	1,764	1,216	2,980
<b>TOTAL</b>	<b>\$ 199,784</b>	<b>\$ 9,464,403</b>	<b>\$ 409,066</b>	<b>\$ 9,873,469</b>

See accompanying independent auditors' report and management's notes to financial statements.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31,**

	<b>2012</b>	<b>2011</b>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ (26,762)	\$ (234,564)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	95,719	95,451
Changes in operating assets and liabilities		
(Increase) Decrease in contracts receivable	477,494	(193,222)
(Increase) Decrease in inventory	46,775	(30,644)
(Increase) Decrease in prepaid expenses	(5,338)	(25,179)
Increase (Decrease) in accounts payable	(284,107)	(67,389)
Increase (Decrease) in accrued payroll	13,073	5,661
Increase (Decrease) in accrued expenses	47,234	(35,464)
Increase (Decrease) in accrued compensated absences	(11,379)	35,476
Increase (Decrease) in deferred revenue	(153,525)	77,373
Increase (Decrease) in security deposits payable	(33,438)	29,770
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>165,746</b>	<b>(342,731)</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of assets	-	(107,642)
Proceeds from sale of assets	800	-
Deposits to security deposits	-	(4,693)
Withdrawals from security deposits	5,892	-
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>6,692</b>	<b>(112,335)</b>
<b>FINANCING ACTIVITIES</b>		
Advances (payments) on line of credit	-	(36,195)
Principal (payment) on long-term debt	(9,792)	(10,401)
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>(9,792)</b>	<b>(46,596)</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>162,646</b>	<b>(501,662)</b>
<b>CASH AND CASH EQUIVALENTS - JULY 1</b>	<b>279,981</b>	<b>781,643</b>
<b>CASH AND CASH EQUIVALENTS - JUNE 30</b>	<b>\$ 442,627</b>	<b>\$ 279,981</b>
 <b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW</b>		
Cash paid during the year for:		
Interest	<b>\$ 4,258</b>	<b>\$ 2,980</b>

See accompanying independent auditors' report and management's notes to financial statements.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Operations

Community Action Partnership of Strafford County (CAP) is a 501(c)(3) private non-profit organization that works with community agencies, private businesses and local municipalities to assist low income residents in their efforts to become or remain financially and socially independent. Established in 1965 under provisions of the Equal Opportunity Act of 1964, the agency assists clients to meet their basic needs, including food, education, child care, utilities assistance, transportation, housing, emergency shelter, and access to other services. Our mission: To educate, advocate and assist people in Strafford County to help meet their basic needs.

CAP is funded by Federal, State, county and local funds (13 cities and towns in Strafford County) as well as United Way grants, foundation and charitable grant funds, fees for service, private business donations, and donations from individuals. CAP administers a wide range of coordinated programs designed to have a measurable impact on poverty and health status among the most vulnerable residents: those under the age of six, the elderly, and those living in poverty. In addition to our administrative office located in Dover, CAP maintains its outreach capacity by operating program offices in Farmington, Milton, Rochester, Dover, and Somersworth.

Basis of Presentation

The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Inventory

Materials are valued at the lower of cost or market, using the first-in, first-out method.

Fixed Assets

Property and equipment, which have a cost greater than \$5,000, are capitalized at cost or, if donated, at the approximate fair value at the date of donation. Specific grants and awards may have a threshold lower than this amount and that program will abide by those guidelines.

Depreciation

Fixed Assets are depreciated over their estimated useful lives using the straight-line method.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

In-Kind Contributions

Donated services are recognized as contributions if the services (1) create or enhance nonfinancial assets or require specialized skills, (2) are performed by people with those skills, and (3) would otherwise be purchased by the CAP. The requirements are different than the in-kind requirements of the CAP's grant awards.

Cash Equivalents

For the statement of cash flows, all unrestricted investment instruments with original maturities of three months or less are cash equivalents. The CAP had no cash equivalents at year end.

**NOTE 2 - RISKS AND UNCERTAINTIES**

Nature of Operations

The CAP is operated in a heavily regulated environment. The operations of the CAP are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules, and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Current Vulnerabilities Due to Certain Concentrations

The CAP maintains its cash balances at several financial institutions located in New Hampshire. Accounts at each institution are insured by the Federal Deposit Insurance CAP up to \$250,000. At December 31, 2012 and 2011, the CAP's uninsured balances totaled \$497,154 and \$415,247. In January 2010, the CAP entered into an agreement with the financial institutions to collateralize the balances in excess of \$250,000.

For the years ended December 31, 2012 and 2011, a large percentage of the CAP's revenues are from two contractors, the Federal Government and the State of New Hampshire Government. It is always considered to be at least reasonably possible that any contractor could be lost in the near term, but Management feels this risk is of no particular concern at this time.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 2 - RISKS AND UNCERTAINTIES (CONTINUED)**

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Significant Estimates

None of the estimates used in preparing the financial statements are considered significant.

**NOTE 3 - CONTRACTS RECEIVABLE**

Contracts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to contracts receivable. The allowance for uncollectible accounts was estimated to be \$0 and \$0 at December 31, 2012 and 2011, respectively.

**NOTE 4 - PLEDGED ASSETS**

The following are the assets used as collateral:

All Assets	\$1,929,032
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**NOTE 5 - LINE OF CREDIT**

The CAP had a revolving line of credit with a bank in the amount of \$150,000. The note was due on November 3, 2011, but was extended and then renewed on December 24, 2012 for a new expiration of November 30, 2013. Interest is stated at the prime plus 1%. The note is collateralized by all the assets of the CAP.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 6 - LONG-TERM DEBT**

	2012	2011
7.5% mortgage payable to a financial institution in monthly installments for principal and interest of \$1,209 until May 2013 when the loan will be paid in full. The note is collateralized by a first mortgage lien and assignment of leases and rents on certain real estate of the Corporation.	\$ 34,050	\$ 43,842
Total long-term debt	\$ 34,050	\$ 43,842
Current portion	\$ 34,050	\$ 43,842
Long-term portion	-	-
	\$ 34,050	\$ 43,842

Principal maturities for long-term debt for the subsequent fiscal years from December 31, 2012, are as follows:

2013	\$ 34,050
2014	-
2015	-
2016	-
2017	-

**NOTE 7 - UNRESTRICTED NET ASSETS**

None of CAP's net assets are subject to donor-imposed restrictions. Accordingly, all net assets are accounted for as unrestricted net assets.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 8 - LEASE COMMITMENTS**

Facilities occupied by the CAP for its community service programs are rented under the terms of various operating leases. For the years ended December 31, 2012 and 2011, the annual lease expense for the leased facilities was \$13,991 and \$30,782, respectively. Certain equipment is leased by the CAP under the terms of various operating leases.

The future minimum lease payments on the above leases for the years ending December 31 are as follows:

2013	\$ 14,630
2014	53
2015	-
2016	-
2017	-

**NOTE 9 - RETIREMENT PLAN**

The CAP maintains a voluntary contributory 403(b) plan for its employees who have completed one year of service with the CAP. The CAP matches 25% of employee contributions to the plan, to a maximum of 5% of salaries. Plan contributions are fully vested and non-forfeitable when contributions are made to the plan. Retirement plan contributions for the year ended December 31, 2012 and 2011 totaled \$15,055 and \$18,802, respectively.

**NOTE 10 - FUNDRAISING EXPENSES**

The fundraising expenses related to the fundraising revenues for December 31, 2012 and 2011 were \$1,271 and \$0, respectively.

**NOTE 11 - CONTINGENCIES**

The CAP receives grant funding from various sources. Under the terms of these agreements, the CAP is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the CAP might be required to repay the funds. No provisions have been made for this contingency because specific amounts, if any, have not yet been determined.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 12 - INCOME TAXES**

Community Action Partnership of Strafford County is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from New Hampshire business enterprise tax.

The CAP is no longer subject to examinations by compliance authorities before 2009.

**NOTE 13 - MANAGEMENT REVIEW**

Management has reviewed subsequent events as of July 31, 2013, the date the financial statements were available to be issued. At that time, management determined that there were no material subsequent events.

**Ron L. Beaulieu & Company**  
**CERTIFIED PUBLIC ACCOUNTANTS**

[www.rlbc.com](http://www.rlbc.com)  
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Portland, Maine 04103

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Fax: (207) 775-7103

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of  
Community Action Partnership of Strafford County  
Dover, New Hampshire

We have audited the financial statements of Community Action Partnership of Strafford County as of and for the year ended December 31, 2012, and have issued our report thereon dated July 31, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

Management of Community Action Partnership of Strafford County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Community Action Partnership of Strafford County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Community Action Partnership of Strafford County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an

opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Community Action Partnership of Strafford County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Community Action Partnership of Strafford County's response and, accordingly, we express no opinion on it

This report is intended solely for the information and use of the Board of Directors, management, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Ron L. Beaulieu & Co.*

Portland, Maine  
July 31, 2013



## ATTACHMENT

### 2014 Board of Directors

**Don Routhier, Chair**  
**Jeni Mosca, Treasurer**  
**David Terlemezian**  
**Becky Sherburne**  
**Lauren Berman**  
**Lori Hults**  
**Carrie DiGeorge**  
**Jeannie Wilson**

**Jason Shute, Vice Chair**  
**Colene Arnold, Secretary**  
**Joe Bailey**  
**Arianna Adams**  
**Sunmayyab (Maya) Wylder**  
**Andy Crone**  
**Nicole Jordan**

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**Community Action Partnership of Strafford County**  
**Administrative & Weatherization Office, 642 Central Avenue, Dover, NH 603-516-8130**  
**Mailing address: P.O. Box 160, Dover, NH 03821-0160**

**Outreach Offices:**

61 Locust Street, Dover 603-516-8126  
527 Main Street, Farmington 603-516-8191

**Head Start Centers:**

62A Whittier Street, Dover 603-516-2300  
120 Main Street, Farmington 603-755-2883  
55 Industrial Drive, Milton 603-652-0990  
150 Wakefield Street, Rochester 603-516-2330  
184 Maple St. Ext., Somersworth 603-817-5458

## Community Action Partnership of Strafford County

### Betsey Andrews Parker, MPH

#### Relevant Experience:

- Developed and awarded over \$2 million in state, private and federal grants for municipal emergency planning, drug free community initiatives, public health prevention and after school programs for Strafford County during tenure at Northern Strafford County Health and Safety Council.
- Grew American Red Cross Great Bay Chapter revenue and staff by 50% in two years; raised over \$100,000 a year in special events and major gifts; increased service delivery by 15%; and re-organized fiscal and operations of two failing chapters in the Red Cross system.
- Secured over \$170,000 in new business contracts for URS Corporation and promoted to manager after first year with company.
- Over ten years' experience as a nonprofit professional.

#### Work Experience:

*Executive Director, Strafford County Community Action Committee, Dover, New Hampshire, 2010-present.*

- Managed daily operations of a nonprofit organization including: finance, board and staff meetings, public relations, grant writing, staff supervision and program development.
- Responsibilities included: development and management of 9.7 million annual budget, coordination of 133 staff and ten offices, program delivery, development and special events, public relations, and donor management.

*Homeland Security Public Health Practice Lead, URS Federal Services Inc., 2008 – 2010.*

- Provide project support to develop, execute, and evaluate a series of Senior Action Officer Preparedness Exercises for the U.S. Department of Health and Human Services focusing on international pandemic influenza containment and response effort, anthrax, presidential transition, medical surge and other public health emergencies.
- Provide recommendations to higher-level Health and Human Services officials regarding proposals, actions, and reports relative to emergency preparedness.
- Revised International Pandemic Influenza Playbook, decision and briefing papers based on Pandemic Influenza Exercise series and H1N1 lessons learned.
- Work with complete spectrum of Government agencies and departments associated with Health and Human Services public health response activities.
- Developed Homeland Security compliant Do-It-Yourself training program for U.S. Department of Agriculture focusing on intentional contamination of the national school lunch program.
- Trainer and Public Health Subject Matter Expert, National League of Cities Crisis Management for Elected Officials Training Program.

*Executive Director, Northern Strafford County Health & Safety Council, Rochester, NH, 2003 – 2008.*

- Created a nonprofit organization with municipal and private partners to coordinate public health initiatives in Northern Strafford County. Organization became a best practice model for public health networks in NH.

## Community Action Partnership of Strafford County

- Managed daily operations of a nonprofit organization including: finance, board and staff meetings, public relations, grant writing, staff supervision and program development.
- Grew organization from \$75,000 to over \$425,000 yearly operating budget with five full time staff.
- Awarded and managed Drug Free Communities grant for Rochester Substance Abuse Prevention coalition.
- Awarded and managed 21<sup>st</sup> Century After School program from the NH Department of Education.
- Developed bio-terrorism, volunteer management, risk communication, mass vaccine distribution and all health hazard emergency response plans for the six municipalities in Northern Strafford County.

*Executive Director, American Red Cross Great Bay Chapter, Dover, New Hampshire, 2000-2003.*

- Successfully merged Strafford and Seacoast Chapters integrating financial, program service, donors, and volunteers to create largest Chapter (geographic) and third largest fiscal operation in New Hampshire.
- Responsibilities included: development and management of \$580,000 annual budget, coordination of eight staff and two offices, program delivery for health and safety, emergency services, military outreach, and international services, development and special events, public relations, and donor management.
- Managed staff, volunteers, and operations during September 11th crisis including direct service to clients affected by 9/11, processing large-scale donations (in-kind and financial), and management of media.

*Health Care Organizer, New Hampshire Citizen Alliance, Concord, NH, 1999-2000.*

- Co-facilitator and developer of the Community Health Leaders Project. Responsible for policy analysis, meeting facilitation, preparing and giving testimony before New Hampshire Legislative committees and organizing of New Hampshire consumers to address state policy initiatives.

*Consultant, Community Health Institute, Concord, NH, 1998-1999.*

- Project Assistant for Turning Point: Collaborating for a New Century in Public Health funded by the Robert Wood Johnson and W.K. Kellogg Foundations. Project Assistant for New England Rural Health Roundtable. Data analysis for New Hampshire Kids Count 1998; assistant editor, designer and contributor of In the Public's Health research and application renewal of Primary Care Health Professional Shortage Area Designations and new Dental Health Professional Shortage Area Designations for the state of New Hampshire.

### **Education**

Masters, Public Health, Boston University, 1998

BS, Health Management and Policy, New Hampshire University, 1995

### **Professional Societies/Affiliations**

Endowment for Health Advisory Board

Rotary Club of Dover, Dover, New Hampshire

Elected to serve on the Dover City Council for Ward One from January 2000 to December 2002

## DOUGLAS S. SURINA

### **ENTREPRENARIAL and PROFESSIONAL EXPERIENCE**

*Community Action Partnership of Strafford County, Dover, NH, Fiscal Officer, 2002-Present*

Prepares a variety of complex accounting, statistical, and narrative statements or reports requiring extensive analysis and interpretation of data; Establishes and maintains new departmental accounting systems and procedures; makes recommendations on the implementation of departmental accounting system revisions to increase efficiency and effectiveness; establishes and maintains effective accounting controls; Participates in the preparation, evaluation, justification, and maintenance of budgets and budgetary controls; confers and cooperates with Auditor-Controller staff and systems analysts to implement and improve automated fiscal systems; Prepares, reviews, and monitors grants, contracts, claims and other fiscal agreements and proposals; Prepares financial statements, balance sheets, income and expense reports, and cash flow analyses for enterprise funds, internal service funds, or major programs; Recommends rates and fees based on cost accounting analysis;

**HUB Family Support Center 10/2008 – 6/2010**, Business Manager responsible for all financial management functions, annual budget preparation, interim reporting to Grantors and Board of Directors, human resource oversight.

Low Rate Mortgage L.L.C. (LRM) 01/2007 - present, Independent Mortgage Loan Originator from home.

Neighborhood Mortgage (NM), Letsown.com 01/2006 - 01/2007, I began advising and placing keys into the hands of first time home buyers'. This is very gratifying and began my initial experience with New Hampshire Housing Financial Assistance and other homeowner assistance programs.

Dover Auto World 02/2004 – 09/2004, Honda, Chevrolet and used car sales at a small local dealership. Runner up for the most cars delivered in September 04. I left for the mortgage industry.

The National Association for the Self Employed 06/2003 – 01/2004, worked from home selling health, disability and life Insurance for the self employ.

JROC Trading, Dover, NH 03820, Owner, 01/2003 – present, JROC Trading was initially started as a wholesale distributor of general merchandise and later evolved into an Eco-Quest distributorship of air purification equipment.

My personal residence 06/2002 – 12/2002, I planned an addition, replacement windows and vinyl siding of my personal residence. I completed my Honey Do list and then began my self education.

Liberty Mutual Ins. Co. (LM), Boston, MA 1972-2002

A property and casualty insurance carrier collecting 6 billion in annual premiums.

(LM), Assistant Treasurer, Manager of Cash Management, 1992-2002

Managed 4 corporate treasury operations: cash concentrations (6 b), bank account reconciliation (400 accounts), abandon property (12 m), and 1099 reporting (350 K). Cash reporting, analysis, quality checks and reconciliations all required daily cut off times.

Assigned team members by their strengths to projects on short notice often requiring an immediate response. Maintained domestic bank and business group relationships for the company. Department budget of \$8 million contained bank service fees of \$3 million.

- Fully integrated organizations 9 months after purchase while reducing head counts to pre-acquisition levels. Grew from 9 to over 100 legal entities during the 10-year period.

- Created the “Telephone Check”, a positive pay product placed at Shawmut Bank as an out sourced application increasing security over our on site automobile claims payment service.
- Conducted ‘Request for Proposals’ from various vendors and selected Treasury Disbursing Utility, Convey and Tracker; software applications that reduced cost and increased productivity and quality, savings of 1.2 million annually.
- Managed the relocation of our offices into newly constructed facility from down town mill, including publication of business resumption plan for department operations.

(LM), Manager of Disbursements (accounts payable and employee expense reimbursement), 1990-1992.

Processed 250,000 invoices and 180,000 employee expense reimbursements annually per guidelines.

- Implemented corporate credit card program with automated employee expense account reimbursement. Reduced corporate headcount by 128 and company petty cash by \$890,000.
- Increased productivity by taking advantage of blanket purchase orders and automation to invoices from vendors offering electronic transactions.

(LM), Home Office Manager of Field Operations.

Financial Field Auditing, 1972 – 1990, Business unit field auditor collection of sensitive customer information, interpreting insurance statutes, answering customer questions, analysis of financial accounts, calculating premium and performing branch office compliance audits. The interpretation of Workers Compensation statues concerning contract workers employment status were the most difficulty to discuss as customers were reluctant to offer any information. I held several positions from entry level to 2<sup>nd</sup> in command. Conducted 44 lap top implementation classes over an 18 month period traveling across the entire Continental US.

### **EDUCATION**

Boston College, Chestnuthill, MA

Bachelor of Science in Business Administration, Accounting, 1972

### **PROFESSIONAL AFFILIATIONS**

Notary Public for the State of New Hampshire, commission expires 4/28/2015

### **AWARDS**

Liberty Rise Award – Treasury Disbursing Utility & Liberty Rise Award – Satellite Utility Employee Recognition Award –by Business Market SVP and Controller for the Wausua Integration

### **TECHNICAL COMPUTER SKILLS**

Proficient in Quick Books and Microsoft Office: Excel, Word, PowerPoint and Outlook. Self taught: Act contact database, Lotus, DOS, Calyx Point and Byte loan origination software. Familiar with: XRT Treasury Workstation, Microsoft Access, Tracker (Abandon Property), Convey (1099) and TREC (bank account reconciliation). Migrated from Mac to MS.

### **VOLUNTEER EXPERIENCE**

Rotarian, Dover NH Club #6323

Dover NH Crime Line, Chairman and past Secretary 1995 - present

Woodman Institute, museum tour guide 04/2008 – present

Back River Community Club, Treasurer, 09/1988 - present

# **KENNETH N. ORTMANN**

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## **EMPLOYMENT**

### **5/2013 to present: Director, Community Housing and Development Community Action Partnership of Strafford County**

*Responsible for administering the agency's Weatherization Program, Workforce, Housing and Homeless Prevention programs and others as needed. Work with various committees and non-profit organizations which provide economic development, housing and homeless prevention services in the region. Monitor affordable housing funding opportunities and housing policy and opportunities at the federal, state and local level. Provide assistance to and coordinates with non-profit and for-profit organizations that develop affordable housing. Also responsible for timely completion and submittal of grant applications, tracking of applications, receipt of grants, monitoring grant activity to ensure adherence to grant timelines and budgets, and preparing quarterly, semi-annual, annual and close-out grant reports for submission to grantor and/or other regulatory agencies.*

### **11/97 to 5/13: Director, Department of Planning and Development City of Rochester, NH**

*The Department of Planning and Development is responsible for the Planning, Zoning, and Community Development functions of the City. The Department provides advice, guidance, and staff support for the Planning Board, the Zoning Board of Adjustment (ZBA), the Conservation Commission, the Historic District Commission, the Arts and Culture Commission and the City Council. The Department is responsible for preparing the annual Community Development Block Grant program funding application as well as reviewing funding requests from sub-recipients.*

*My primary responsibilities are the formulation and implementation of Departmental policies, preparation and management of a \$600,000 annual operating budget, support and motivation of four full time staff, and support and implementation of City Manager directives.*

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### **8 & 9/02: Interim City Manager 1&2/04: City of Rochester, NH**

*Assumed City Manager responsibilities during search process for a new permanent City Manager. Responsible for on-going administrative tasks as well as providing staff resources to Mayor and City Council.*

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### **1/94 to 11/97: Principal Planner Office of State Planning, State of New Hampshire**

*My primary responsibility through December 1995 was to review economic development funding applications from municipalities and non-profit development corporations on behalf of private businesses to create jobs and provide other direct benefits to low/moderate income individuals.*

*Starting in January 1996 I was responsible for implementing and administering a Capacity Building program to encourage the creation, growth, and capitalization of multiple Regional Development Corporations (RDCs) in New Hampshire. The RDCs were responsible for expanding the quantity and quality of Economic Development technical expertise throughout the state, for leveraging additional private funding for sound businesses that did not have access to adequate financial resources by providing gap financing and other credit enhancements, and for providing a method for federal funds to be used more effectively on the local level.*

*An additional responsibility was filling the role of Total Quality Management (TQM) representative and trainer for OSP.*

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## **EDUCATION**

CONTINUING EDUCATION: Antioch New England Institute/NH Local  
Government Center Municipal Leadership Institute  
Certificate, Local Government Leadership  
December 2005

ADVANCED CERTIFICATES: National Development Council  
Certificate, Economic Development Financial Professional  
(EDFP)  
January 1996

Department of Community Programs, University of Southern  
Maine  
Certificate, Program in Conflict Management  
February 1993

### **(EDUCATION cont.)**

GRADUATE SCHOOL: Program in Engineering for Public Systems, University of  
Michigan  
Degree: Master of Science (Public Systems Engineering)  
(M.S.(P.S.E.))  
December 1975

UNDERGRADUATE: College of Engineering, University of Michigan  
Degree: Bachelor of Science, Electrical Engineering  
(B.S.E.E.)  
May 1974

# Erik Swanson

## Highlights of Qualifications

- **Ten years of telephone homeless intake experience**
- **Excellent communication skills, both written and oral**
- **Strong computer skills, including HMIS**
- **Ability to multitask while paying attention to details**
- **Strong research and organizing skills**
- **Ten years of experience maintaining confidentiality**

## Experience

*Community Action Partnership of Strafford County*

**Direct Care Staff, July 2013- Present**

Responsible for performing a variety of services that includes counseling, referral, and placement functions related to services for persons who are experiencing homelessness. Also responsible for maintenance of a detailed resource database for housing assistance as well as preparation of requests and reports for funding.

*Cross Roads House, Portsmouth, NH*

**Direct Care Staff, April 2003- Present**

Telephone reception. First line interaction with new clients, including intake paperwork and active listening. Performed 90% of agency HMIS entries. Extensive multitasking providing services to the homeless. Developed and helped implement awake overnight program. Trained new employees. Maintained confidentiality.

*Humanities Program, University of New Hampshire, Durham, NH*

**Economic Policy Researcher May 2005-April 2006**

Performed a comprehensive interdisciplinary study of the role of the corporation in American democracy as part of a year-long Humanities thesis.

*Humanities Program, University of New Hampshire, Durham, NH*

**Administrative Staff, September 2001-May 2004**

Telephone and front desk reception.

*League of Conservation Voters, Portsmouth, NH*

**Telephone fundraising, September 1993-December 1994**

Telephone fundraising. Set up, staffed, and trained volunteer phone banks.

*Sane/Freeze, Cambridge, MA and Los Angeles, CA*

**Senior Field Manager, May 1992-September, 1992. Field Manager, June 1988-April 1992.**

Both door-to-door and telephone fundraising. Trained and supervised staff.

## Education

*University of New Hampshire, Durham, NH, 2001-2005*

**B.A., Humanities, 2006, summa cum laude**

## CHERYL M. ROBICHEAU

### Work Experience:

#### July 2008 – Present

*Community Action Partnership of Strafford County - Housing Specialist*

In this position I am responsible for the administration of various program grants which focus on assisting low-income individuals with obtaining or retaining affordable housing by assisting with security deposits, rent/mortgage or utility assistance, budget counseling, and helping guide clients toward the goal of self-sufficiency. I have worked with other staff members to develop coordinated application and reporting processes and procedures in order to streamline the client experience with the Agency. I assist other Program Directors with administrative tasks as assigned. I have also worked with Fuel Assistance and Outreach Services. I currently serve on the Board of Directors for Neighbor Helping Neighbor as well as the Emergency Food and Shelter Program, and participate in the local Elderly Wraparound Meetings.

#### April 1997- June 2008

*Cannon Cochran Management Service, Inc (Formerly Northern General Services.) Administrative Assistant/Provider Representative – CompMC Managed Care for Workers' Compensation*

In my long tenure with this employer, I worked closely with the Nurse Case Management staff, assisting with data entry and developing databases to track participating medical providers for reporting to the State of NH. I handled a medical-only caseload entering medical notes and paying bills. As Provider Representative, I was responsible for contracting medical providers throughout the State of NH for our Provider Network, as well as organizing the documents needed for our State Certification.

#### May 1996 – April 1997 (part-time, temporary employment)

*University of NH – Computer Science Department - Administrative Assistant to Director of Graduate Studies*

In this position I was responsible for all correspondence between the Director of Graduate Studies and students. I also scheduled appointments, and assisted foreign applicants with documents needed for their applications to the program.

#### May 1996 – November 1996 (part-time, temporary employment)

*Northern General Services - Administrative Assistant*

In this position I was responsible for entering workers' compensation claims into the database and sending correspondence to clients. I assisted the Senior Nurse Case Manager in developing processes for the new program for medical management of workers' compensation claims, including developing forms, processes and procedures.

#### November 1996 – April 1997 (part-time, temporary employment)

*Community Action Partnership of Strafford County - Data Entry Clerk*

In this part-time position I was responsible for entering and verifying data entry for Fuel Assistance applications.

#### June 1992 – May 1996

*Willis Corroon of NH - Administrative Assistant – Pilot Program / CompWorks Managed Care for Workers' Compensation*

In this position I worked with the Program Director and Nurse Case Manager for the development and implementation of the State of NH Pilot Program for Managed Care for Workers' Compensation. I helped to develop the processes and procedures, provider network, and forms initially utilized by this program, which eventually became the model for all Managed Care Programs within the State.

#### October 1987 – May 1992

*BankEast – Data Entry Clerk, Operations Department*

In this position I was responsible for data entry for the Savings, IRA and Overdraft Departments.

### Skills:

I have strong organization skills, and have the ability to multi-task. I am moderately proficient in Excel and Word, am able to develop spreadsheets and professional correspondence, and have good verbal and written communication skills.

### Education:

Spaulding High School, Rochester, NH                      Graduated 1987  
Various classes and training in Microsoft Office, Word and Excel

## OBJECTIVES

I am a seasoned mental health professional looking to continue to work helping people.

## EDUCATION

Kennebec Valley Community College

June 2005

Mental Health Rehabilitation Technician 1

Classes towards Mental Health Rehabilitation Technician C

Mountain Valley High School

June 2001

High School Diploma

## EXPERIENCE

Homeless Outreach Specialist | Community Action of Strafford County, Dover NH

03/2014 – present

- Work as part of a team identifying and providing services to individuals and families who are unsheltered homeless through direct street outreach activities and through reports/referrals from shelters, police, churches, town welfare officers, human service providers and others. Needs to be self-motivated, a quick study, able to work with little supervision, good time manager, good with detail work and able to relate to a wide variety of clients and community resource people.

Beacon House Manager | Oxford County Mental Health, Rumford Maine

06/2013 – 11/2013

- Oversaw and managed a team of seven volunteer workers
- Developed paperwork to increase improved data gathering and efficiency in the daily running of the social club
- Communicated and reported quarterly with state officials in order to receive grant funds

A.S.U Counselor | Oxford County Mental Health, Rumford Maine

09/2007 – 11/2012

- Worked with team members to run a 5 bed crisis unit
- Completed intake and discharge paperwork, developed individual support plans with clients
- Used office equipment daily in order to manage paperwork for client files and to correspond and connect with other service providers and resources.
- Answered and triaged crisis calls as needed
- Maintained the unit cleanliness, managed stock of inventory
- Planned menus and prepared meals daily
- Coordinated and ran group sessions on topics that suited the varying clientele.
- Administered medications as prescribed

In-Home Support Worker | Richardson Hollow Mental Health, Dixfield Maine

09/2006 – 09/2007

- Provided support and role modeling to clients with mental health concerns in achieving their goals of developing and maintaining daily life skills and independence.
- Transported clients to medical appointments and social activities
- Documented progress towards goals each shift

Day Program Support Worker | Northern Maine General, Eagle Lake Maine

04/2006 – 09/2006

- Worked with adults with developmental disabilities in learning and using daily living skills.
- Provided support and assistance as necessary in meeting the clients daily wellbeing needs.
- Documented progress towards goals each shift.

Receptionist/In-Home Support Worker | Richardson Hollow Mental Health Services, Dixfield Maine

05/2002 – 01/2006

- Answered phone calls and directed them to the appropriate individuals.
- Gathered and distributed daily mailings and interoffice communication
- Assisted in developing letters of correspondence
- Maintained and ran the office equipment including computers, fax machines and copiers.
- Maintained the cleanliness of the office
- Please see above "In-Home Support Worker" position for job duties of said position.

**Community Action Partnership of Strafford County**

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Betsey Andrews Parker	Executive Director	\$100,006.40	0	0
Doug Surina	Finance Director	\$64,480.00	0	0
Kenn Ortman	Community and Housing Development Director	\$63,003.20	0	0
Cheryl Robicheau	Housing Specialist	\$33,280.00	0	0
Erik Swanson	Coordinated Access	\$29,120.00	0	0
Sarah Myles	Homeless Outreach Specialist	\$28,080.00	100%	\$28,080.00

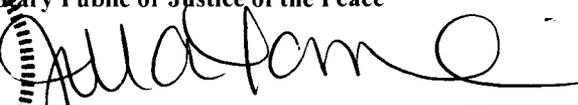
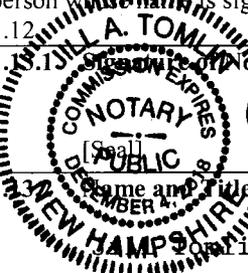
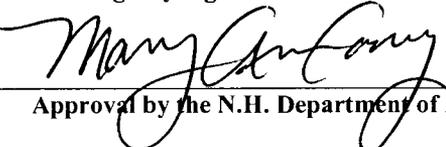
Subject: Continuum of Care Program, Homeless Outreach Intervention Prevention Program

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

<b>1.1 State Agency Name</b> Department of Health and Human Services Office of Human Services		<b>1.2 State Agency Address</b> 129 Pleasant Street Concord, NH 03301	
<b>1.3 Contractor Name</b> Southwestern Community Services, Inc.		<b>1.4 Contractor Address</b> 63 Community Way Keene, NH 03431 Mailing Address: P.O. Box 603 Keene, NH 03431-0603	
<b>1.5 Contractor Phone Number</b> (603) 352-7512	<b>1.6 Account Number</b> 05-95-42-423010-7927 102-500731	<b>1.7 Completion Date</b> June 30, 2015	<b>1.8 Price Limitation</b> \$84,091
<b>1.9 Contracting Officer for State Agency</b> Eric D. Borrin		<b>1.10 State Agency Telephone Number</b> (603) 271-9558	
<b>1.11 Contractor Signature</b> 		<b>1.12 Name and Title of Contractor Signatory</b> John A. Manning Acting Chief Executive Officer	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of <u>Cheshire</u> On <u>4/1/14</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person who is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
<b>1.14 Name and Title of Notary Public or Justice of the Peace</b> 			
<b>1.15 Name and Title of Notary or Justice of the Peace</b> Tomlin, Notary 			
<b>1.14 State Agency Signature</b> 		<b>1.15 Name and Title of State Agency Signatory</b> MARY ANN COONEY Associate Commissioner	
<b>1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)</b> By: _____ Director, On: _____			
<b>1.17 Approval by the Attorney General (Form, Substance and Execution)</b> By:  On: <u>5/7/14</u>			
<b>1.18 Approval by the Governor and Executive Council</b> By: _____ On: _____			

*gm*  
*4/1/14*

**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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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. 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 consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written 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 \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance 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 fifteen (15) 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 endeavor to provide the Contracting Officer

identified in block 1.9, or his or her successor, no less than ten (10) 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.

**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.



Exhibit A

**SCOPE OF SERVICES**

**Homeless Outreach and Prevention Program (HOIP), Continuum of Care Program**

1. **CONDITIONAL NATURE OF AGREEMENT**

1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. **SERVICES**

2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve One Thousand (1000) homeless individuals with disabilities.

2.2. The goal of this program is to facilitate the movement of homeless individuals to permanent housing and maximum self-sufficiency.

2.3. To be eligible for contract services, individuals must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing; Continuum of Care Program interim rule, and other written HUD policies and directives.

2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. **PROGRAM REPORTING REQUIREMENTS**

3.1. The Contractor shall submit the following reports:

3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

3.1.2. Other Reports as requested by the State.

3.2. All programs under this contract are required to be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs under this contract must be familiar with and follow NH HMIS policy, including specific information that is required for data entry, accuracy of data entered, and time required for data entry. Current NH HMIS policy can be accessed electronically through the following website: <http://www.nh-hmis.org>.



Exhibit A

3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

4. CONTRACT ADMINISTRATION

- 4.1. The Contractor shall have appropriate levels of staff attend all meetings or trainings requested by the BHHS. To the extent possible, BHHS shall notify the contractor of the need to attend such meetings five working days in advance of each meeting.
- 4.2. The Bureau Administrator of BHHS or designee may observe performance, activities and documents under this Agreement; however, these personnel may not unreasonably interfere with contractor performance.
- 4.3. The Contractor shall inform BHHS of any staffing changes.
- 4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.
- 4.5. Changes to the contract services that do not affect its scope, duration, or financial limitations may be made upon mutual agreement between the Contractor and the BHHS.

5. FINANCIAL

5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care Program agreement value specified in Exhibit B of this agreement from the HUD Continuum of Care Program, for contract services.

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

5.1.1.2. Ineligible costs include rental assistance and operating costs in the same project, operating costs of emergency shelter- and supportive service-only facilities, maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.1.2. Supportive Services

5.1.2.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53. Eligible services are available to those individuals actively participating in the permanent housing program.

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and



Exhibit A

providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

- 5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.
- 5.1.3.3. Long-term rental assistance must be administered by someone other than the Contractor. The Contractor must have a Memorandum of Understanding (MOU), with a State, unit of general local government, or a public housing agency.
- 5.1.3.4. Short or medium term rental assistance provided under the Rapid ReHousing program component is not subject to requirements in 578.51 (b), and is not required to be administered by a state, unit of local government, or public housing agency.
- 5.1.3.5. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.1.3.6. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.1.3.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits in an amount not to exceed two month's rent, advance payment of first month's rent and/or advance payment of last month's rent.



Exhibit A

- 5.1.3.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.
  - 5.1.3.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.
  - 5.1.3.10. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid ReHousing program component must be tenant based rental assistance.
  - 5.1.3.11. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
  - 5.1.3.12. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
  - 5.1.3.13. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.
- 5.1.4. Administrative Costs
- 5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).

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Exhibit A

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- 5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).
  - 5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.
  - 5.2.2. Match requirements are to be documented with each payment request.
- 5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 4.1. The Contractor must have written approval from the State prior to billing for any other expenses.
- 5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.



**Exhibit B**

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**Homeless Outreach and Prevention Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Homeless Outreach and Prevention Program.

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund: Not applicable

Federal Funds:

CFDA #: 14.235

Federal Agency: U.S. Department of Housing & Urban Development

Program Title: Homeless Outreach Intervention Prevention Program

Total Amount Homeless Outreach Intervention Prevention Program;

July 1, 2014 – June 30, 2015: not to exceed \$84,091

Funds allocation under this agreement for Homeless Outreach Intervention Prevention Program;

Supportive Services: \$84,091

Total program amount: \$84,091

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.
2. **PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE**
  - 2.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.
  - 2.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of

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**Exhibit B**

each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

- 2.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part 578.

**3. USE OF GRANT FUNDS**

- 3.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.
- 3.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.
- 3.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

**4. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM**

- 4.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 4.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 of this Agreement.



**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 fundors 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 fundors, 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;

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- 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.

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New Hampshire Department of Health and Human Services  
Exhibit C



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

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

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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:

- 16.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 16.2. 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
- 16.3. Monitor the subcontractor's performance on an ongoing basis
- 16.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 16.5. 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.



**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. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:
  - 14.1.1 comprehensive general liability against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence with additional general liability umbrella coverage of not less than \$1,000,000; and



**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

New Hampshire Department of Health and Human Services  
Exhibit D



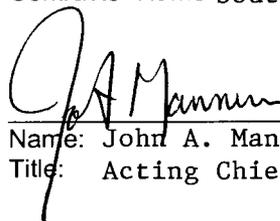
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted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

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

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

Contractor Name: Southwestern Community Services, Inc.

04/01/14  
Date

  
Name: John A. Manning  
Title: Acting Chief Executive Officer



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name: Southwestern Community Services, Inc.

04/01/14  
Date

  
Name: John A. Manning  
Title: Acting Chief Executive Officer



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

**INSTRUCTIONS FOR CERTIFICATION**

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



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

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

**PRIMARY COVERED TRANSACTIONS**

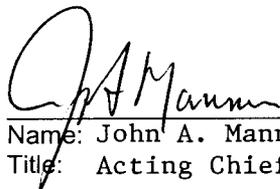
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
  - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
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

04/01/14  
Date

  
Name: John A. Manning  
Title: Acting Chief Executive Officer



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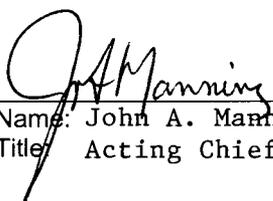
**CERTIFICATION REGARDING**  
**THE AMERICANS WITH DISABILITIES ACT COMPLIANCE**

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 make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

Contractor Name: Southwestern Community Services, Inc.

04/01/14  
Date

  
Name: John A. Manning  
Title: Acting Chief Executive Officer



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

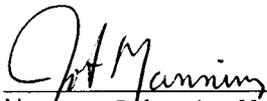
Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, 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: Southwestern Community Services, Inc.

04/01/14  
Date

  
Name: John A. Manning  
Title: Acting Chief Executive Officer



**HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY 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 and those parts of the HITECH Act 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.

**Definitions**

1. "Breach" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D. Sec. 13400.
2. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
3. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
4. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
5. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
6. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
7. "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.
8. "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.
9. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
10. "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.
11. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
12. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
13. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
14. "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.
15. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreasonable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
16. 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.



**Use and Disclosure of Protected Health Information**

1. 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, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. Business Associate may use or disclose PHI:
  - 2.1. For the proper management and administration of the Business Associate;
  - 2.2. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - 2.3. For data aggregation purposes for the health care operations of Covered Entity.
3. 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 HITECH Act, Subtitle D, Part 1, Sec. 13402 of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
4. 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 Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.
5. 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.

**Obligations and Activities of Business Associate**

1. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.
2. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec.13404.
3. 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.
4. 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)b and (3)k herein. 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 pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
5. 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.



6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. 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 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.

#### Obligations of Covered Entity

1. 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.
2. 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.
3. 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.

#### Termination for Cause

In addition to standard provision #10 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.



**Miscellaneous**

1. 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, and the HITECH Act as 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.
2. 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.
3. 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.
4. 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 and the HITECH Act.
5. 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.
6. 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 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.

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

Contractor Name: Southwestern Community Services, Inc.

04/01/14  
Date

*John A. Manning*  
Name: John A. Manning  
Title: Acting Chief Executive Officer

4/28/14  
Date

State Agency Name:  
NH DHHS  
*Mary Ann Crowley*  
Name: Mary Ann Crowley  
Title: Associate Commissioner



**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.

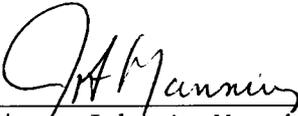
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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: Southwestern Community Services, Inc.

04/01/14  
Date

  
Name: John A. Manning  
Title: Acting Chief Executive Officer

New Hampshire Department of Health and Human Services  
Exhibit J



FORM A

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

1. The DUNS number for your entity is: 081251381
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO                       YES

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

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

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

NO                       YES

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

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

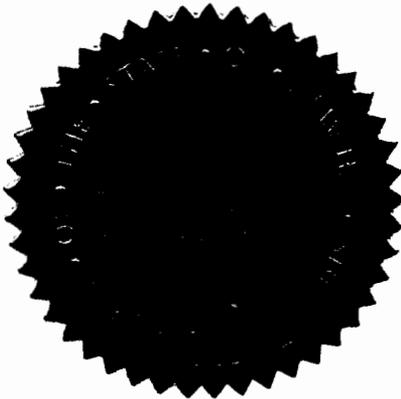
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____

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 SOUTHWESTERN COMMUNITY SERVICES, INC. is a New Hampshire nonprofit corporation formed May 19, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto  
set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 11<sup>th</sup> day of April A.D. 2014

A handwritten signature in black ink, appearing to read "William M. Gardner", written in a cursive style.

William M. Gardner  
Secretary of State

# CERTIFICATE OF VOTE

I, Elaine M. Amer/Clerk Secretary, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Southwestern Community Services, Inc.  
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of  
the Agency duly held on April 27, 2012:  
(Date)

**RESOLVED:** That the Acting Chief Executive Officer  
(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 1st day of April, 20 14.  
(Date Contract Signed)

4. John A. Manning is the duly elected Acting Chief Executive Officer  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Elaine M. Amer  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Cheshire

The forgoing instrument was acknowledged before me this 1st day of April, 20 14,

By Elaine M. Amer  
(Name of Elected Officer of the Agency)

Jill A. Tomlin  
(Notary Public/Justice of the Peace)



12-4-18



# **Mission Statement**

## **Southwestern Community Services**

**SCS strives to empower low income people and families. With dignity and respect, SCS will provide direct assistance, reduce stressors and advocate for such persons and families as they lift themselves toward self-sufficiency.**

**In partnership and close collaboration with local communities, SCS will provide leadership and support to develop resources, programs and services to further aid this population.**

# Ron L. Beaulieu & Company

## CERTIFIED PUBLIC ACCOUNTANTS

[www.rlbco.com](http://www.rlbco.com)  
[accting@rlbco.com](mailto:accting@rlbco.com)

41 Bates Street  
Portland, Maine 04103

Tel: (207) 775-1717  
Fax: (207) 775-7103

### INDEPENDENT AUDITORS' REPORT

June 20, 2012

To the Board of Directors of  
Southwestern Community Services, Inc.  
Keene, New Hampshire

We have audited the accompanying combined statements of financial position of Southwestern Community Services, Inc., as of May 31, 2011 and 2010, and the related combined statements of activities, functional expenses, and cash flows for the years then ended. These combined financial statements are the responsibility of Southwestern Community Services, Inc.'s management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. as of May 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2012, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Ron L. Beaulieu & Co.*

Certified Public Accountants

**Southwestern Community Services, Inc.**

**Independent Auditors' Report and  
Management's Financial Statements**

**May 31, 2011**

**Ron L. Beaulieu & Company**  

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**CERTIFIED PUBLIC ACCOUNTANTS**

**SOUTHWESTERN COMMUNITY SERVICES, INC.**

**MAY 31, 2011**

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# Ron L. Beaulieu & Company

CERTIFIED PUBLIC ACCOUNTANTS

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41 Bates Street  
Portland, Maine 04103

Tel: (207) 775-1717  
Fax: (207) 775-7103

## INDEPENDENT AUDITORS' REPORT

June 20, 2012

To the Board of Directors of  
Southwestern Community Services, Inc.  
Keene, New Hampshire

We have audited the accompanying combined statements of financial position of Southwestern Community Services, Inc., as of May 31, 2011 and 2010, and the related combined statements of activities, functional expenses, and cash flows for the years then ended. These combined financial statements are the responsibility of Southwestern Community Services, Inc.'s management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. as of May 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2012, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Ron L. Beaulieu & Co.*

Certified Public Accountants

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**COMBINED STATEMENTS OF FINANCIAL POSITION**  
**MAY 31,**

	<u>2011</u>	<u>2010</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 122,596	\$ 86,057
Accounts receivable (net)	1,879,509	2,017,522
Contracts receivable (net)	-	29,787
Prepaid rent	1,705	600
Total current assets	<u>2,003,810</u>	<u>2,133,966</u>
<b>FIXED ASSETS</b>		
Real estate	8,460,141	8,445,412
Vehicles and equipment	992,324	828,636
Furniture and fixtures	149,798	149,798
Total fixed assets	<u>9,602,263</u>	<u>9,423,846</u>
Less - accumulated depreciation	<u>(2,081,030)</u>	<u>(1,740,425)</u>
Net fixed assets	<u>7,521,233</u>	<u>7,683,421</u>
<b>OTHER ASSETS</b>		
Notes receivable, less current portion (net)	174,019	174,196
Investments	100,500	242,500
Due from related limited partnerships	661,578	664,703
Cash escrow funds	125,375	137,239
Other assets	729	89,535
Total other assets	<u>1,062,201</u>	<u>1,308,173</u>
<b>TOTAL ASSETS</b>	<u>\$ 10,587,244</u>	<u>\$ 11,125,560</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	616,626	1,017,679
Contracts payable	-	260,121
Accrued expenses	351,931	356,578
Other current liabilities	8,592	8,586
Deferred revenue	761,965	797,703
Line of credit	249,953	249,934
Note payable	-	117,000
Current portion of long-term debt	197,725	201,163
Total current liabilities	<u>2,186,792</u>	<u>3,008,764</u>
<b>LONG-TERM DEBT, less current portion</b>	<u>5,302,013</u>	<u>5,433,904</u>
<b>TOTAL LIABILITIES</b>	<u>7,488,805</u>	<u>8,442,668</u>
<b>NET ASSETS</b>		
Unrestricted	3,098,439	2,682,892
<b>TOTAL NET ASSETS</b>	<u>3,098,439</u>	<u>2,682,892</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 10,587,244</u>	<u>\$ 11,125,560</u>

See accompanying independent auditors' report and notes to financial statements.

**SOUTHWESTERN COMMUNITY SERVICES, INC.  
 COMBINED STATEMENTS OF ACTIVITIES  
 YEARS ENDED MAY 31,**

	<b>2011</b>	<b>2010</b>
<b>REVENUES:</b>		
Grants and contracts	\$ 10,498,721	\$ 13,524,369
Program service fees	2,399,468	2,168,716
Rental income	670,405	527,461
Developer income	568,024	365,353
Contributions	473,434	209,436
Interest income	191	1,117
Miscellaneous	482,483	241,095
In-kind contributions	487,812	478,625
<b>TOTAL REVENUES</b>	<b>15,580,538</b>	<b>17,516,172</b>
<b>EXPENSES:</b>		
Program services:		
Home energy programs	5,069,553	7,471,691
Education and nutrition	2,397,493	2,735,557
Special needs	783,970	1,051,988
Family services	-	44,327
Housing and homeless services	4,435,755	2,244,985
Economic development services	496,633	260,291
Other real estate	-	4,031
Other programs	615,374	2,420,440
Total program services	<b>13,798,778</b>	<b>16,233,310</b>
Support services:		
Management and general	1,830,831	1,430,700
Total support services	<b>1,830,831</b>	<b>1,430,700</b>
<b>TOTAL EXPENSES</b>	<b>15,629,609</b>	<b>17,664,010</b>
<b>NON-OPERATING REVENUES AND EXPENSES</b>		
Gain on disposal of fixed assets	122,118	-
Gain on sale of investments	342,500	-
<b>TOTAL NON-OPERATING REVENUES AND EXPENSES</b>	<b>464,618</b>	<b>-</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>415,547</b>	<b>(147,838)</b>
<b>NET ASSETS - JUNE 1</b>	<b>2,682,892</b>	<b>2,830,730</b>
<b>NET ASSETS - MAY 31</b>	<b>\$ 3,098,439</b>	<b>\$ 2,682,892</b>

See accompanying independent auditors' report and notes to financial statements.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**COMBINED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED MAY 31, 2011**

	Program Services				
	Home Energy Programs	Education and Nutrition	Special Needs	Family Services	Housing and Homeless Services
Payroll	\$ 603,061	\$ 988,846	\$ 461,170	\$ -	\$ 1,342,972
Payroll taxes	62,484	86,134	34,707	-	156,242
Payroll benefits	164,025	319,976	140,483	-	430,238
Retirement	47,716	57,216	18,610	-	114,621
Advertising	-	2,208	-	-	2,280
Bank charges	-	-	-	-	-
Computer cost	4,080	-	-	-	-
Contractual	620,355	14,797	3,850	-	549,990
Depreciation	7,902	27,959	3,520	-	128,120
Development costs	-	-	-	-	-
Dues/registrations	-	837	165	-	1,916
Duplicating	6,094	-	880	-	9,359
Insurance	8,583	8,298	5,508	-	86,116
Interest	-	-	-	-	284,488
Management fees	-	-	-	-	-
Meeting & conference	3,378	-	150	-	18,106
Miscellaneous expense	9,563	956	2,166	-	28,644
Equipment purchases	9,096	160	-	-	17,955
Office expense	44,961	12,772	637	-	28,648
Postage	15,769	-	180	-	11,468
Professional	500	-	-	-	15,779
Staff development & training	23,141	63	1,549	-	97,770
Subscriptions	-	-	-	-	100
Telephone	5,584	7,144	4,404	-	10,758
Fax	2	-	30	-	1,429
Travel	8,755	20,105	1,926	-	34,909
Vehicle	14,696	1,337	13,369	-	65,227
Space costs	38,588	221,564	36,341	-	340,010
Direct client assistance	3,286,978	-	-	-	6,392
Other direct program costs	84,242	139,309	54,325	-	652,218
In-kind expenses	-	487,812	-	-	-
<b>TOTAL EXPENSES</b>	<b>\$ 5,069,553</b>	<b>\$ 2,397,493</b>	<b>\$ 783,970</b>	<b>\$ -</b>	<b>\$ 4,435,755</b>

See accompanying independent auditors' report and notes to financial statements.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**COMBINED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED MAY 31, 2011**

	Program Services			Support	Total Expenses
	Economic Development Programs	Other Real Estate	Other Programs	Services Management and General	
Payroll	\$ 230,391	\$ -	\$ 227,339	\$ 818,377	\$ 4,672,156
Payroll taxes	28,330	-	17,840	77,940	463,677
Payroll benefits	59,627	-	66,396	201,589	1,382,334
Retirement	14,714	-	5,958	69,250	328,085
Advertising	719	-	71	-	5,278
Bank charges	-	-	-	-	-
Computer cost	935	-	(501)	7,599	12,113
Contractual	-	-	3,000	167,145	1,359,137
Depreciation	-	-	-	172,018	339,519
Development costs	-	-	-	-	-
Dues/registration	-	-	8,333	5,570	16,821
Duplicating	983	-	9	26	17,351
Insurance	1,701	-	1,724	(15,453)	96,477
Interest	-	-	-	13,411	297,899
Management fees	-	-	-	-	-
Meeting & conference	-	-	10,909	31,851	64,394
Miscellaneous	1,490	-	141,091	45,277	229,187
Equipment purchases	358	-	2,825	1,337	31,731
Office expense	3,379	-	9,482	26,486	126,365
Postage	1,329	-	4,631	13	33,390
Professional	-	-	-	46,563	62,842
Staff development & training	1,761	-	1,450	27,728	153,462
Subscriptions	-	-	800	1,972	2,872
Telephone	2,758	-	1,142	4,260	36,050
Fax	16	-	29	-	1,506
Travel	16,812	-	11,901	7,166	101,574
Vehicle	-	-	41,416	396	136,441
Space costs	52,130	-	47,458	76,819	812,910
Direct client assistance	35,824	-	1,000	-	3,330,194
Other direct program costs	43,376	-	11,071	43,491	1,028,032
In-kind expenses	-	-	-	-	487,812
<b>TOTAL EXPENSES</b>	<b>\$ 496,633</b>	<b>\$ -</b>	<b>\$ 615,374</b>	<b>\$ 1,830,831</b>	<b>\$ 15,629,609</b>

See accompanying independent auditors' report and notes to financial statements.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**COMBINED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED MAY 31, 2010**

	Program Services				
	Home Energy Programs	Education and Nutrition	Special Needs	Family Services	Housing and Homeless Services
Payroll	\$ 716,519	\$ 1,196,302	\$ 567,559	\$ 23,890	\$ 546,580
Payroll taxes	61,315	108,020	50,276	2,391	91,703
Payroll benefits	120,232	319,542	174,271	6,773	308,173
Retirement	42,303	73,243	19,255	342	83,262
Advertising	262	2,398	-	-	1,863
Bank charges	-	-	-	-	-
Computer cost	25,331	34,284	8,660	1,402	32,492
Contractual	868,265	15,549	13,265	-	168,257
Depreciation	7,902	36,527	3,520	-	37,947
Development costs	-	-	-	-	-
Dues/registrations	-	1,312	1,109	-	1,914
Duplicating	5,952	12,063	264	20	10,624
Insurance	11,059	10,757	3,123	-	34,311
Interest	-	19,776	1,429	-	3,218
Management fees	-	-	-	-	-
Meeting & conference	4,425	12,976	55	-	10,118
Miscellaneous expense	17,388	415	3,951	2,900	4,524
Equipment purchases	1,414	11,053	-	-	5,627
Office expense	63,668	9,971	4,128	904	24,442
Postage	12,985	3,089	544	8	9,969
Professional	500	-	-	-	5,295
Staff development & training	36,568	670	1,350	-	30,449
Subscriptions	-	(125)	-	-	-
Telephone	17,428	20,163	12,736	123	44,244
Fax	1,265	1,099	188	17	1,398
Travel	2,534	30,740	71,623	3,938	15,711
Vehicle	10,978	1,325	13,772	-	31,976
Space costs	47,245	105,283	40,105	1,535	197,971
Direct client assistance	5,362,796	3,660	-	-	278,740
Other direct program costs	33,357	226,840	60,805	84	264,177
In-kind expenses	-	478,625	-	-	-
<b>TOTAL EXPENSES</b>	<b>\$ 7,471,691</b>	<b>\$ 2,735,557</b>	<b>\$ 1,051,988</b>	<b>\$ 44,327</b>	<b>\$ 2,244,985</b>

See accompanying independent auditors' report and notes to financial statements.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**COMBINED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED MAY 31, 2010**

	Program Services			Support	Total Expenses
	Economic Development Programs	Other Real Estate	Other Programs	Management and General Services	
Payroll	\$ 108,859	\$ -	\$ 525,420	\$ 658,021	\$ 4,343,150
Payroll taxes	8,749	-	90,714	49,029	462,197
Payroll benefits	22,159	-	225,014	150,110	1,326,274
Retirement	5,522	-	52,623	51,788	328,338
Advertising	211	-	1,152	-	5,886
Bank charges	-	-	-	-	-
Computer cost	1,105	-	122,863	22,641	248,778
Contractual	-	-	114,141	-	1,179,477
Depreciation	-	3,712	252,486	-	342,094
Development costs	-	-	-	-	-
Dues/registrations	-	-	464	10,840	15,639
Duplicating	397	-	1,166	5,682	36,168
Insurance	-	-	46,414	41,854	147,518
Interest	-	-	58,130	-	82,553
Management fees	-	-	-	-	-
Meeting & conference	-	-	14,828	44,138	86,540
Miscellaneous	-	-	190,021	27,889	247,088
Equipment purchases	-	-	19,296	-	37,390
Office expense	1,685	-	14,404	38,354	157,556
Postage	725	44	29,636	4,197	61,197
Professional	-	-	2,159	37,246	45,200
Staff development & training	600	-	24,410	20,930	114,977
Subscriptions	-	-	599	2,743	3,217
Telephone	3,786	-	65,879	11,527	175,886
Fax	133	-	239	245	4,584
Travel	8,955	-	34,064	5,298	172,863
Vehicle	-	-	35,044	20,559	113,654
Space costs	1,794	-	269,407	227,609	890,949
Direct client assistance	95,611	-	-	-	5,740,807
Other direct program costs	-	275	229,867	-	815,405
In-kind expenditures	-	-	-	-	478,625
<b>TOTAL EXPENSES</b>	<b>\$ 260,291</b>	<b>\$ 4,031</b>	<b>\$ 2,420,440</b>	<b>\$ 1,430,700</b>	<b>\$ 17,664,010</b>

See accompanying independent auditors' report and notes to financial statements.

**SOUTHWESTERN COMMUNITY SERVICES, INC.  
COMBINED STATEMENTS OF CASH FLOWS  
YEARS ENDED MAY 31,**

	<u>2011</u>	<u>2010</u>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 415,547	\$ (147,838)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	339,519	342,094
(Gain) / loss on sale of fixed assets	(122,118)	-
(Gain) / loss on sale of investments	(342,500)	-
Change in operating assets and liabilities:		
(Increase) decrease in accounts receivable	138,013	(506,542)
(Increase) decrease in contracts receivable	29,787	9,043
(Increase) decrease in prepaid rent	(1,105)	-
(Increase) decrease in due from related limited partnerships	3,125	(86,338)
(Increase) decrease in escrow funds	11,864	(19,141)
(Increase) decrease in other assets	88,806	(88,568)
Increase (decrease) in accounts payable	(401,053)	332,389
Increase (decrease) in contracts payable	(260,121)	94,228
Increase (decrease) in accrued expenses	(4,647)	213,225
Increase (decrease) in security deposits	6	3,985
Increase (decrease) in deferred revenue	(35,738)	147,463
Increase (decrease) in line of credit	20	-
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(140,595)</u>	<u>294,000</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(252,841)	(226,866)
Proceeds from sale of fixed assets	540,128	-
(Increase) decrease in notes receivable	177	3,065
Proceeds from sale of investments	142,000	-
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>429,464</u>	<u>(223,801)</u>
<b>FINANCING ACTIVITIES</b>		
Proceeds from long-term debt	86,254	667,613
Payments on long-term debt	(221,584)	(809,735)
Payments on note payable	(117,000)	-
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<u>(252,330)</u>	<u>(142,122)</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	36,539	(71,923)
<b>CASH AND CASH EQUIVALENTS - JUNE 1</b>	86,057	157,980
<b>CASH AND CASH EQUIVALENTS - MAY 31</b>	<u>\$ 122,596</u>	<u>\$ 86,057</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid during the year for:		
Interest	<u>\$ 297,899</u>	<u>\$ 82,553</u>

See accompanying independent auditors' report and notes to financial statements.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2011 AND 2010**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

Southwestern Community Services, Inc. is an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in the Cheshire and Sullivan counties of New Hampshire. Various programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing, and homelessness prevention. Services are provided through Southwestern Community Services, Inc., and its related corporations, SCS Management Corp. and SCS Housing, Inc. The organization is committed to providing respectful support service and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and accordingly reflect all significant receivables, payables, and other liabilities. The financial statements include the accounts of Southwestern Community Services, Inc., SCS Management Corp., and SCS Housing, Inc. All significant intercompany items and transactions have been eliminated from the basic financial statements.

Fixed asset acquisitions

Fixed assets acquired by the Corporation are capitalized at cost and depreciated over their estimated useful lives on a straight-line or accelerated method. It is the policy of the Corporation to capitalize all fixed assets over \$5,000.

Deferred Revenue

The Corporation records grant and contract revenue as deferred revenue until it is expended for the purpose of the grant or contract, at which time it is recognized as revenue.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2011 AND 2010**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Estimates

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

None of the estimates used in preparing the financial statements are considered significant.

Cash equivalents

For the purpose of the statement of cash flows, the Corporation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Allowance for Doubtful Accounts

The contracts receivable allowance for doubtful accounts is based upon management's assessment of the credit history with customers having outstanding balances and current relationships with them.

The accounts receivable allowance for doubtful accounts is based upon an analysis of the aged accounts receivable listing.

The notes receivable allowance for doubtful accounts is based upon an analysis of the aged notes receivable listing.

In-kind Support

The Corporation records various types of in-kind support including professional services and materials. Contributed professional services are recognized if the service received creates or enhances long-lived assets or requires specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

Advertising

The Corporation uses advertising to promote programs among the people it serves. The production costs of advertising are expensed as incurred.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2011 AND 2010**

**NOTE 2 - CASH**

Southwestern Community Services, Inc., maintains its cash balances in various financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 for 2011 and 2010. The Corporation's uninsured cash balances totaled \$0 and \$0, respectively. It is the opinion of management that the solvency of the referenced financial institution is of no particular concern at this time. In addition, the agency utilizes sweep accounts and constantly monitors balances to minimize risks. Finally, direct federal funds such as Head Start are drawn down as needed, and are therefore not a substantial part of the cash balances at any one time.

**NOTE 3 - ACCOUNTS RECEIVABLE AND CONTRACTS RECEIVABLE**

Accounts and contracts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Allowance for doubtful accounts was estimated at \$0 and \$0, on May 31, 2011 and 2010.

**NOTE 4 - NOTES RECEIVABLE**

Notes receivable are stated at the amount that is expected to be collected at year-end.

The allowance for loan loss has been estimated at \$0 and \$0 as of May 31, 2011 and 2010, respectively.

**NOTE 5 - INVESTMENTS**

Investments are reported at their fair value at year end. Although the Corporation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at year end.

The fair value measurement establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy has three levels which are described below.

*Level 1 Fair Value Measurements*

The fair values of investments are based on the quoted price reported on the active market for identical assets.

SOUTHWESTERN COMMUNITY SERVICES, INC.  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2011 AND 2010

**NOTE 5 - INVESTMENTS (CONTINUED)**

*Level 2 Fair Value Measurements*

The fair values of investments are based on the quoted price reported on the active market for similar assets, or they are based on the quoted price reported on a market that is not active for identical or similar assets.

*Level 3 Fair Value Measurements*

The fair value of certain investments is not actively traded and significant other observable inputs are not available. In this case, management decides what the best valuation technique to use is.

The investments of the Corporation consisted of the following as of May 31,:

Description	Cost	Fair Value	May 31, 2011		
			Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Limited partnership	100,500	100,500	-	-	100,500
Total	\$ 100,500	\$ 100,500	\$ -	\$ -	\$ 100,500

Description	Cost	Fair Value	May 31, 2010		
			Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Limited partnership	242,500	242,500	-	-	242,500
Total	\$ 242,500	\$ 242,500	\$ -	\$ -	\$ 242,500

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2011 AND 2010**

**NOTE 5 - INVESTMENTS (CONTINUED)**

The activities of the Corporation's investments account are summarized as follows:

	<u>2011</u>	<u>2010</u>
Fair Value - July 1	\$ 242,500	\$ 125,500
Investment income	-	-
Investment fees	-	-
Additions	-	117,000
Distributions	(484,500)	-
Realized gains (losses)	342,500	-
Unrealized gains (losses)	-	-
Fair Value - June 30	<u>\$ 100,500</u>	<u>\$ 242,500</u>

**NOTE 6 - LINE OF CREDIT**

An available \$250,000 revolving line of credit existed at years ending May 31, 2011 and 2010. Interest was charged at 4.00% and the outstanding balance at years end was \$249,953 and \$249,934, respectively.

**NOTE 7 - LONG-TERM DEBT**

Long-term debt consisted of the following as of May 31,:

	<u>2011</u>	<u>2010</u>
1.00% mortgage payable to NH Housing Finance Authority, secured by real estate, payable in monthly installments of \$891 including interest through 2032.	\$ 215,941	\$ 224,427
8.63% mortgage payable to bank, secured by real estate, payable in monthly installments of \$502 including interest through 2018.	-	26,302
Non-interest bearing mortgage payable to Community Development Finance Authority, secured by real estate, quarterly principal payments based on operating income formula applied to affordable housing portion of the specified real estate.	32,147	32,147
8.00% mortgage payable to bank, secured by real estate, payable in monthly installments of \$682 including interest through 2008. Balloon type note.	-	72,255

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2011 AND 2010**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

	<u>2011</u>	<u>2010</u>
Variable interest rate note payable to bank, secured by real estate, payable in monthly installments of \$959 including interest through March 2021.	\$ 95,467	\$ 103,439
0.00% mortgage payable to NH Housing Finance secured by real estate. Payment is deferred for 30 years or until project is sold or refinanced.	250,000	250,000
0.00% mortgage payable to NH Housing Finance secured by real estate. Payment is deferred for 30 years or until project is sold or refinanced.	408,300	408,300
0.00% mortgage payable to NH Housing Finance secured by real estate. Payment is deferred for 30 years or until project is sold or refinanced.	550,000	550,000
8.00% note payable to bank, secured by equipment, payable in monthly installments of \$1,423 including interest through 2012.	1,536	17,695
8.00% note payable to bank, secured by equipment, payable in monthly installments of \$1,423 including interest through 2012.	1,536	17,695
9.40% note payable to bank, secured by vehicle, payable in monthly installments of \$366 including interest through 2012.	1,421	5,474
9.95% note payable to bank, secured by vehicle, payable in monthly installments of \$572 including interest through 2012.	2,370	8,995
10.70% note payable to bank, secured by vehicle, payable in monthly installments of \$393 including interest through 2012.	2,619	6,825
7.25% mortgage payable to bank, secured by real estate, payable in monthly installments of \$2,246 including interest through 2017.	249,998	259,275
10.00% note payable to bank, secured by vehicle, payable in monthly installments of \$407 including interest through 2013.	6,747	10,757
0.00% note payable to bank secured by vehicle, payable in monthly installments of \$590 through 2013.	9,435	16,511
0.00% note payable to bank secured by vehicle, payable in monthly installments of \$421 through 2013.	7,150	12,197

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2011 AND 2010**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

	<b>2011</b>	<b>2010</b>
4.375% note payable to Rural Housing Service, secured by real estate, payable in monthly installments of \$11,050 including interest through 2049.	\$ 2,453,654	\$ 2,367,400
0.00% note payable to Cheshire County, secured by real estate, payment is not necessary unless the Corporation defaults on the contract.	460,000	460,000
4.00% note payable to Railroad Land Development, LLC, secured by real estate, payable in interest only annual installments with a final balloon payment of entire principal balance in March of 2013.	63,000	63,000
4.00% note payable to Monadnock Economic Development Corporation, secured by real estate, payable in interest only annual installments with a final balloon payment of entire principal balance in March of 2013.	45,000	45,000
14.65% note payable to GMAC, secured by personal property, payable in monthly installments of \$299 including interest through 2014.	7,682	9,760
5.2% note payable to bank, secured by real estate payable in \$2,769 monthly installments including interest through May of 2014. Beginning in May 2014 payments and interest will be adjusted every five years based on remaining principal balance and "Classic Advantage Rate" provided by Federal Home Loan Bank of Boston through May 2039.	485,332	492,746
Note payable to William A. Stowe, secured by real estate, payable in monthly installments of \$600. Of the \$600 payment, \$300 will be applied to interest and \$300 to principal until the balance is paid in full.	-	149,400
6.99% note payable to bank secured by vehicle, payable in monthly installments of \$560 through 2014.	20,403	25,467
5.95% note payable to a bank, secured by real estate, payable in monthly installments of \$934 including interest through 2031.	130,000	-
	<b>\$ 5,499,738</b>	<b>\$ 5,635,067</b>
Current portion	197,725	201,163
Long-term portion	5,302,013	5,433,904
	<b>\$ 5,499,738</b>	<b>\$ 5,635,067</b>

**SOUTHWESTERN COMMUNITY SERVICES, INC.  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2011 AND 2010**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

Principal maturities of long-term debt in each of the next five years, are as follows:

2012	\$	197,725
2013		71,321
2014		67,429
2015		68,402
2016		71,476

**NOTE 8 - UNRESTRICTED NET ASSETS**

None of the Corporation's net assets are subject to donor-imposed restrictions. Accordingly, all net assets are accounted for as unrestricted net assets in accordance with ASC 958-210-45.

**NOTE 9 - OPERATING LEASES**

The following is a summary of the outstanding operating leases payable:

The Corporation leases five automobiles under non-cancelable lease agreements. The terms of the leases are as follows:

<u>Monthly payments</u>	<u>Expiration Date</u>
\$ 656	December 2012
668	September 2013
447	May 2012
440	September 2011
589	August 2012

Future minimum monthly payments under the leases are as follows:

2012	\$ 30,078
2013	14,375
2014	2,004
2015	-
2016	-

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2011 AND 2010**

**NOTE 10 - LIMITED PARTNERSHIPS**

SCS Housing, Inc. is the general partner in fifteen limited partnerships formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc. and SCS Housing, Inc. have guaranteed repayment of partnership liabilities in the amount of \$24,107,219. Partnership real estate with a cost basis of approximately \$50,258,303 provides collateral on these loans.

**NOTE 11 - PENSION PLAN**

The Corporation has a defined contribution pension plan offering coverage to all of its employees. The pension expense for the years ended May 31, 2011 and 2010, was \$328,085 and \$328,338, respectively. The plan is a tax-sheltered annuity which is funded by a Corporation match of the employee's contributions.

**NOTE 12 - INCOME TAXES**

The Corporation qualifies as an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Management believes there is no tax on unrelated business income, therefore no income tax provisions have been made in the accompanying financial statements.

**NOTE 13 - CONCENTRATION OF RISK**

A large percentage of the Corporations' revenues are from two contractors, the Federal Government and the State Government. It is always considered to be at least reasonably possible that any contractor could be lost in the near term, but management feels this risk is of no particular concern at this time.

**NOTE 14 - MANAGEMENT REVIEW**

Management has reviewed subsequent events as of June 20, 2012, the date the financial statements were available to be issued. At that time, there were no material subsequent events.

**Southwestern Community Services, Inc. Board of Directors - 2014 -**

**Elaine Amer**/*Clerk/Treasurer*

**Dave Edkins**

**David Hill**

**Leroy Austin**

**Beth Fox**

**Mary Lou Huffling**

**Anne Beattie**

**Raymond Gagnon**

**Peter (Sturdy) Thomas**

**Scott Croteau**/*Vice Chairperson*

**Senator Molly Kelly**

**Vacant**

**Penny Despres**

**Louis Gendron**

**Cathy Paradis**

**Daisy Heath**

**John Rider**

**Kevin Watterson**/*Chairperson*

# John A. Manning

**Summary** Over 30 years of experience with non-profit organizations, as both an outside auditor and presently Chief Financial Officer of a large community action agency.

**Experience** 1990–Present Southwestern Community Services Inc.  
Keene, NH

**Chief Financial Officer**

Oversees all fiscal functions for a community action agency providing services to low and moderate income individuals. Programs include Head Start, Fuel Assistance, and multiple affordable housing projects. Supervises a staff of 7, with an agency budget of over \$ 13,000,000. Also oversees agency property management department, which manages over 300 units of affordable housing.

1985-1995 Keene State College Keene, NH

**Adjunct Professor**

Taught evening accounting classes for their continuing education program.

1978-1990 John A. Manning, Keene, NH

**Certified Public Accountant**

Provided public accounting services to small and medium sized clients, including multiple non-profit organizations. Performed certified audits on several clients, including Head Start and other non-profit clients

1975-1978 Kostin and Co. CPA's West Hartford, Ct.

**Staff Accountant**

Performed all aspects of public accounting for medium sized accounting firm. Audited large number of privately held and non-profit clients.

**Education** 1971–1975 University of Mass. Amherst, Ma.  
▪ B.S. Business Administration in Accounting

**Organizations** American Institute of Certified Public Accountants  
NH Society of Certified Public Accountants

## WILLIAM A. MARCELLO

### Work Experience:

*November 1977 – Present*

#### ***Southwestern Community Services, Inc., Executive Director***

Responsible for overall supervision, management, monitoring, and fiscal review of 35 Social Service Programs providing services to low-income, elderly, and disabled residents of Sullivan and Cheshire counties in New Hampshire.

#### ***Funding:***

Federal, Private Grants, and State and Local Government funding from more than 50 sources, totaling over \$7,000,000 cash flow per yearly basis.

#### ***Affordable Housing Program:***

Number of Housing Units: 180 Family and Elderly  
Commercial Space: Four properties (150,000 sq. ft. of rental space)  
Project Funding: Over \$21,000,000

#### ***Staff Size:***

Senior Staff: 10 Managers  
Agency Staff: 150

*September 1974 – November 1977:*

#### ***SCS, Inc., Deputy Director***

Designed, implemented and directed:

- 1) ***Women's, Infants' and Children's (WIC) Program:***  
Presently 12 staff, 2,600 participants and funded at:  
Program Support - \$300,000                      Food Vouchers - \$1,500,000
- 2) ***Food Stamp Distribution Program:***  
7 Staff, 3,000 households, funded at:  
Program Support - \$175,000                      Food Stamps Issued - \$2,400,000

*February 1969 – September 1974:*

Involved in Education / Counseling Programs for the Agency:

1970 – 75      Head Start Director:  
Three Centers, 140 Children ages 3-5  
1971 – 1975    Director, Sullivan / Cheshire County Day Care Program  
Three Centers, 68 Children ages 3-5

- 1973 – 1975 Education Coordinator – Head Start Program, Day Care Program
- 1974 Summer Director Neighborhood Youth Corps Program  
350 Low-income youths, 10 Counselors
- 1973 Director Adult Continuing Education Program
- 1969 – 1970 Head Start Teacher – 5-year-olds Class  
21 Low-income youths, 1 Teacher Aide
- 1969 Summer Neighborhood Youth Corps Program Counselor  
90 Teenagers, Cheshire County

Education:

- 1970 – 1971 University of Massachusetts, Amherst  
Masters Program – Early Childhood Education  
15 Credits
- 1966 – 1969 Keene State College, Keene, NH  
Bachelor of Education, 1969

Organizations:

Active participation in numerous civic and professional organizations, locally, statewide and throughout New England.

# Laurie J. Tyler

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## **Qualifications**

Successful fundraising and grant writing skills  
Managing multiple Housing Units and Programs  
Twenty years experience in leadership and administration  
Strong written and oral communication ability  
Strong work ethic and a self-driven passion for the cause

## **Professional Experience**

**Director of Homeless Services Program Development** December 2000 – present  
Southwestern Community Services, Inc., Keene, NH

- Directed and maintained staff of 16 employees and volunteers while overseeing six homeless shelters with 140+ beds within two counties. Assure quality of services provided for up to 500 Homeless individuals/families with shelter and/or voucher programs.
- Grant writing for programs such as LTTHP, SCLTTHP, EHS, SSVF, Rapid Re-housing S+C, etc. Have been awarded more than \$2.5mil in Grants that are renewed via competitive proposals.
- Brick & Mortar Federal Grants for Construction/Acquisitions Monies. Awarded more than \$2.3mil in monies for Shelter, PHP and 2<sup>ND</sup> Chance Programs.
- Fund Raising Charitable Contributions. Worked with business and agencies (FEMA, PSNH, Monadnock United Way, Walmart, Sprinkler Funds and Private Donors) to receive in excess of \$130k in miscellaneous awards and private donations.
- Experienced with Grants that are renewed via competitive proposals, fundraising programs and compliance reporting (to include private/public foundations, local/state/federal government)
- Assure compliance with Federal, State, Local, legal and funding requirements. Participate in Community/Professional Networking events including conference trainings and public speaking.

**Administrative Assistant/Assistant Office Manager** May 1995 – Jan 2001  
Monadnock Area Psychotherapy & Spirituality Services, Keene, NH

- Manage office staff and maintenance employees. Coordinate and manage efficient procedures for successful office operations and client intake and assignment administration
- Monitor cash flow by managing accounts receivable and accounts payable.
- Establish and maintain successful billing and tracking system. Prepare and analyze monthly and yearly financial statements to include yearly budget preparation.

**Office Manager** 1988-1995  
Khouw & Post Professional Association, Keene, NH

- Prepared and analyzed monthly and yearly financial statements. Monitored cash flow by managing accounts receivable and accounts payable.
- Trained and supervised clerical staff. Managed and monitored personnel policies and benefits.

## **Education**

- **Bachelor of Science, Management**, Franklin Pierce College, Keene, NH
  - 3.68 G.P.A., Magna Cum Laude, Management Departmental Honors
- **Giving Monadnock Non-Profit Fundraising Institute**, Antioch College, Keene, NH
  - Certification on stimulating, promoting, and inspiring an increased level of philanthropy.
- **Leadership Development Training**, Tad Dwyer, Keene, NH

## **Other**

- Experienced with both IBM PC's and Macintosh Computers with proficiencies in MS Word, Quickbooks, and Excel.
- Annual trainings in CPI, Blood borne Pathogens, Mental Health, Substance Abuse, Brain Injuries, Military Culture, Housing 101, Case Management, etc.
- Published article in college science textbook.

**CONTRACTOR NAME**

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
John A. Manning	Acting Chief Executive Officer	\$107,016	0.00%	\$0.00
William A. Marcello	Chief Executive Officer	\$117,353	0.00%	\$0.00
Laurie Tyler	Program Director	\$44,616	0.00%	\$0.00

*JM*  
4/1/14

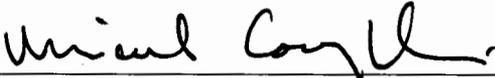
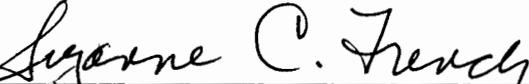
Subject: Continuum of Care Program, Homeless Outreach Intervention Prevention Program

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

<b>1.1 State Agency Name</b> Department of Health and Human Services Office of Human Services		<b>1.2 State Agency Address</b> 129 Pleasant Street Concord, NH 03301	
<b>1.3 Contractor Name</b> Tri-County Community Action Program, Inc.		<b>1.4 Contractor Address</b> 30 Exchange Street Berlin, NH 03570	
<b>1.5 Contractor Phone Number</b> (603) 752-7001	<b>1.6 Account Number</b> 05-95-42-423010-7927 102-500731	<b>1.7 Completion Date</b> June 30, 2015	<b>1.8 Price Limitation</b> \$127,553
<b>1.9 Contracting Officer for State Agency</b> Eric D. Borrin		<b>1.10 State Agency Telephone Number</b> (603) 271-9558	
<b>1.11 Contractor Signature</b> 		<b>1.12 Name and Title of Contractor Signatory</b> Michael Coughlin, Chief Executive Officer	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of <u>Coos</u> 4-3-2014 On _____, 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.			
<b>1.13.1 Signature of Notary Public or Justice of the Peace</b> [Seal] 			
<b>1.13.2 Name and Title of Notary or Justice of the Peace</b> Suzanne C. French, Notary			
<b>1.14 State Agency Signature</b> 		<b>1.15 Name and Title of State Agency Signatory</b> MARY ANN COONEY Associate Commissioner	
<b>1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)</b> By: _____ Director, On: _____			
<b>1.17 Approval by the Attorney General (Form, Substance and Execution)</b> By:  On: 5/7/14			
<b>1.18 Approval by the Governor and Executive Council</b> 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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. 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 consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written 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 \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance 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 fifteen (15) 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 endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) 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.

**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.



Exhibit A

SCOPE OF SERVICES

**Homeless Outreach and Prevention Program (HOIP), Continuum of Care Program**

1. **CONDITIONAL NATURE OF AGREEMENT**

1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. **SERVICES**

2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve One Thousand Three Hundred (1300) homeless individuals with disabilities.

2.2. The goal of this program is to facilitate the movement of homeless individuals to permanent housing and maximum self-sufficiency.

2.3. To be eligible for contract services, individuals must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.

2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.

2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. **PROGRAM REPORTING REQUIREMENTS**

3.1. The Contractor shall submit the following reports:

3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.

3.1.2. Other Reports as requested by the State.

3.2. All programs under this contract are required to be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs under this contract must be familiar with and follow NH HMIS policy, including specific information that is required for data entry, accuracy of data entered, and time required for data entry. Current NH HMIS policy can be accessed electronically through the following website: <http://www.nh-hmis.org>.



**Exhibit A**

3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.

**4. CONTRACT ADMINISTRATION**

4.1. The Contractor shall have appropriate levels of staff attend all meetings or trainings requested by the BHHS. To the extent possible, BHHS shall notify the contractor of the need to attend such meetings five working days in advance of each meeting.

4.2. The Bureau Administrator of BHHS or designee may observe performance, activities and documents under this Agreement; however, these personnel may not unreasonably interfere with contractor performance.

4.3. The Contractor shall inform BHHS of any staffing changes.

4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

4.5. Changes to the contract services that do not affect its scope, duration, or financial limitations may be made upon mutual agreement between the Contractor and the BHHS.

**5. FINANCIAL**

5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care Program agreement value specified in Exhibit B of this agreement from the HUD Continuum of Care Program, for contract services.

**5.1.1. Operating Expenses**

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

5.1.1.2. Ineligible costs include rental assistance and operating costs in the same project, operating costs of emergency shelter- and supportive service-only facilities, maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.1.2. Supportive Services**

5.1.2.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53. Eligible services are available to those individuals actively participating in the permanent housing program.

5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and



Exhibit A

providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.

- 5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.

5.1.3. Rental Assistance

- 5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.
- 5.1.3.3. Long-term rental assistance must be administered by someone other than the Contractor. The Contractor must have a Memorandum of Understanding (MOU), with a State, unit of general local government, or a public housing agency.
- 5.1.3.4. Short or medium term rental assistance provided under the Rapid ReHousing program component is not subject to requirements in 578.51 (b), and is not required to be administered by a state, unit of local government, or public housing agency.
- 5.1.3.5. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.1.3.6. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.1.3.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits in an amount not to exceed two month's rent, advance payment of first month's rent and/or advance payment of last month's rent.



**Exhibit A**

- 5.1.3.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.
  - 5.1.3.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.
  - 5.1.3.10. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid ReHousing program component must be tenant based rental assistance.
  - 5.1.3.11. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
  - 5.1.3.12. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
  - 5.1.3.13. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.
- 5.1.4. Administrative Costs
- 5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).



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- 5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).
  - 5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.
  - 5.2.2. Match requirements are to be documented with each payment request.
- 5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 4.1. The Contractor must have written approval from the State prior to billing for any other expenses.
- 5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.



Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**Homeless Outreach and Prevention Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Homeless Outreach and Prevention Program.

This contract is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:

NH General Fund: Not applicable

Federal Funds:

CFDA #: 14.235

Federal Agency: U.S. Department of Housing & Urban Development

Program Title: Homeless Outreach Intervention Prevention Program

Total Amount Homeless Outreach Intervention Prevention Program;

July 1, 2014 – June 30, 2015: not to exceed \$127,553.00

Funds allocation under this agreement for Homeless Outreach Intervention Prevention Program;

Supportive Services: \$121,625.00

Leasing or Rental Assistance: \$5,928.00

Total program amount: \$127,553.00

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

2.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.

2.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a



**Exhibit B**

monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.

- 2.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part 578.

**3. USE OF GRANT FUNDS**

- 3.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.
- 3.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.
- 3.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.

**4. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM**

- 4.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 4.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 of this Agreement.



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**SPECIAL PROVISIONS**

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

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

New Hampshire Department of Health and Human Services  
Exhibit C



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

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

- 16.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 16.2. 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
- 16.3. Monitor the subcontractor's performance on an ongoing basis
- 16.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 16.5. 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.



**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. Subparagraph 14.1.1 of the General Provisions of this contract, is deleted and the following subparagraph is added:
  - 14.1.1 comprehensive general liability against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence with additional general liability umbrella coverage of not less than \$2,000,000; and



**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

New Hampshire Department of Health and Human Services  
Exhibit D



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

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

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

Contractor Name:  
Tri-County Community Action Program, Inc.

4/3/14  
Date

Michael Coughlin  
Name: Michael Coughlin  
Title: Chief Executive Officer



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name:  
Tri-County Community Action Program, Inc.

4/3/14  
Date

Michael Coughlin  
Name: Michael Coughlin  
Title: Chief Executive Officer



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

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

**INSTRUCTIONS FOR CERTIFICATION**

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



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

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

**PRIMARY COVERED TRANSACTIONS**

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

**LOWER TIER COVERED TRANSACTIONS**

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

Contractor Name:  
Tri-County Community Action Program, Inc.

4/3/14  
Date

Michael Coughlin  
Name: Michael Coughlin  
Title: Chief Executive Officer



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**CERTIFICATION REGARDING**  
**THE AMERICANS WITH DISABILITIES ACT COMPLIANCE**

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 make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

Contractor Name:  
Tri-County Community Action Program, Inc.

4/3/14  
Date

Michael Coughlin  
Name: Michael Coughlin  
Title: Chief Executive Officer



**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:  
Tri-County Community Action Program, Inc.

4/3/14  
Date

Michael Coughlin  
Name: Michael Coughlin  
Title: Chief Executive Officer



**HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY 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 and those parts of the HITECH Act 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.

**Definitions**

1. "Breach" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D, Sec. 13400.
2. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
3. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
4. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
5. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
6. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
7. "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.
8. "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.
9. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
10. "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.
11. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
12. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
13. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
14. "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.
15. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreasonable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
16. 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.



**Use and Disclosure of Protected Health Information**

1. 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, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. Business Associate may use or disclose PHI:
  - 2.1. For the proper management and administration of the Business Associate;
  - 2.2. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - 2.3. For data aggregation purposes for the health care operations of Covered Entity.
3. 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 HITECH Act, Subtitle D, Part 1, Sec. 13402 of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
4. 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 Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.
5. 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.

**Obligations and Activities of Business Associate**

1. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.
2. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec.13404.
3. 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.
4. 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)b and (3)k herein. 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 pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
5. 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.



6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. 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 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.

#### Obligations of Covered Entity

1. 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.
2. 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.
3. 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.

#### Termination for Cause

In addition to standard provision #10 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.



**Miscellaneous**

1. 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, and the HITECH Act as 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.
2. 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.
3. 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.
4. 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 and the HITECH Act.
5. 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.
6. 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 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.

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

Contractor Name:  
Tri-County Community Action Program, Inc.

4/3/14  
Date

Michael Coughlin  
Name: Michael Coughlin  
Title: Chief Executive Officer

State Agency Name:  
NH DHHS

4/28/14  
Date

Mary Ann Cooney  
Name: Mary Ann Cooney  
Title: Associate Commissioner



**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:  
Tri-County Community Action Program, Inc.

Name: Michael Coughlin  
Title: Chief Executive Officer

4/3/14  
Date



**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: 073975708
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: _____

# 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 TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (TRI-COUNTY CAP) is a New Hampshire nonprofit corporation formed May 18, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 3<sup>rd</sup> day of April A.D. 2014

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

William M. Gardner  
Secretary of State

# CERTIFICATE OF VOTE

I, Gary Coulombe, do hereby certify that:

(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Tri-County Community Action Program, Inc.  
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of  
the Agency duly held on 2-25-2014:  
(Date)

**RESOLVED:** That the Chief Executive Officer  
(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 3rd day of April, 2014.  
(Date Contract Signed)

4. Michael Coughlin is the duly elected Chief Executive Officer  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

  
(Signature of the Elected Officer)

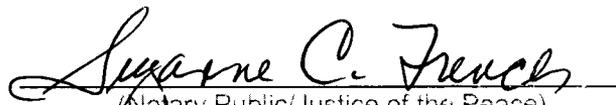
STATE OF NEW HAMPSHIRE

County of Coos

The forgoing instrument was acknowledged before me this 3rd day of April, 2014,

By Gary Coulombe.

(Name of Elected Officer of the Agency)

  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: June 19, 2018

**SUZANNE C. FRENCH**  
**Notary Public - New Hampshire**  
**My Commission Expires June 19, 2018**

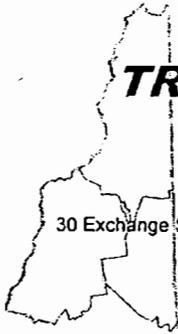
**Board Resolution: Resolution of the Corporation**

That the Tri-County Community Action Program, Inc. Chief Executive Officer, Michael Coughlin is hereby authorized on behalf of this Corporation to enter into said contracts with the Federal Government, State of New Hampshire, and any other parties as deemed necessary and to execute any and all documents, agreements and other instruments and amendments, revisions or modifications thereto, as may be deemed necessary, desirable or appropriate for the Corporation; this authorization being in force and effective until September 30, 2014.

This resolution is made with the understanding that any major new undertakings or commitments will be preceded by Board approval.

Approved by the Board of Directors – 2-25-2014





# **TRI-COUNTY COMMUNITY ACTION PROGRAM Inc.**

**Serving Coos, Carroll & Grafton Counties**

30 Exchange Street, Berlin, N.H 03570 • (603) 752-7001 • Toll Free: 1-800-552-4617 • Fax: (603) 752-7607  
Website: <http://www.tccap.org>

## MISSION STATEMENT

Tri-County CAP is a group of people and projects dedicated to improving the lives and well-being of New Hampshire's people and communities.

We provide opportunities and support for people to learn and grow in self-sufficiency, and to get involved in helping their neighbors and improving the conditions in their communities.

*Tri-County Community Action Programs...  
Helping people, changing lives.*

**TRI-COUNTY COMMUNITY ACTION PRPGRAM, Inc. Is a private, non-profit 501(C) 3 corporation that is dedicated to improving the lives and well being of New Hampshire's people and communities. Formed on May 18, 1965, we provide opportunities and support for people to learn and grow in self-sufficiency and get involved in helping their neighbors and improving the conditions in their communities.**

*TRI-COUNTY COMMUNITY ACTION PRPGRAM, Inc.  
...Helping people, changing lives.*

Weatherization  
(603) 752-7105

Administration  
(603) 752-7001



Tamworth Dental  
Center  
323-7645

Energy Programs  
(603) 752-7100

AoD  
(603) 869-2210

North Country  
Transit  
(603)752-1741

North Country  
Elder Programs  
(603)752-3010

R.S.V.P  
(603) 752-4103

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***TRI-COUNTY COMMUNITY  
ACTION PROGRAM, INC.***

***AUDITED FINANCIAL STATEMENTS***

***FOR THE YEAR ENDED  
JUNE 30, 2012***

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## INDEX TO FINANCIAL STATEMENTS

### Financial Statements

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## INDEPENDENT AUDITOR'S REPORT

Todd C. Fahey, Esq.  
Court-Appointed Special Trustee  
Tri-County Community Action Program, Inc.  
Berlin, New Hampshire 03570

We have audited the accompanying statement of financial position of Tri-County Community Action Program, Inc. (a nonprofit organization) as of June 30, 2012, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As more fully described in Note B, Tri-County Community Action Program, Inc. had not previously classified the difference between its assets and liabilities as unrestricted net assets, temporarily restricted net assets and permanently restricted net assets based on the existence or absence of donor-imposed restrictions. The effects on the financial statements of that departure from those accounting principles are not reasonably determinable.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the opening balance of the net assets referred to in the preceding paragraph been susceptible to satisfactory audit tests, the financial statements referred to above present fairly, in all material respects, the financial position of Tri-County Community Action Program, Inc. as of June 30, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note B to the financial statements, Tri-County Community Action Program, Inc. implemented the requirements of FASB ASC 958 and recorded the current year changes in net assets by class as unrestricted net assets, temporarily restricted net assets and permanently restricted net assets based on the existence or absence of donor-imposed restrictions.

The accompanying financial statements have been prepared assuming that the entity will continue as a going concern. For the year ended June 30, 2012, the Organization used restricted net assets for unrestricted purposes that contravene the donor's restrictions amounted to \$321,749. These factors, and others discussed in Note Q, indicate that the entity may be unable to continue in existence. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or the amounts and classifications of liabilities that might be necessary in the event the entity cannot continue in existence.

The financial statements of Tri-County Community Action Program, Inc. as of and for the year ended June 30, 2011 were audited by other auditors whose report thereon, dated March 30, 2012 expressed an unqualified opinion. As part of our audit of the 2012 financial statements, we also audited the adjustments described in Note P to the financial statements that were applied to restate the 2011 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2011 financial statements of Tri-County Community Action Program, Inc. other than in respect of the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2011 financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued our report dated March 28, 2013, on our consideration of Tri-County Community Action Program, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Functional Expenses on pages 21 and 22 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Mason + Rich, P.A.*

MASON + RICH PROFESSIONAL ASSOCIATION  
Certified Public Accountants

March 28, 2013

**TRI-COUNTY COMMUNITY ACTION PROGRAM**

**STATEMENT OF FINANCIAL POSITION**

JUNE 30, 2012

<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Restricted Deposit Account - Guardianship	\$ 255,759
Accounts Receivable, Net	626,033
Inventories	99,759
<b>Total Current Assets</b>	<u>981,551</u>
<b>PROPERTY AND EQUIPMENT</b>	
Plant and Equipment	10,260,796
Less: Accumulated Depreciation	<u>(3,410,650)</u>
<b>Net Property and Equipment</b>	<u>6,850,146</u>
<b>OTHER ASSETS</b>	
Restricted Cash - Debt Service	186,516
Other Assets	46,174
<b>Total Other Assets</b>	<u>232,690</u>
<b>TOTAL ASSETS</b>	<u>\$ 8,064,387</u>
<b>LIABILITIES AND NET ASSETS</b>	
<b>CURRENT LIABILITIES</b>	
Current Portion of Long-Term Debt	\$ 3,337,972
Current Portion of Lease Payable	30,067
Line of Credit	793,976
Bank Overdraft	8,046
Accounts Payable	1,001,434
Accrued Compensated Absences	406,689
Accrued Salaries	114,987
Accrued Expenses	14,753
Other Liabilities	630,759
<b>Total Current Liabilities</b>	<u>6,338,683</u>
<b>LONG-TERM LIABILITIES</b>	
Long-Term Debt, Net of Current Portion	930,918
Lease Payable, Net of Current Portion	39,603
Interest Rate Swap at Fair Value	114,433
<b>Total Long-Term Liabilities</b>	<u>1,084,954</u>
<b>TOTAL LIABILITIES</b>	<u>7,423,637</u>
<b>NET ASSETS</b>	
Unrestricted	(321,749)
Temporarily Restricted	962,499
<b>TOTAL NET ASSETS</b>	<u>640,750</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 8,064,387</u>

The Accompanying Notes are an Integral Part of These Financial Statements

**TRI-COUNTY COMMUNITY ACTION PROGRAM**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2012

	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUES</b>			
Grants and Contracts	\$ 15,732,761	\$ 686,718	\$ 16,419,479
Program Funding	1,935,620	-	1,935,620
Utility Programs	671,725	-	671,725
In-Kind Contributions	411,442	-	411,442
Contributions	266,155	80,481	346,636
Fundraising	54,929	-	54,929
Rental Income	44,496	-	44,496
Interest Income	884	-	884
Gain (Loss) on Disposal	2,247	-	2,247
Other Revenue	212,551	-	212,551
<b>Total Support and Revenues</b>	<b>19,332,810</b>	<b>767,199</b>	<b>20,100,009</b>
<b>NET ASSETS RELEASED FROM RESTRICTION</b>			
Expiration of Program Restrictions	-	-	-
<b>OPERATING EXPENSES</b>			
Agency Fund	1,515,511	-	1,515,511
Headstart	2,522,460	-	2,522,460
Guardianship	814,151	-	814,151
Transportation	1,055,705	-	1,055,705
Volunteer	129,170	-	129,170
Workforce Development	534,984	-	534,984
AOD	1,545,026	-	1,545,026
Carroll County Dental	595,841	-	595,841
Carroll County Restorative Justice	261,197	-	261,197
Support Center	311,910	-	311,910
Homeless	908,177	-	908,177
Energy & Community Development	9,619,568	-	9,619,568
Elder	1,326,239	-	1,326,239
<b>Total Operating Expenses</b>	<b>21,139,939</b>	<b>-</b>	<b>21,139,939</b>
<b>OTHER EXPENSES</b>			
Loss on Interest Rate Swap	44,620	-	44,620
<b>TOTAL EXPENSES</b>	<b>21,184,559</b>	<b>-</b>	<b>21,184,559</b>
<b>CHANGES IN NET ASSETS</b>	<b>(1,851,749)</b>	<b>767,199</b>	<b>(1,084,550)</b>
<i>Net Assets, Beginning of Year as Previously Reported</i>	2,235,260	-	2,235,260
<i>Prior Period Adjustment, see Note P</i>	(705,260)	195,300	(509,960)
<i>Net Assets, Beginning of Year, as Restated</i>	1,530,000	195,300	1,725,300
<b>Net Assets, End of Year</b>	<b>\$ (321,749)</b>	<b>\$ 962,499</b>	<b>\$ 640,750</b>

The Accompanying Notes are an Integral Part of These Financial Statements

**TRI-COUNTY COMMUNITY ACTION PROGRAM**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Decrease in Net Assets	\$ (1,084,550)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:	
Depreciation	510,568
Gain on Disposal of Property	(2,247)
Loss on Interest Rate Swap	44,620
(Increase) Decrease in Operating Assets:	
Restricted Deposit Account - Guardianship	(255,759)
Accounts Receivable	401,365
Inventories	(20,726)
Other Assets	(13,558)
Increase (Decrease) in Operating Liabilities:	
Bank Overdraft	(222,316)
Accounts Payable	323,594
Accrued Compensated Absences	11,789
Accrued Salaries	8,387
Accrued Expenses	53,608
Other Liabilities	630,759
Deferred Revenue	<u>(670,752)</u>
Total Adjustments	<u>799,332</u>
<i>Net Cash Used In Operating Activities</i>	<u>(285,218)</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from Disposal of Property	<u>2,247</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Net Proceeds from Line of Credit	272,036
Repayment of Long-Term Debt	(107,411)
Net Proceeds from Long-Term Debt	143,000
Repayment of Capital Lease Obligation	<u>(25,288)</u>
<i>Net Cash Provided by Financing Activities</i>	<u>282,337</u>
 <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	
	(634)
<i>Cash and Equivalents, Beginning of Year</i>	<u>187,150</u>
<i>Cash and Equivalents, End of Year</i>	<u>\$ 186,516</u>
 <b>Supplemental Disclosure of Cash Flow Information</b>	
Cash Paid During the Year For:	
Interest	<u>\$ 222,133</u>

See Accompanying Notes are an Integral Part of These Financial Statements

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
NOTES TO FINANCIAL STATEMENTS

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**A | NATURE OF ACTIVITIES**

Tri-County Community Action Program, Inc. (the Organization) is a New Hampshire non-profit Corporation that operates a wide variety of community service programs which are funded primarily with grants or contracts from various federal, state, and local agencies.

A description of the major programs is as follows:

***Agency***

The Northern Forest Heritage Park (the Park) provides hundreds of individuals with an educational experience as they visit a full-size replica logging camp, interactive exhibits, the Brown Company House Museum, the Artisans' Display Gallery and gift shop, as well as boat tours, cultural festivals, demonstrations, and competitions. The Park is also available for community and family events.

Agency activities also include the management and allocation of funding received through a Community Services Block Grant, as well as management of the Organizations real estate property.

***Head Start***

Head Start serves hundreds of children and their families in seventeen classrooms at eleven locations throughout the three counties. Research demonstrates that children who are healthy learn better. Due to this fact, parents in our program receive assistance in completing medical and dental exams for their children. To further assist in breaking the cycle of poverty, each family enrolled in Head Start receives assistance in completing a family needs assessment, and subsequent support in achieving their self-sufficiency and personal improvement goals.

***Guardianship***

The Organization's guardianship program provides advocacy and guardian services for the vulnerable population of New Hampshire (NH) residents (developmentally disabled, chronically mentally ill, traumatic brain injury, and the elderly suffering from Alzheimer's, dementia, and multiple medical issues) who need a guardian and who have no family member or friend willing, able, or suitable to serve in that capacity.

***Transportation***

The Organization's transit program provides various transportation services: public bus routes, door-to-door service by request, long distance medical travel to medical facilities outside our regular service area, and special trips for the elderly to go shopping and enjoy other activities that are located outside the regular service area. Our fleet of 18 wheelchair accessible vehicles offers transportation options to the elderly and disabled, as well as to the general public.

***Volunteer***

Coos County Retired & Senior Volunteers Program (RSVP) maintains a minimum corps of 330 volunteers, ages 55 and older. These volunteers share their skills, life experiences, and time with over 50 local non-profit and public agencies throughout Coos County that depend on volunteer assistance to meet the needs of their constituents. Our volunteers donate over 50,000 hours yearly.

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*(Continued on next page)*

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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***Workforce Development***

Workforce training programs, with training facilities in three towns, provide temporary assistance for needy family (TANF) recipients with 20-30 hours per week of training in the areas of employment skills, computer skills, and business experience, and also place participating TANF recipients in community-based work experience sites.

***Alcohol & Other Drugs (AOD)***

Services provided through the AOD program include assisting the alcoholic/addicted person on the road to recovery, through three phases: Crisis Intervention, Sobriety Maintenance, and Assessment and Referral to appropriate treatment facilities. The Residential Treatment Programs (Friendship House) provide chemically dependent individuals with the fundamental tools of recovery, including educational classes, group and individual counseling, work and recreational therapy, and attendance at in-house and community-based alcoholics anonymous and narcotics anonymous meetings.

***Carroll County Dental***

The Tamworth Dental Center (the Center) offers high quality oral health care to children with NH Medicaid coverage. We also serve uninsured and underinsured children and adults using a sliding fee scale that offers income-based discounts for care. The Center accepts most common dental insurances for those who have commercial dental insurance coverage. A school-based project of the Dental Center, School Smiles, offers oral health education, screening, treatment and referrals for treatment to over 1,000 children in 9 schools in the vicinity of the Center.

***Carroll County Restorative Justice***

The Organization's restorative justice program provides comprehensive alternatives to traditional court sentencing and dispute resolution within the framework of Balanced and Restorative Justice. Two key components of this process are personal accountability for one's actions (diversion) and alternative conflict resolution (mediation). Services are provided by in-house staff, volunteers, and partnered relations with other local service providers.

***Support Center***

The Organization's Support Center at Burch House is a domestic and sexual violence crisis center that provides direct service and shelter to victims of domestic and sexual violence in Northern Grafton County. Support groups for victims and survivors are provided all year long. Violence prevention programs reach out to students in grades 4-12 and to civic and community groups, as well as to other health and human service professionals in the area.

***Homeless***

Homeless services include an outreach intervention and prevention project that strives to prevent individuals and families from becoming homeless, and assists the already homeless in securing safe, affordable housing. The Organization provides temporary shelter space for homeless clients. The Organization also provides some housing rehabilitation services to help preserve older housing stock.

***Energy and Development, and Community Contact***

Energy programs provide fuel assistance, electric assistance, utility conservation, and weatherization measures including insulation, air-sealing, energy efficient lighting and refrigerators, hot water conservation measures, minor home repairs, and replacement windows and doors.

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*(Continued on next page)*

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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Offices in eight locations are our outreach sites for local participant access. Applications for energy assistance programs, rental security deposit assistance and other emergency services are taken at these community contact offices. These offices also provide information to the Organization's clients about their other programs and programs available through other organizations in the community

***Elder***

The Organization's elder program provides senior meals in 12 community dining sites, home-delivered meals (Meals on Wheels) to the frail and homebound elderly, and senior nutrition education and related programming; Adult Day Services including respite for those caring for an adult who requires assistance with activities of daily living, support groups, caregiver education, and in-home assessments; Coos County ServiceLink Aging & Disability Resource Center, which assists with Medicare counseling, Medicaid assistance, long-term care counseling services, and caregiver supports.

**B | SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting***

Revenues and expenses are reported on the accrual basis of accounting. Under this basis, revenues, other than contributions, and expenses are reported when incurred without regard to the date of receipt or payment of cash.

***Estimates***

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

***Cash and Cash Equivalents***

For purposes of the statement of cash flows, cash includes cash on hand, funds on deposit with financial institutions, and investments with original maturities of three months or less.

***Accounts Receivable***

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Most of the receivables are amounts due from federal and state awarding agencies and are based upon reimbursement for expenditures made under specific grants or contracts. A portion of the accounts receivable balance represents amounts due from patients at Carroll County Dental. Management has concluded that realization losses on balances outstanding at year-end will be immaterial. Therefore, past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United State because the effects of the direct write method approximate those of the allowance method. Management selects accounts to be written off after analyzing past payment history and the age of the accounts receivable. The Organization does not charge interest on outstanding accounts receivable.

***Inventories***

Inventories consists of donated clothing and household items which are sold through the organizations thrift store in Lancaster, NH. These items are valued at the price for which they can be sold.

*(Continued on next page)*

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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Inventory also includes weatherization materials which have been purchased in bulk. These items are valued at the most recent cost. A physical inventory of the thrift store items and weatherization materials is taken annually. Cost is determined using the first-in, first-out (FIFO) method.

***Property and Equipment***

Acquisitions of buildings, equipment, and improvements in excess of \$5,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Buildings, equipment, and improvements are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. Depreciation expense related to assets used solely by an individual program is charged directly to the related program. Depreciation expense for assets used by more than one program is charged to the program based upon a square footage or other similar allocation. Depreciation expense related to administrative assets is included in the indirect cost pool and charged to the programs in accordance with the indirect cost plan. Maintenance and repairs are charged to expense as incurred. Estimated useful lives are as follows:

Buildings and Improvements	20 to 40 years
Furniture and Equipment	5 to 15 years

***Change in Accounting Principle***

For the year ended June 30, 2012, the Organization changed its method of accounting for the difference between its assets and liabilities to comply with the requirements of FASB ASC 958 and reported its net assets according to the three classes as discussed below.

***Net Assets***

The Organization is required to report information regarding its financial position and activities according to classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Descriptions of the net asset categories included in the Organization's financial statements are as follows:

Unrestricted net assets include revenues and expenses and contributions which are not subject to any donor imposed restrictions. Unrestricted net assets can be board designated by the Board of Directors for special projects and expenditures.

Temporarily restricted net assets include contributions for which time restrictions or donor-imposed restrictions have not yet been met. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Permanently restricted net assets include gifts which require, by donor restriction, that the corpus be invested in perpetuity and only the income or a portion thereof (excluding capital gains restricted by State statute) be made available for program operations in accordance with donor restrictions. The Organization had no permanently restricted net assets at June 30, 2012.

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*(Continued on next page)*

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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***Contributions***

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

***Donated Materials and Services***

Contributed noncash assets are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of noncash assets are recorded as unrestricted support.

***In-Kind Donations***

Contributions of donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

***Advertising***

The Organization uses advertising to inform the community about the programs it offers and the availability of services. Advertising is expensed as incurred. The total cost of advertising for the year ended June 30, 2012 was \$20,051.

***Tax Status***

The Organization is exempt from federal income tax under Section 501(c) of the Internal Revenue Code as an organization described in Section 501(c)(3). The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions.

The Organization follows FASB ASC, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Organization does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized. Additionally the Organization did not recognize interest or penalties resulting for tax liabilities associated with recognizing uncertain tax positions for the year ended June 30, 2010.

The Organization's Federal Form 990 (Return of Organization Exempt from Income Tax) for 2009, 2010, and 2011 are subject to examination by the IRS, generally for three years after they are filed.

***Functional Allocation of Expenses***

The costs of providing the various programs and activities have been summarized on a supplement schedule of revenues and expenses by program. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Descriptions of the functional expense allocations included in the Organization's financial statements are as follows:

Salaries and related expenses are allocated to the various program and supporting services based on actual or estimated time employees spend on each function as reported on a timesheet.

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*(Continued on next page)*

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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Workers Compensation expenses are charged to each program based upon the classification of the each employee and allocated to the various program based upon the time employees spend on each function as noted above.

Paid Leave is charged to a leave pool and is allocated to each program as a percentage of total salaries.

Fringe Benefits are charged to a Fringe Benefit Pool. These expenses include employer payroll taxes, pension expenses, health and dental insurance and unemployment compensation. The pool is allocated to each program based upon a percentage of salaries.

Depreciation expense is allocated to each program based upon an analysis of square footage. The same calculation is used to allocate other building costs including insurance.

Insurance: automobile insurance is allocated to programs based on vehicle usage; building liability insurance is allocated to programs based on square footage of the buildings; and insurance for furniture and equipment is allocated to programs using the book basis of the insured assets.

The remaining shared expenses are charged to an Indirect Cost Pool and are allocated to each program based upon a percentage of program expenses. The expenses include items such as general liability insurance, administrative travel, professional fees and other expenses which cannot be specifically identified and charged to a program.

The Organization submits an indirect cost rate proposal for the Paid Leave, Fringe Benefits and Other Indirect costs to the U.S. Department of Health and Human Services. The proposal effective for July 1, 2011 received provisional approval and extended approval through April 30, 2013.

***Fair Value Measurements***

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date. The accounting standards for fair values establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

**Level 1** - Valuations based on quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

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**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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*Level 2* - Valuation is determined from quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in markets that are not active or by model-based techniques in which all significant inputs are observable in the market.

*Level 3* - Valuations based on inputs that are unobservable and significant to the overall fair value measurement. The degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The availability of observable inputs can vary and is affected by a wide variety of factors, including, the type of asset/liability, whether the asset/liability is established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, assumptions are required to reflect those that market participants would use in pricing the asset or liability at the measurement date.

See Note J for information related to the use of fair value measurements.

**C | CONCENTRATION OF RISK**

The Organization maintains cash balances at various financial institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash deposits at these financial institutions at June 30, 2012 did not exceed \$250,000. There was no amount of cash uninsured or uncollateralized as of June 30, 2012.

As disclosed in Note D, the Organization maintains a deposit account on behalf of clients who participate in the Guardianship Service Program. The total deposit balance in the account at June 30, 2012 was \$255,759. The total amount uninsured and uncollateralized at June 30, 2012 was \$5,759.

**D | CASH RESTRICTIONS**

The Organization is required to maintain a deposit account with a bank as part of the loan security agreement disclosed at Note K. The required balance in the account is \$52,497 and is restricted from withdrawal except to make payments of debt service or as approved by the US Department of Agriculture. Amounts withdrawn to make payments of debt service must be replenished with monthly deposits until the maximum required deposit balance is achieved. The balance as of June 30, 2012 was \$93 and the Organization was not in compliance with this requirement.

The Organization is required to maintain a deposit account with another bank as part of a bond issue as disclosed at Note K. The required balance in the account is \$186,516 and is equal to the interest

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*(Continued on next page)*

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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payments on the bond for a 12 month period. The balance as of June 30, 2012 was \$186,516 and the Organization was in compliance with this requirement.

The Organization maintains a deposit account on behalf of clients who participate in the Guardianship Services Program. The balance in the account is restricted for use on behalf of these clients and an offsetting liability is reported on the financial statements as other current liabilities. As reported at Note F, the Organization withdrew \$375,000 from this account during the 2012 fiscal year which is reported as additional liability in other current liabilities. The total deposit balance in the account at June 30, 2012 was \$255,759. The total current liability related to this account at June 30, 2012 was \$630,759.

**E | PROPERTY AND EQUIPMENT**

For the year ended June 30, 2012, the balance in property and equipment consisted of the following:

Buildings and Improvements	\$ 7,686,861
Furniture and Equipment	1,983,468
Land	<u>590,467</u>
Total	10,260,796
Less Accumulated Depreciation	<u>(3,410,650)</u>
Total Property and Equipment, Net	<u>\$ 6,850,146</u>

The Organization has use of computers and equipment which are the property of state and federal agencies under grant agreements. The equipment, whose book value is immaterial to the financial statements, is not included in the Organization's property and equipment totals.

Depreciation expense amounted to \$510,568 for the year ended June 30, 2012.

**F | COMMITMENTS AND CONTINGENCIES**

*Grant Compliance*

The Organization received funds under several federal and state grants. Under the terms of the grants the Organization is required to comply with various stipulations including use and time restrictions. If the Organization was found to be noncompliant with the provisions of the grant agreements, the Organization could be liable to the grantor or face discontinuation of funding.

*Environmental Contingencies*

On March 30, 2009 the Organization's Board of Directors agreed to secure ownership of a 1.2-acre site located in Berlin, New Hampshire. There are 2 buildings on this site designated as the East Wing and West Wing Buildings which were formerly used as a research and development facility for the Berlin Mills Company. The exterior soil and interior parts of the East Wing Building contained contaminants which required environmental remediation. In a letter dated May 2, 2012, the State of New Hampshire Department of Environment Services (the Department) noted that the remedial actions for the exterior soils and parts of the East Wing Building had been completed to the Department's satisfaction. In addition, the Department noted that the contaminants related to the West

*(Continued on next page)*

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

Wing Building did not pose an exposure hazard to site occupants, area residents, and environment provided the West Wing Building is maintained to prevent further structural deterioration. If further deterioration occurs and contaminants are released into the environment the Organization could be required to take additional action including containment and remediation.

Furthermore, the Organization was provided notice of due diligence to complete a fence that would prevent access to contaminants on the property. The fence would ultimately limit the Organization exposure to potential liability from unsuspecting guests on the property. As of June 30, 2012 the Organization had not completed construction of the fence.

***Other Liabilities***

During the fiscal year ended June 30, 2012, the Organization transferred \$375,000 from the Guardianship checking account into the Organizations operating account. The funds held in the Guardianship account belong to clients who are serviced by TCCAP's Guardianship Services Program and are entrusted to the Organization for the benefit of these clients. Management has identified the transfer and has recorded a liability for the amount due to the Guardianship account. This amount is recorded on the financial statements as a current liability.

**G | LEASE AGREEMENTS**

***Capital Leases***

The Organization leases equipment from Leaf Financial Corporation under a capital lease. The economic substance of the lease is that the Organization is financing the acquisition of the assets through the lease, and accordingly, it is recorded in the Organization's assets and liabilities.

The following is an analysis of the leased assets included in Equipment:

Equipment	\$ 159,277
Less accumulated depreciation	<u>127,422</u>
Net Book Value	<u>\$ 31,855</u>

Future minimum payments under capital leases are as follows:

Year ending June 30,	
2013	\$ 39,875
2014	39,875
2015	<u>3,935</u>
Total Future Payments	83,685
Less Amount Representing Interest	<u>(14,015)</u>
Present Value of Future Payments	69,670
Less Current Portion	<u>(30,067)</u>
Long-Term Portion	<u>\$ 39,603</u>

Interest expense was \$19,021 for the year ended June 30, 2012.

*(Continued on next page)*

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

***Operating Leases***

The Organization has entered into several lease commitments for space. Leases under non-cancelable lease agreements are as follows:

<i>Program</i>	<i>Term</i>	<i>Annual Payment</i>
Carroll County Restorative Justice	Oct 1, 2011 to Sept 30, 2014	\$ 2,160
Head Start	Apr 1, 2011 to Mar 31, 2013	28,878
	Apr 1, 2013 to Mar 31, 2018	30,011
	Apr 1, 2018 to Mar 31, 2023	31,143
	Apr 1, 2023 to Mar 31, 2023	32,276
Head Start	Sep 1, 2010 to Aug 31, 2011	17,700
	Sep 1, 2011 to Aug 31, 2012	18,300
	Sep 1, 2012 to Aug 31, 2013	18,900
	Sep 1, 2013 to Aug 31, 2014	19,800
Head Start	Jan 1, 2011 to Dec 31, 2011	15,000
	Jan 1, 2012 to Dec 31, 2012	15,000
Head Start	Jun 1, 2010 to May 31, 2011	10,200
	Jun 1, 2011 to May 31, 2012	10,200
	Jun 1, 2012 to May 31, 2013	10,200
Guardianship Services	Jan 1, 2010 to Dec 31, 2011	10,356
	Jan 1, 2010 to Dec 31, 2011	10,704
	Jan 1, 2010 to Dec 31, 2011	10,944
North Country Transit	Mar 1, 2012 to Apr 28, 2013	2,880
Homeless Outreach & Community Contact	Jul 1, 2011 to Jun 30, 2013	20,088
Community Contact	Jul 1, 2011 to Jun 30, 2013	11,400
Workplace Success	Jul 1, 2011 to Jun 30, 2013	26,371

Additionally the Organization has several facilities which are leased on a month to month basis. The annual rent expense for the leased facilities was \$218,058 for the year ended June 30, 2012.

*(Continued on next page)*

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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The future minimum lease payments on the above leases for the year ending June 30 are as follows:

2013	\$ 140,621
2014	57,149
2015	33,851
2016	30,011
2017	30,011

**H | LINE OF CREDIT**

The Organization has available a \$45,000 unsecured line of credit with Northway Bank, at June 30, 2012. Borrowings under the line bear interest at 6.50% per annum, and totaled \$45,000 at June 30, 2012. The line of credit is unsecured.

The Organization has available a \$800,000 line of credit with TD Bank which was secured with real estate mortgages and assignments of leases and rents on various properties as disclosed in the line of credit agreement. Borrowings under the line bear interest at 4.25% per annum, and totaled \$729,273 at June 30, 2012. The line is subject to renewal on January 31, 2013.

The Organization has available a \$25,000 line of credit with Bank of NH which is secured with all business assets of the Northern Forest Heritage Park. Borrowings under the line bear interest at 4.25% per annum, and totaled \$20,003 at June 30, 2012.

**I | ACCRUED VACATION**

Employees of the Organization are eligible to accrue vacation for a maximum of 240 days. Accrued vacation totaled \$406,689 at June 30, 2012.

**J | DERIVATIVE INSTRUMENTS**

As disclosed in Note K, the note payable to bank bears interest monthly of 69% of the sum of the one month London Interbank Offered Rate (LIBOR) plus 3.25% (when the Organization's debt service coverage ratio is 1.10) or 3.00% (when the Organization's debt service coverage ratio is 1.20). The Organization's purpose in entering into the swap arrangement was to hedge against the risk of interest rate increases on the related variable rate debt and not to hold the instrument for trading purposes. The Organization pays interest at a fixed 3.85%. The arrangement is scheduled to expire on August 2040. The notional amount of the contract was \$3,145,412. Accordingly, the swap arrangement, which is a derivative financial instrument, is classified as a cash flow hedge.

For the year ended June 30, 2012, the fair value of the interest rate swap was \$114,433 and the unrealized loss was \$44,620. The fair value of the swap is included on the balance sheet as a long-term liability. No amounts have been reclassified as interest expense and based upon the Organization's intent to hold the derivative until expiration they do not expect to reclassify any unrealized gains or losses to interest expense.

*(Continued on next page)*

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

**K | LONG-TERM DEBT**

The Organization's long-term debt consists of the following at June 30, 2012:

1. Note payable to lending institution, payable in 360 monthly installments of \$484 including interest at 5% per annum. Secured by general business assets. Final installment due March 2024.	\$ 51,140
2. Note payable to lending institution, payable in 360 monthly installments of \$1,496 including interest at 4.50% per annum. Secured by general business assets. Final installment due June 2024.	166,619
3. Note payable to lending institution, payable in 360 monthly installments of \$1,664 including interest at 5% per annum. Secured by general business assets. Final installment due January 2027.	204,783
4. Note payable to lending institution, payable in 360 monthly installments of \$292 including interest at 4.75% per annum. Secured by general business assets. Final installment due April 2030.	41,943
5. Note payable to lending institution, payable in 360 monthly installments of \$74 including interest at 4.75% per annum. Secured by general business assets. Final installment due June 2029.	10,338
6. Note payable to a bank, payable in 120 monthly installments of \$457 including interest at 4.25% per annum. Secured by a first mortgage on a business condo. Final installment due December 2015.	18,693
7. Note payable to a bank, payable in 120 monthly installments of \$3,799 including interest at 6.75% per annum. Secured by first mortgages on two commercial properties. Final installment due April 2021.	486,961
8. Bond payable to a bank, payable in monthly installments of \$15,260 including interest adjusted by a swap agreement with a fixed rate of 3.85%, adjusted by the difference between the fixed amount and a rate of interest equal to 69% of the sum of the 1 month LIBOR rate plus 3.25% (when the Organization's debt service coverage ratio is 1.10) or 3.00% (when the Organization's debt service coverage ratio is 1.20). Secured by first commercial real estate mortgage of various properties and assignments of rents at various properties. Final installment due August 2040.	3,145,413
9. Note payable to a related party, interest accrues 6% per annum, no monthly installments, full principal amount plus interest is due August 2012.	43,000
10. Note payable to a non-profit organization, interest accrues 6% per annum, no monthly installments, full principal plus interest due during the Organizations fiscal year end 2013.	100,000
Total Long-Term Debt	\$ 4,268,890
Less Current Portion	3,337,972
Long-Term Debt Net of Current	\$ 930,918

(Continued on next page)

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

Future maturities of long-term debt are as follows for the years ended June 30:

<u>Years Ending June 30,</u>	
2013	\$ 3,337,972
2014	46,726
2015	49,276
2016	50,078
2017	49,101
Thereafter	<u>735,737</u>
Total	<u>\$ 4,268,890</u>

As described at Note D, the Organization is required to maintain a reserve account with a bank for loans 1 through 6 listed above. The Organization was not in compliance with this requirement. Failure to meet this requirement may be construed by the Government to constitute default.

As described at Note D, the Organization is required to maintain a reserve account with a bank related to loan 10 listed above. Additionally, the Organization is required to maintain a debt coverage ratio of 1:1.10 as stipulated in the loan agreement. As of June 30, 2012, the Organization was not in compliance with all covenants. As a result, the amount outstanding at June 30, 2012 is included with as a current liability on the statement of financial position.

**L | RELATED PARTY TRANSACTIONS**

***Notes Payable – Related Party***

As disclosed in Note K, the Organization has a loan payable to the wife of the Former Chief Executive Officer. See Note K for the terms of the note payable.

As disclosed in Note K, the Organization also has a loan payable to a non-profit organization which also provides pass-through state and federal funding for some of the Organizations Programs. See Note J for the terms of the note payable.

**M | NET ASSETS**

Temporarily restricted net assets consisted of grants and other unexpended revenues subject to donor restrictions and available for the following purposes as of June 30, 2012:

NH Charitable Foundation Grant, Mt. Jasper	\$ 46,650
Privately Funded Fuel Assistance Emergency Fund	12,609
Privately Funded Fuel Assistance Program	143,916
Federal and State Funding for the Head Start	361,817
Federal Community Services Block Grant	168,966
Private Grant for the Alcohol and Other Drug Program	50,000

*(Continued on next page)*

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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Notre Dame Project	14,939
Department of Energy Weatherization Program	22,827
State Funding for Tyler Blain House	9,599
Federal Funding for North Country Transit	16,352
Federal Funding for the Heating Repair and Replacement Program	37,312
Federal Funding for the Sustainable Energy Resource	22,421
Federal Funding for the Adult and Dislocated Worker Program	20,583
Federal Funding for the Low Income Home Energy Assistance Program	26,849
Other Miscellaneous Programs	7,659
	<u>\$ 962,499</u>

**N | IN-KIND CONTRIBUTIONS**

The Organization records the value of in-kind contributions according to the accounting policy described in Note B. The Head Start, Transportation and Elder Programs rely heavily on volunteers who donate their services to the organization. These services are valued based upon the comparative market wage for similar paid positions. The organization is also the beneficiary of a donation in kind in the form of below market rent for some of the facilities utilized by the Head Start and Elder Programs. The value of the in-kind rent is recorded at the difference between the rental payment and the market rate for the property based upon a recent appraisal. e

Many other individuals have donated significant amounts of time to the activities of the Organization. The financial statements do not reflect any value for these donated services since there is no reliable basis for making a reasonable determination.

**O | RETIREMENT PLAN**

The Organization has a 403(b) tax deferred annuity plan covering all employees. Each employee may elect salary reduction agreement contributions in accordance with limits allowed in the Internal Revenue Code.

The employer shall match each dollar of a participant's elective deferrals up to 5% of each participant's annual salary. The Organization's retirement contribution was \$167,220 for year ended June 30, 2012.

**P | PRIOR PERIOD ADJUSTMENTS**

The prior year financial statements were restated to reflect the following misstatements.

Cash was overstated and Accounts Payable was understated by checks which were issued but not mailed in the amount of \$141,522. This had no effect on net assets.

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*TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.*  
NOTES TO THE FINANCIAL STATEMENTS

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Cash was overstated by \$23,258 due to an unknown reconciliation discrepancy between the reconciliation and the actual general ledger balance. The result of this adjustment reduces unrestricted net assets as reported on June 30, 2011.

Cash was overstated by \$460,215 due to an unknown outstanding debit to cash used as a reconciling item for multiple bank statements going back more than a year. The Organization is continuing to research this item, however, the result of this adjustment reduces unrestricted net assets as reported on June 30, 2011.

Payroll liabilities and the related expenses were understated by \$106,600 because accrued payroll was not posted in the prior year. This adjustment reduces unrestricted net assets as reported on June 30, 2011.

Accrued employee benefits and the related expenses were overstated by \$109,421. This adjustment increases unrestricted net assets as reported on June 30, 2011.

Accumulated depreciation and depreciation expense was understated by \$33,763. This adjustment decreases unrestricted net assets as reported on June 30, 2011.

Accounts payable was overstated by \$19,724. This adjustment increased unrestricted net assets as reported on June 30, 2011.

The Capital lease liability was overstated by \$27,547 due to the lease being reported at the gross value of payments rather than being discounted based upon the effective interest rate. The effect of this adjustment was an increase to unrestricted net assets as reported on June 30, 2011.

Accounts receivable for the Dental Center and related income were understated by \$49,879. The effect of this adjustment was an increase to unrestricted net assets as reported on June 30, 2011.

Long term liabilities were understated by \$69,813 due to the fair value of the swap not being recorded in the financial statements. This adjustment decreased unrestricted net assets as reported on June 30, 2011.

Deferred revenue was overstated by \$51,508. This adjustment increases unrestricted net assets as reported on June 30, 2011.

Accounts receivable was overstated by \$74,390 for amounts recorded as amounts receivable on grants which were not valid claims. This adjustment decreases unrestricted net asset as reported on June 30, 2011.

Temporarily restricted net assets were understated by \$195,300 related to contributions received with donor use restrictions which had not been expended for the purpose intended. This adjustment resulted in an increase in temporarily restricted net assets and a decrease in unrestricted net assets as reported on June 30, 2011.

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**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
NOTES TO FINANCIAL STATEMENTS

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**Q | GOING CONCERN**

The accompanying financial statements have been prepared assuming that the Organization will continue as a going concern. As shown in the financial statements the Organization incurred a net loss of \$1,078,642 for June 30, 2012. At June 30, 2012, current liabilities exceed current assets by \$5,357,132. At June 30, 2012 the Organization's total assets exceed total liabilities, however, certain net assets are temporarily restricted for specific purposes as disclosed in Note M. As a result, the Organization used restricted net assets for unrestricted purposes that contravene the donor's restrictions which total \$321,749.

As disclosed in Note K, in connection with a note payable to a bank, the Organization has violated certain provisions of the loan agreement. At June 30, 2012 the bank had not demanded immediate payment on outstanding principal balance, however, due to the violation of the agreement the note is shown as a current liability. A significant portion of the Organization's operating assets are pledged as collateral for this note, and foreclosure by the bank would seriously impair the Organization's continued existence.

The Organization plans to continue as a going concern by instituting cost reductions for expenses that have been determined to be excessive and discretionary. Management has also identified inefficiencies throughout the Organization due to lack of oversight by previous management and anticipates substantial cost savings opportunities as a result of implementing new operational systems. Additional areas that will be addressed include evaluating building vacancies and renting or selling unused space, increasing fundraising efforts, and increase revenues from programs offering services that generate unrestricted revenues.

**R | SUBSEQUENT EVENTS**

Management has evaluated subsequent events through March 28, 2013, the date which the financial statements were available to be issued.

On December 14, 2012, a probate judge suspended the board of directors and appointed a special trustee to oversee the operations of the Organization at the request of the state Attorney General's office after the resignation of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) in early December.

The line of credit with TD Bank was converted to an amortizing term loan on November 14, 2012. Additionally, a commercial real estate mortgage and assignment of leases and rents was added as collateral at that time.

A portion of the cash balance which had been transferred from the Guardianship account was repaid leaving a liability to the clients serviced by the Guardianship Program of \$224,000.

In January of 2012, there was a fire in a building owned by the Organization that was used as a thrift store. The Organization had adequate insurance to cover losses suffered by the fire.

Various parties were provided notices of forthcoming claims for damages on account of theft, casualty loss, and negligence due to misappropriation of the Organization's assets.

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**TRI-COUNTY COMMUNITY ACTION PROGRAM**  
**SUPPLEMENTAL SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	Agency Fund	Head Start	Guardianship	Transportation	Youthcenter	Workforce Development	AOD
<b>DIRECT EXPENSES</b>							
Payroll	\$ 140,025	\$ 1,108,781	\$ 464,332	\$ 520,232	\$ 75,103	\$ 210,894	\$ 732,447
Payroll Taxes & Benefits	182,868	420,707	183,779	124,570	31,209	86,621	262,227
Assistance to Clients	4,217	(391)	-	16	-	23,965	3,945
Consultants and Contractors	106,725	15,153	2,761	27,219	-	1,878	36,713
Fiscal and Administrative	22,916	22,530	8,125	417	84	1,094	17,049
Space Costs and Rentals	9,434	180,156	40,064	10,240	5,376	124,410	15,427
Consumable Supplies	11,701	134,788	14,621	12,426	965	9,660	103,331
Rental, Lease, Purchase and Maintenance of Equipment	1,580	2,197	35	23,888	-	5,376	-
Building and Grounds Maintenance	56,447	20,248	-	2,790	-	13,264	36,539
Utilities	178,024	24,360	17,144	21,967	748	12,400	68,463
Fixed Fees	-	-	-	-	-	-	-
Travel and Meetings	8,357	74,692	17,208	35,384	310	15,003	13,852
Vehicle Expense	1,309	-	3,242	156,432	165	-	72,885
Insurance	91,920	31,312	1,624	15,784	810	-	5,082
Interest Expense	173,742	-	-	-	-	-	20,087
Other Direct Program Costs	8,122	7,999	2,724	10,051	149	692	19,908
Depreciation Expense	431,408	1,659	-	2,757	-	-	23,993
Fundraising	(131)	-	494	11,513	5,103	-	-
In-kind Expended	406	300,288	-	4,140	-	-	-
<b>Total Direct Expenses</b>	<b>1,429,070</b>	<b>2,344,479</b>	<b>756,153</b>	<b>979,826</b>	<b>120,022</b>	<b>505,257</b>	<b>1,431,948</b>
<b>INDIRECT EXPENSES</b>							
Indirect Costs	86,441	177,981	57,998	75,879	9,148	29,727	113,078
<b>TOTAL DIRECT AND INDIRECT EXPENSES</b>	<b>\$ 1,515,511</b>	<b>\$ 2,522,460</b>	<b>\$ 814,151</b>	<b>\$ 1,055,705</b>	<b>\$ 129,170</b>	<b>\$ 534,984</b>	<b>\$ 1,545,026</b>

**TRI-COUNTY COMMUNITY ACTION PROGRAM**  
**SUPPLEMENTAL SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	Carroll County Denial	Carroll County Restorative Justice	Support Center	Homeless	Energy & Development	Elder	Total
<b>DIRECT EXPENSES</b>							
Payroll	\$ 304,561	\$ 145,602	\$ 135,124	\$ 400,219	\$ 1,628,677	\$ 497,581	\$ 6,363,578
Payroll Taxes & Benefits	101,725	43,662	41,467	138,389	749,727	163,177	2,530,128
Assistance to Clients	1,345	-	185	167,664	5,893,149	339	6,094,434
Consultants and Contractors	18,772	10,286	-	4,627	79,423	57,653	361,210
Fiscal and Administrative	4,813	678	495	5,511	44,885	12,107	140,704
Space Costs and Rentals	-	35,724	66,910	26,583	132,536	65,087	731,947
Consumable Supplies	18,706	1,060	5,638	7,653	583,123	264,084	1,167,756
Rental, Lease, Purchase and							
Maintenance of Equipment	9,028	-	-	-	974	1,830	44,908
Building and Grounds Maintenance	5,713	120	7,424	573	5,737	4,506	153,361
Utilities	7,598	2,983	19,702	26,637	51,170	20,577	451,773
Fixed Fees				2	14,505	4,127	18,634
Travel and Meetings	2,399	2,337	5,470	22,597	14,309	31,519	243,437
Vehicle Expense				6,310	77,753	571	318,667
Insurance	15,622	1,900	-	16,399	31,060	-	211,513
Interest Expense	27,382	-	-	-	922	-	222,133
Other Direct Program Costs	2,100	75	1,475	28,152	2,816	3,514	87,777
Depreciation Expense	32,542	678	9,665	1,752	6,792	-	510,568
Fundraising			334	785	-	-	18,098
In-kind Expended						106,448	411,282
<b>Total Direct Expenses</b>	<b>552,306</b>	<b>244,427</b>	<b>293,889</b>	<b>853,853</b>	<b>9,337,558</b>	<b>1,233,120</b>	<b>20,081,908</b>
<b>INDIRECT EXPENSES</b>							
Indirect Costs	43,535	16,770	18,021	54,324	282,010	93,119	1,058,031
<b>TOTAL DIRECT AND INDIRECT EXPENSES</b>	<b>\$ 595,841</b>	<b>\$ 261,197</b>	<b>\$ 311,910</b>	<b>\$ 908,177</b>	<b>\$ 9,619,568</b>	<b>\$ 1,326,239</b>	<b>\$ 21,139,939</b>

# **TRI-COUNTY COMMUNITY ACTION PROGRAM Inc.**

**Serving Coos, Carroll & Grafton Counties**

30 Exchange Street, Berlin, NH 03570 • (603) 752-7001 • Toll Free: 1-800-552-4617 • Fax: (603) 752-7607

Website: <http://www.tccap.org> • E-mail: [admin@tccap.org](mailto:admin@tccap.org)

Chief Executive Officer: Michael W. Coughlin



## **BOARD OF DIRECTORS FY2014**

### **COÖS COUNTY**

Board Chair  
Sandy Alonzo  
Teacher

Cathy Conway  
Vice President- Economic  
Development - NCIC

Secretary  
Gary Coulombe  
Firefighter

### **CARROLL COUNTY**

Anne Barber  
Attorney

Vice Chair  
Sam Farrington,  
Attorney

Michael Dewar  
Business Owner

### **GRAFTON COUNTY**

Nancy Kitchen  
Animal Trainer-  
Squam Lakes Science Center

Shannon Weaver  
Community Volunteer

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Weatherization  
(603) 752-7105

Administration  
(603) 752-7001

AOD  
(603) 752-7941



Community Contact  
(603) 752-3248

R.S.V.P.  
(603) 752-4103

Energy Programs  
(603) 752-7100

## **Andrea E. M. Gagne**

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### **WORK HISTORY**

#### **Division Director of Energy, Housing & Community Contact Offices (EHCCO)**

**November 2013 – Present Tri-County Community Action Programs Berlin, New Hampshire**

- Ensures division's operation, budget and personnel management.
- Hire, supervise and manage EHCCO staff, including in-house and itinerant employees.
- Oversee all EHCCO programs' operations, budgets and reporting; coordinate and integrate programs' activities.
- Prepare and submit grants and proposals.
- Develop, prepare and implement program budgets, narratives, outreach plans and work plans, forecasting of revenues vs. expenditures; analysis of budget vs actual income and expenses
- Review and reconcile division financial reports; produce programmatic reimbursement requests to funders within program payment schedules; produce other reports as required
- Interact with program monitors, outside auditors, Federal agency auditors and others in review of program activities, compliance and financial accountability
- Develop new programs and funding streams as appropriate.
- Represent EHCCO and Tri-County CAP at local, state, regional and national meetings as needed.
- Assist with other TCCAP management and supervisory duties as needed.

#### **Executive Director**

**October 2010 – Present Child Advocacy Center of Coos County Lancaster, New Hampshire**

- Provides leadership in developing program, organizational and financial plans with the Board of Directors and other staff to advance the mission of the agency.
- Works with the Board of Directors and recommends operational objectives that support the strategic plan and to maintain a shared vision for the future of the agency.
- Hires, supervises and disciplines staff members and ensures personnel have appropriate training and education.
- Maintains a working knowledge of emerging issues and significant developments in the fields of child abuse investigations, team facilitation, and non-profit and agency administration.
- Maintains official records and documents, and assures compliance with federal, state, and local regulations.
- Manages and conducts ongoing program evaluation including outcome measures and contracts for and oversees annual financial review.
- Identifies grant opportunities, develops proposals, and produces required reports to funding sources.
- Develops relationships and maintains regular communications with funding sources.
- Manages and oversees agency's multidisciplinary team, compliance with training standards and implementation of best practice standards in a well organized, detail oriented, confidential team environment for investigative purposes in conformance with New Hampshire Attorney General Policies and accreditation standards.
- Manages and coordinates community wrap-around services for child-victims and their caregivers.

#### **Education**

- |                                     |                               |    |                |
|-------------------------------------|-------------------------------|----|----------------|
| -Master of Public Administration    | Norwich University,           | VT | June, 2011     |
| -BS Criminal Justice Administration | Granite State College,        | NH | December, 2007 |
| -Certificate of Paralegal Studies   | College for Lifelong Learning | NH | March, 2004    |

## Andrew Stone

### Objective

Client-focused with strong commitment to serving the needs and improving the quality of life of at-risk populations.

### Work Experience

11/2009 – Present – *HOIP/PATH Outreach Worker*

*Homeless Programs Coordinator*

#### Tri-County CAP, Littleton, NH

- Provide outreach and identify individuals who are unsheltered and provide assistance with attaining adequate shelter and access to needed services.

5/2005 – 11/2009 – *Community Integration Specialist,*

#### Northern Human Services/Common Ground, Littleton, NH

- Provide support and training to developmentally disabled consumers to promote natural relationships to help individuals become fully integrated in their community.

7/2008 – 2/2009 – *Residential Counselor,*

#### Merry Meadow Farm, Bradford, VT

- Provided a safe and supportive environment to residents suffering with a mental illness.

6/1999 – 4/2007 – *Security Supervisor,*

#### Loon Mountain Recreation Area, Lincoln, NH

- Supervised security staff by ensuring a safe environment for staff and guests, trainings and enforcing local laws and ordinances.

### Education

9/1993 – 5/1997 - Lyndon State College, Lyndonville, VT

- B.S. - Human Services/Counseling

# MICHAEL W. COUGHLIN, M.S.

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## Chief Executive – Nonprofit Sector

Complex, Multi-Site Operations ❖ Revenue & Margin Growth  
Strategic Partnerships  
Community & Public Engagement

*Motivating and results driven; recognized for:*

- |   |                                      |
|---|--------------------------------------|
| ✓ Strategic planning and financial management | ✓ Entrepreneurial spirit             |
| ✓ Mentoring & developing inspired leaders     | ✓ Assuring highest quality standards |
| ✓ Innovation, marketing and branding          | ✓ Passionate advocacy for mission    |

## EDUCATION

**Master of Science, Social Work** - Columbia University, New York, New York  
**Bachelor of Arts** - Quinnipiac University, Hamden, Connecticut

## PROFESSIONAL EXPERIENCE

REHABILITATIVE RESOURCES, INC.

2012-2013

One of the larger agencies providing services to people with developmental disabilities in Massachusetts. Serving hundreds of clients in 44 residential facilities, employment supports and day habilitation programs all over the state. \$25 million in annual revenue and over 600 full and part-time staff.

- **CEO**

Recruited to this position at an agency in need of change, in a time of distress. Followed a 31-year CEO, and reporting to a Board of Directors that expects transformation. Re-configured the senior leadership team, designed a five-year strategic planning process, and began agency-wide healing and cultural re-invigoration.

- **Organizational Development:** Leveraged the agency's considerable reputational and financial assets into distinct advantages in preparing for its 5-year strategic plan.
  - Met nearly every employee directly, either through individual team meeting visits, or through three regional town hall-style events, the first time this has happened.
  - Launched company-wide strategic planning process, involving stakeholders at every level and region of the organization.
- **Executive Development:** Reorganized senior management team into a streamlined, truly decision-making group. Set the conditions and expectations to become a high performing team. Secured executive coaching for leaders where necessary.
- **Community and Market Development:** Met with all major funders to understand their perceptions of the company, and to re-set a new focus on customer service excellence. Performed evaluations of the competitive environment, and began to build strategic coalitions with potential partners for new business.

ARIZONA'S CHILDREN ASSOCIATION

2012 to 2012

Arizona's oldest multi-service nonprofit, located in every county in the state, serving over 45,000 children and families every year in over 20 different programs, including behavioral health, substance abuse, foster care. \$40 million in annual revenue and nearly 750 full and part-time staff.

➤ **CEO**

Recruited to this position as successor to a 20-year CEO. Executed a financial turnaround: moving a projected \$750,000 deficit to break-even status within five months.

- **Organizational Development:** Stabilized financials and worked with Board and staff to create an aggressive five-year plan for growth:
  - Engaged program leaders, Finance team and fundraising to overcome previous year's losses and improve performance in turning around current year financials.
  - Re-organized senior program leaders from regional structure to lines of business, resulting in much better program consistency and communication with staff.
- **Executive Development:** Empowered Executive team to make decisions without micro-managing. Created an environment where creativity and execution exist side by side.
- **Community Relations:** Reached out to community leaders, funders, donors, competitors and potential partners. Made sure to be accessible, to offer our agency's support.

GOODWILL INDUSTRIES OF NORTHERN NEW ENGLAND

2007 to 2010

Serving Maine, New Hampshire and Vermont, with \$60 million in annual revenue. Employing 1400 people and serving over 20,000 individuals per year with services including developmental disability, brain injury and behavioral health. 25 stores and 30 program locations in three states.

➤ **CEO**

Recruited to this position to create and execute a new strategic plan. Increased annual revenue by \$20 million in three years to \$60 million. Doubled the number of clients served during the same period. Greatly improved employee and community relations.

- **Organizational Development:** Created Goodwill's strategic plan for Board approval, carried out its plans and achieved exceptional results:
  - Grew state and federal revenue by \$10 million per year through increases in grants, fees and philanthropy.
  - Maximized growth of retail business, earning \$10 million in new profitable revenue annually within three years.
  - Initiated and implemented two acquisitions of other nonprofits.
  - Increased agency margins each year, exceeding \$1.9 million in F.Y. 2010.
  - Championed new initiatives in quality improvement, employee relations and safety.
- **Executive Development:** Stabilized and grew a strong executive team, breaking down silos to achieve trust and true team performance. Created learning opportunities and career development for staff at all levels.
- **Community and Government Relations:** Increased Goodwill's profile through improved marketing, branding and partnerships with other organizations. Built strong relations with Departments of Health and Human Services, Attorney General's Office and Congressional delegations. Greatly expanded engagement with volunteers.

GENESIS BEHAVIORAL HEALTH, Laconia, New Hampshire 2002 to 2007  
*One of ten community mental health programs licensed by the Division of Behavioral Health in New Hampshire. \$8 million organization provides comprehensive mental health care.*

➤ **Executive Director**

Recruited to this organization to assume management responsibility and implement an aggressive turnaround. Guided management team to drive growth and service quality. Grew revenue by 35%, generating over \$1 million in new margins, in a time of shrinking state funds.

- **Organizational Development:** Directed organizational analysis, strategic planning and company-wide initiatives. Returned organization and balance sheet to fiscal health.
- **Executive Development:** Led a successful management restructuring, stabilizing the executive team. Helped Board of Directors become a stronger, more cohesive group.
- **Community & Government Relations:** Built a bridge to community and government through marketing and education events as well as personal contacts.

WARREN SHEPELL CONSULTANTS, Toronto, Ontario 2000 to 2002  
*One of Canada's leading behavioral health firms, supporting 1500+ client organizations and generating \$35 million annually. Ranked one of "50 best managed private companies in Canada" by Arthur Andersen and Financial Post.*

➤ **Vice President, Operations**

Managed nation-wide counseling operations provided by mental health professionals and para-professionals. Managed a \$19 million budget.

- **Staffing:** Led a national network of over 1100 Doctorate and Master's level professionals, providing service to over 70,000 clients per year
- **Service / Network Management & Expansion:** Directed the management of 28 offices coast to coast, to support new contracts. Played key role in 18% one-year revenue growth and 20% profit margins.
- **Business Development & PR:** Participated in sales efforts, resulting in winning key accounts. Represented company as a media spokesperson.

CHC- WORKING WELL, Mississauga, Ontario 1989 to 2000  
*One of Canada's largest behavioral health providers. Contracts with 1200+ client organizations, generating \$30 million annually.*

- **Vice President, Research & Development** - 1998 to 2000
- **National Director, Client Services** - 1995 to 1998
- **Regional Manager, Client Services** - 1993 to 1995
- **Area Manager, Client Services** - 1991 to 1993
- **Employee Assistance Counselor** - 1989 to 1991

Extensive Board service involvement

## Résumé

Peter G. Higbee

### Professional Experience

February, 1999 to present

**Tri-County CAP, Inc.**  
**Berlin, NH**

*Deputy Director/Chief Operating Officer, responsible for organizational development, IT, and planning and management support for Tri-County CAP's comprehensive array of human service programs. Functions as COO of agency with multiple projects, 300+ staff.*

February, 1996 to January 1999

**Tri-County CAP, Inc.**  
**Berlin, NH**

*Planning & Administrative Coordinator, responsible for planning and management support for comprehensive array of human service programs.*

September, 1987 to August, 1996

**College for Lifelong Learning, University System of NH (now Granite State College)**  
**Littleton & Berlin, NH offices, various sites**

*Teaching Faculty, responsible for courses in Early Childhood Education Degree and Certificate programs, including Parent-Staff Relations, Guiding the Behavior of Young Children, Pre-school Child Development, and Foundations of Early Childhood Education.*

October, 1986 to February, 1996

**Tri-County CAP, Inc. - Head Start**  
**Berlin, NH**

*Director of Head Start program, responsible for overall operation of comprehensive child and family development program offering center-based and home-based services to 238 families through 10 community-based sites. \$1 million+ budget, 50+ staff.*

September, 1980 to October, 1986

**Tri-County CAP, Inc. - Head Start**  
**Berlin, NH**

*Education/Special Needs/Mental Health Coordinator, responsible for planning and supervising implementation of Education, Special Needs and Mental Health services to up to 177 Head Start children and families, through community-based staff.*

September, 1977 to September, 1980

**Tri-County CAP, Inc. - Head Start**  
**No. Stratford & Littleton, NH**

*Head Teacher, responsible for classroom of up to 20 3- to 5-year-old Head Start children, including integration of nutrition and health services, parent support and parent involvement. Classes included special needs children.*

February, 1975 to August, 1977

**Coppermine School**  
**Franconia, NH**

*Teacher/Parent Participant in the co-operative founding and operation of an alternative, ungraded, parent-run elementary school, including Teaching at the primary level.*

### Education

**State College at Boston**  
**Boston, MA**  
**B.A., English, minor in Psychology, 1982**

Peter G. Higbee,  
Page 2

*Additional coursework includes Psychology courses at Plymouth (NH) State College and Lesley College (Cambridge, MA); Adult and Early Childhood Education courses at Antioch New England Graduate School (Keene, NH); and Management courses at Texas Tech (Dallas, TX) and The Anderson Graduate School of Management at UCLA (Los Angeles, CA). Mediation*

*training includes child and family and victim-offender mediation.*

## **Organizations & Memberships**

Nov., 2011 to present

### **City of Berlin, NH Berlin, NH**

*Elected City Council Member, Ward III.*

2008 to present

### **Berlin Industrial Development and Park Authority Berlin, NH**

*Authority Member, appointed by Mayor and Council. Vice-Chair 2010 - present.*

1999 to 2009

### **North Country Health Consortium Littleton, NH**

*Board Member of organization of Northern NH health and social service providers, including area hospitals, home health agencies, etc. Served on Technology committee, Oral Health Work Group and Executive Committee, including five terms as **Vice-President** of NCHC.*

1998 to present

### **NH CAP Association -- Technology Committee Statewide, NH**

*Committee Member (currently **Co-Chair**) of statewide technology Committee overseeing development and implementation of a statewide electronic intake, referral, and case management system for the six NH CAPs and the Governor's Office of Energy & Community Services.*

1988 to 1998

### **Ammonoosuc Community Health Services Littleton, NH**

*Board Member 1988 - 98, **President**, 1989 - 95. During tenure as president, agency received Corporate Fund Award for Management Excellence; constructed new facility; and merged with rural health care provider to form Community Health Center Network.*

1986 to 1996

### **New Hampshire Head Start Directors' Association Statewide, NH**

*Association Member, **President** 1989 to 1994. During tenure state Head Start Programs sought and secured supplemental funding for Head Start from the State of NH through special-legislation. Represented State programs at national level, and provided timely and accurate information exchange between local and national groups.*

1984 to 1998

### **Region I, (New England) Administration for Children and Families Boston, MA (Working through consultant contracts managed by 3rd parties)**

*Consultant/Program Monitor, participating in reviews of Head Start programs throughout New England, monitoring compliance with federal Performance Standards in the areas of Education, Disabilities, Mental Health and Administration.*

*Consultant/Member of Race Relation Work Group, researching the status of and making recommendations to improve the quality of interracial relations within the New England Head Start community.*



# **TRI-COUNTY COMMUNITY ACTION**

## **PROGRAM Inc.**

**Serving Coos, Carroll & Grafton Counties**

30 Exchange Street, Berlin, NH 03570 • (603) 752-7001 • Toll Free: 1-800-552-4617 • Fax: (603) 752-7607

Website: [www.tccap.org](http://www.tccap.org) • E-mail: [admin@tccap.org](mailto:admin@tccap.org)

Chief Executive Officer: Michael Coughlin

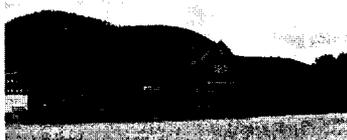
### **List of Key Administrative Personnel**

<b>Title</b>	<b>Name</b>	<b>Annual Salary</b>	<b>As of: April, 2014</b>	
			<b>Percentage</b>	<b>Amount</b>
Chief Executive Officer	Michael Coughlin	\$140,000	0.00%	0
Chief Operations Officer	Peter Higbee	\$90,000	0.00%	0
Chief Financial Officer	Rea Pfeiffer	\$83,000	0.00%	0
Energy, Housing, & Community Contact Director	Andrea Gagne	\$50,000	0.00%	0

Weatherization  
(603) 752-7105

Administration  
(603) 752-7001

AoD  
(603) 752-7941



Community Contact  
(603) 752-3248

R.S.V.P.  
(603) 752-4103

Energy Programs  
(603) 752-7100