

MTT 44



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

Nicholas A. Toumpas  
Commissioner

Mary Ann Cooney  
Associate Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857  
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April 2, 2014

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

100% Federal funds

**REQUESTED ACTION**

3 retroactive

Authorize the Department of Health and Human Services, Office of Human Services, Bureau of Homeless and Housing Services to enter into agreements, three of which are **retroactive**, with the vendors listed in the table below to provide permanent and transitional housing program(s) to facilitate the movement of homeless individuals to permanent housing and maximum self-sufficiency through the Federal Continuum of Care program in an amount not to exceed \$1,089,408 effective the dates indicated in the table below upon Governor and Executive Council approval through the completion dates indicated in the table below.

Vendor	Vendor Number	Location	Effective Date	Completion Date	Amount
Center for Life Management.	174116-P001	Derry	07/01/2014	06/30/2015	\$504,134
Community Bridges	155658-B001	Franklin	07/01/2014	06/30/2015	\$113,896
Community Partners of Strafford County	177200-B004	Dover	07/01/2014	06/30/2015	\$40,527
Families in Transition	157730-B001	Concord	<b>Retroactive to:</b> 04/01/2014	06/30/2015	\$127,746
Harbor Homes	155358-B001	Statewide	<b>Retroactive to:</b> 01/01/2014	12/31/2014	\$88,406
Lakes Region Mental Health d/b/a Genesis Behavioral Health	154480-B001	Laconia	07/01/2014	06/30/2015	\$91,051
Seacoast Mental Health Center	174089-P001	Portsmouth	07/01/2014	6/30/2015	\$13,918
Southwestern Community Services, Inc.	177511-001	Cheshire & Sullivan Counties	<b>Retroactive to:</b> 01/01/2014	12/31/2014	\$109,730
				<b>Total:</b>	<b>\$1,089,408</b>

Funds to support this request are available in the following accounts in SFY 2014 and 2015 with the ability to adjust encumbrances without Governor and Council approval 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**

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, some of the grant awards that are contracted are contracted prospectively 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 awards that are issued retroactively result in the 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.

Regardless of when the communities applied for the funds, the Department cannot begin contracts with the community-based agencies prior to their current contracts end date. Therefore, this package contains contracts with various effective dates, including three that are **retroactive**. Further, some community-based agencies applied for more than one grant due to the locations to which the funds awarded will be allocated. These vendors include Families in Transition, Harbor Homes and Southwestern Community Services. These particular vendors provide homeless services to several towns and cities while operating a main office for the administration of the funds that are awarded to individual community-based agencies.

Three attached vendor agreements are retroactive because 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 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 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 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 Continuum of Care program, the community-based agencies must follow the federal process to access the funds, which are distributed by the states.

This package includes eight (8) of sixteen (16) vendors receiving a competitive award for renewal funding, and represents \$1,089,408 of a total of \$1,848,809 being funded through the Continuum of Care program. The Governor and Executive Council have already approved eight (8) of the sixteen (16) contracts. Pursuant to these agreements, vendors will utilize Continuum of Care funds to provide and pay for, supportive services, rental/leasing assistance, and administrative costs associated with providing services to homeless individuals and/or families. 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 is presenting these contracts to the Governor and Executive Council for approval in groups in an effort to consolidate administrative work and minimize the duplication of efforts

when preparing items for the Department Administrative Services to review and for the Governor and Executive Council to approve.

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 for communities to submit an application to the U.S. Department of Housing and Urban Development for resources targeting housing and support services for homeless individuals and families.

The Department 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 transitional housing, permanent 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, outreach, transitional and permanent housing 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.

Her Excellency, Margaret Wood Hassan  
and the Honorable Council  
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In the event that the federal funds become no longer available, general funds will not be requested to support this program.

Area served: Statewide

Source of funds: 100% Federal Funds.

Respectfully submitted,



Mary Ann Cooney  
Associate Commissioner

Approved by:   
Nicholas A. Toumpas  
Commissioner

Continuum of Care

**Community Action Program Belknap- Merrimack, Inc. (Vendor # 177203-B001)**

**Areas Served: Franklin**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2015	\$39,199
102-500731	Contracts for Prog Svc	42306010	2016	\$27,995
			<b>Sub-total</b>	<b>\$67,194</b>

**Center for Life Management – Beaver Lake Lodge & PHI (Vendor # 174116-P001)**

**Area Served: Derry**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$0
102-500731	Contracts for Prog Svc	42306010	2015	\$504,134
			<b>Sub-total</b>	<b>\$504,134</b>

**Community Bridges (Vendor # 155658-B001)**

**Area Served: Franklin**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$0
102-500731	Contracts for Prog Svc	42306010	2015	\$113,896
			<b>Sub-total</b>	<b>\$113,896</b>

**Community Partners of Strafford County (Vendor # 177200-B004)**

**Area Served: Dover**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$0
102-500731	Contracts for Prog Svc	42306010	2015	\$40,527
			<b>Sub-total</b>	<b>\$40,527</b>

**Families in Transition – Concord PHP (Vendor # 157730-B001)**

**Area Served: Greater Concord Area**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$0
102-500731	Contracts for Prog Svc	42306010	2015	\$68,585
			<b>Sub-total</b>	<b>\$68,585</b>

Continuum of Care

**Families in Transition-Concord Community Leasing II (Vendor # 157730-B001)**  
**Area Served: Concord**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$31,937
102-500731	Contracts for Prog Svc	42306010	2015	\$95,809
			<b>Sub-total</b>	\$127,746

**Family in Transition-Dover PHP (Vendor 157730-B001)**  
**Area Served: Dover**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2015	\$63,848
102-500731	Contracts for Prog Svc	42306010	2016	\$31,924
			<b>Sub-total</b>	\$95,772

**Families in Transition PH VI (Vendor # 157730-B001)**  
**Area Served: Manchester**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2015	\$54,780
102-500731	Contracts for Prog Svc	42306010	2016	\$16,594
			<b>Sub-total</b>	\$71,374

**Families in Transition Concord Community PH (Vendor # 157730-B001)**  
**Area Served: Greater Concord Area & Merrimack County**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2015	\$63,784
102-500731	Contracts for Prog Svc	42306010	2016	\$31,890
			<b>Sub-total</b>	\$95,674

Continuum of Care

Harbor Homes RRH (Vendor # 155358-B001)(HUD 2012 NOFA)

Area Served: Statewide

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$44,203
102-500731	Contracts for Prog Svc	42306010	2015	\$44,203
			<b>Sub-total</b>	<b>\$88,406</b>

Harbor Homes (Vendor # 155358-B001)

Area Served: Greater Nashua Area

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$0
102-500731	Contracts for Prog Svc	42306010	2015	\$200,114
			<b>Sub-total</b>	<b>\$200,114</b>

Lakes Region Mental Health d/b/a Genesis Behavioral Health –  
McGrath Street (Vendor # 154480-B001) Area Served: Laconia

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$0
102-500731	Contracts for Prog Svc	42306010	2015	\$91,051
			<b>Sub-total</b>	<b>\$91,051</b>

Seacoast Mental Health Center (Vendor # 174089-P001)

Area Served: Portsmouth

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$0
102-500731	Contracts for Prog Svc	42306010	2015	\$13,918
			<b>Sub-total</b>	<b>\$13,918</b>

Southwestern Community Services (Vendor # 177511-P001 )(HUD 2012 NOFA)

Area Served: Cheshire and Sullivan Counties

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$54,865
102-500731	Contracts for Prog Svc	42306010	2015	\$54,865
			<b>Sub-total</b>	<b>\$109,730</b>

Continuum of Care

**Southwestern Community Services (Next Steps) (Vendor # 177511-P001 )**

**Area Served: Keene**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$21,174
102-500731	Contracts for Prog Svc	42306010	2015	\$63,522
			<b>Sub-total</b>	<b>\$84,696</b>

**Southwestern Community Services (Cheshire) (Vendor # 177511-P001)**

**Area Served: Cheshire and Sullivan Counties**

Account	Class Title	Activity Code	State Fiscal Year	Contract Amount
102-500731	Contracts for Prog Svc	42306010	2014	\$0
102-500731	Contracts for Prog Svc	42306010	2015	\$75,992
			<b>Sub-total</b>	<b>\$75,992</b>

<b>Total</b>	<b>\$1,848,809</b>
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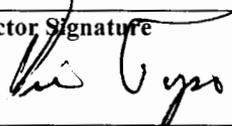
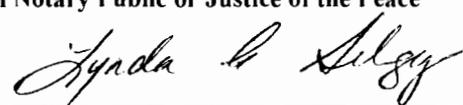
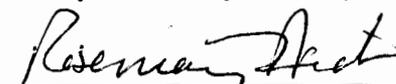
Subject: Continuum of Care Program

**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> CLM Center For Life Management		<b>1.4 Contractor Address</b> 10 Tsienneto Rd Derry, NH 03038	
<b>1.5 Contractor Phone Number</b> (603) 434-1577	<b>1.6 Account Number</b> 010-042-7927-102-0731	<b>1.7 Completion Date</b> June 30, 2015	<b>1.8 Price Limitation</b> \$504,134.00
<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> Vic Topo, President/CEO	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of <u>Rockingham</u> On <u>3/19/14</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> LYNDAA A. SILEGY Notary Public - New Hampshire My Commission Expires August 19, 2014			
<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>4-17-14</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.

Contractor Initials: WA  
Date: 3/19/14

**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

Contractor Initials: W  
Date: 3/19/14





Exhibit A

SCOPE OF SERVICES

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 thirty five (35) 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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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.

  
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- 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 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.

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- 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.
- 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

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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).

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).

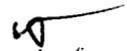
5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.

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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**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**Continuum of Care Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Continuum of Care 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: Continuum of Care Program

Total Amount Continuum of Care Program;

July 1, 2014 – June 30, 2015: not to exceed \$504,134.00

Funds allocation under this agreement for Continuum of Care Program for Beaver Lake Lodge;

Operating expenses: \$176,893.00

Supportive services: \$62,042.00

Administrative costs: \$6,286.00

Total program amount: \$245,221.00

Funds allocation under this agreement Continuum of Care Program for PH I;

Supportive services: \$45,000.00

Legal Rental Assistance: \$207,276.00

Administrative costs: \$6,637.00

Total program amount: \$258,913.00

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. REPORTS**

As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:

2.1 Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

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- 2.2 Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.
3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE
- 3.1. 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.
- 3.2. 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 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.
- 3.3. 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.
4. USE OF GRANT FUNDS
- 4.1. 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.

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- 4.2. 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.
  - 4.3. 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.
  5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM
    - 5.1. 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.
    - 5.2. 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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- 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

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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.



**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.

3/19/14  
Date

Contractor Name: Center for Life Management  
Vic Topo, President/CEO  
Name: Vic Topo  
Title:



**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: *Center for Life Management*

3/19/14  
Date

*Vic Topo, President/CEO*  
Name: *VIC TOPO*  
Title:



**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

*is*



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.

3/19/14  
Date

Contractor Name: Center for Life Management  
Vic Topo  
Name: Vic Topo, Title: President/CEO



**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.

3/19/14  
Date

Contractor Name: Center for Life Management  
Vic Topo, President/CEO  
Name: Vic Topo  
Title:



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: Center for Life Management

3/19/14  
Date

Vic Topo, President/CEO  
Name: Vic Topo  
Title:



**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.

A handwritten signature in black ink, appearing to be 'W' or similar, written over a horizontal line.



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.

W



**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.

3/19/14  
Date

4/4/14  
Date

Contractor Name: Center for Life management

Vic Tappo, President/CEO  
Name: Vic Tappo  
Title:

State Agency Name:  
NH DHHS

Mary Ann Coakley  
Name: MARY ANN COAKLEY  
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: center for Life Management

3/19/14  
Date

Vic Tojo / President/CEO  
Name: Vic Tojo  
Title:

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: 085573541
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:

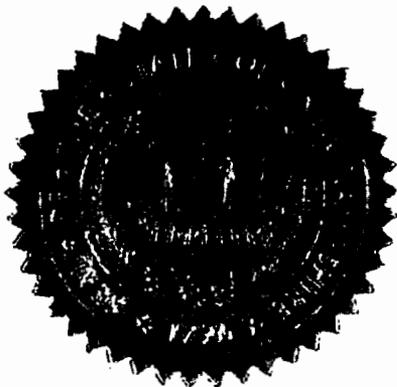
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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 CLM CENTER FOR LIFE MANAGEMENT is a New Hampshire trade name registered on June 30, 2003 and that The Mental Health Center for Southern New Hampshire presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having 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 2<sup>nd</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, Wayne D. White, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of CLM Center for Life Management  
(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 3/19/2014  
(Date)

**RESOLVED:** That the \_\_\_\_\_ President/CEO \_\_\_\_\_  
(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 19 day of March, 2014.  
(Date Contract Signed)

4. Vic Topo is the duly elected President/CEO  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Wayne D. White MD  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Rockingham

The forgoing instrument was acknowledged before me this 19 day of March, 2014.

By Wayne D. White  
(Name of Elected Officer of the Agency)

Lynda A. Silegy  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: \_\_\_\_\_  
**LYNDA A. SILEGY**  
Notary Public - New Hampshire  
**My Commission Expires August 19, 2014**





### **MISSION STATEMENT**

The mission of CLM Center for Life Management is to promote and advance the mental health and emotional well-being of the individuals, families, and organizations within our communities.

We accomplish this through professional, individualized, comprehensive services and by partnering with other organizations that share our philosophy.

**THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE  
MANAGEMENT AND AFFILIATES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2013**

**(With Independent Auditors' Report Thereon)**



December 23, 2013

To: U.S. Department Of Housing and Urban Development  
From: Vic Topo, CEO  
Re: Commitment Letter & Leveraging Agreement

This is to document Center For Life Managements' (CLM) firm commitment to the allocation of cash resources to support the HUD Beaver Lake Lodge project for the fiscal year beginning July 1, 2014. Combined cash resources in the amount of \$587,200.00 are allocated to support the program participants through the ongoing provision of mental health care and treatment services.

Also, this will further establish that funds will be leveraged to provide the mental health services noted above. These services are intended to meet the needs of the individuals receiving rental subsidies who have histories of mental illness and/or concurrent substance abuse. Specifically, these will include Case Management Services and Functional Support Services to promote successful community integration and recovery.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Vic Topo", is written over a faint, larger version of the signature.

Vic Topo, CEO

cc file  
M. Bergeron  
B. Quimby



December 23, 2013

To: U.S. Department Of Housing and Urban Development  
From: Vic Topo, CEO  
Re: Commitment Letter & Leveraging Agreement

This is to document Center For Life Managements' (CLM) firm commitment to the allocation of cash resources to support the HUD Permanent Housing 1 project for the fiscal year beginning July 1, 2014. Combined cash resources in the amount of \$499,979.00 are allocated to support the program participants through the ongoing provision of mental health care and treatment services.

Also, this will further establish that funds will be leveraged to provide the mental health services noted above. These services are intended to meet the needs of the individuals receiving rental subsidies who have histories of mental illness and/or concurrent substance abuse. Specifically, these will include Case Management Services and Functional Support Services to promote successful community integration and recovery.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Vic Topo", is written over a horizontal line.

Vic Topo, CEO

cc file  
M. Bergeron  
B. Quimby

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# MELANSON HEATH & COMPANY, PC

CERTIFIED PUBLIC ACCOUNTANTS  
MANAGEMENT ADVISORS

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Mental Health Center for Southern New Hampshire  
d/b/a CLM Center for Life Management and Affiliates

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

We have audited the accompanying consolidated statements of financial position of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates as of June 30, 2013, and the related consolidated Statement of Activities, Statement of Functional Expenses, and Statement of Cash Flows for the year then ended, and the related notes to the financial statements.

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Mental Health Center For Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates as of June 30, 2013, and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated October 1, 2013, on our consideration of The Mental Health Center For Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates' 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Mental Health Center For Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates' internal control over financial reporting and compliance.

### Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 15 - 21 are presented for purposes of additional analysis and are 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.

*Melanson, Heath + Company P.C.*

Nashua, New Hampshire  
October 1, 2013

THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidated Statement of Financial Position  
June 30, 2013  
(With Comparative Totals as of June 30, 2012)

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets:		
Cash and cash equivalents	\$ 429,199	\$ 511,446
Restricted cash	124,439	88,870
Accounts receivable, net	907,893	842,498
Other receivables	141,960	173,951
Prepaid expenses	<u>62,886</u>	<u>54,331</u>
Total Current Assets	1,666,377	1,671,096
Property and equipment, net	4,416,653	4,585,907
Finance costs, net	<u>362,964</u>	<u>380,611</u>
Total Assets	<u>\$ 6,445,994</u>	<u>\$ 6,637,614</u>

LIABILITIES AND NET ASSETS

	<u>2013</u>	<u>2012</u>
Current Liabilities:		
Accounts payable	\$ 76,018	\$ 98,307
Accrued payroll and related taxes payable	153,878	143,747
Accrued vacation	274,697	269,011
Accrued interest	49,000	48,440
Accrued expenses	39,532	28,084
Deferred revenue	-	12,000
Line of credit	-	200,000
Current portion of long-term debt	<u>108,809</u>	<u>107,449</u>
Total Current Liabilities	701,934	907,038
Non-Current Liabilities:		
Long-term debt, net of current portion	<u>3,368,380</u>	<u>3,442,070</u>
Total Liabilities	4,070,314	4,349,108
Net Assets - unrestricted	<u>2,375,680</u>	<u>2,288,506</u>
Total Liabilities and Net Assets	<u>\$ 6,445,994</u>	<u>\$ 6,637,614</u>

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

THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidated Statement of Activities  
For the Year Ended June 30, 2013  
(With Comparative Totals for the Year Ended June 30, 2012)

	<u>2013</u>	<u>2012</u>
<u>Public Support and Revenues:</u>		
Public Support:		
Federal	\$ 970,014	\$ 872,657
State of New Hampshire - BBH	222,955	84,607
State and local funding	47,400	47,400
Other public support	38,322	43,499
Total Public Support	<u>1,278,691</u>	<u>1,048,163</u>
Revenues:		
Program service fees, net	9,964,952	9,673,849
Other service income	365,753	335,457
Rental income	83,794	80,271
Other	19,140	60,794
Total Revenues	<u>10,433,639</u>	<u>10,150,371</u>
Total Public Support and Revenues	11,712,330	11,198,534
<u>Expenses:</u>		
BBH funded program services:		
Children	3,182,135	2,964,715
Elders	287,693	255,875
Vocational	285,723	298,887
Beaver Lake Lodge	828,851	792,337
Multi-Service	1,458,738	1,390,733
Acute Care	662,924	622,662
Independent Living	1,746,387	1,622,516
Assertive Community Treatment	409,008	433,134
Non-Specialized Outpatient	1,338,833	1,389,331
Non-BBH funded program services	<u>535,639</u>	<u>275,263</u>
Total Program Expenses	10,735,931	10,045,453
Administrative Expenses	<u>889,225</u>	<u>898,004</u>
Total Expenses	<u>11,625,156</u>	<u>10,943,457</u>
Change in net assets	87,174	255,077
Net assets at beginning of year, as restated	<u>2,288,506</u>	<u>2,033,429</u>
Net assets at end of year	<u>\$ 2,375,680</u>	<u>\$ 2,288,506</u>

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

THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES

Consolidated Statement of Functional Expenses

For the Year Ended June 30, 2013

(With Comparative Totals for the Year Ended June 30, 2012)

	2013			2012		
	Program Services	Admin-istrative	Total	Program Services	Admin-istrative	Total
Personnel Costs:						
Salary and wages	\$ 6,748,947	\$ 575,861	\$ 7,324,808	\$ 6,341,624	\$ 572,888	\$ 6,914,512
Employee benefits	1,245,700	81,380	1,327,080	1,107,981	87,230	1,195,211
Payroll taxes	484,773	43,799	528,572	440,098	49,368	489,466
Accounting/audit fees	49,088	5,994	55,082	47,313	4,040	51,353
Advertising	6,273	855	7,128	8,271	415	8,686
Conferences, conventions, and meetings	12,327	10,736	23,063	18,113	9,776	27,889
Depreciation/amortization	209,083	16,607	225,690	234,364	17,474	251,838
Equipment maintenance	17,532	1,152	18,684	17,411	1,125	18,536
Equipment rental	21,561	2,826	24,387	32,907	2,891	35,798
Insurance	72,224	6,602	78,826	60,763	6,183	66,946
Interest expense	117,323	19,424	136,747	119,280	13,244	132,524
Legal fees	26,383	2,711	29,094	57,794	4,889	62,683
Membership dues	45,927	4,048	49,975	28,905	2,595	31,500
Occupancy expenses	727,627	22,392	750,019	726,416	22,525	748,941
Office expenses	154,375	28,779	183,154	167,837	28,261	196,098
Other expenses	24,308	6,379	30,687	24,829	5,381	30,210
Other professional fees	410,638	50,854	461,492	316,782	59,166	375,948
Program supplies	173,515	7,339	180,854	120,845	8,606	129,451
Travel	188,327	1,487	189,814	173,920	1,947	175,867
	10,735,931	889,225	11,625,156	10,045,453	898,004	10,943,457
Administrative Allocation	889,225	(889,225)	-	898,004	(898,004)	-
Total Expenses	\$ 11,625,156	\$ -	\$ 11,625,156	\$ 10,943,457	\$ -	\$ 10,943,457

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

THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidated Statements of Cash Flows  
For the Year Ended June 30, 2013  
(With Comparative Totals for the Year Ended June 30, 2012)

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 87,174	\$ 255,077
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization	225,690	251,838
Gain on sale/disposal of assets	-	(35,650)
(Increase) decrease in:		
Restricted cash	(35,569)	(8,600)
Accounts receivable	(65,395)	(20,386)
Other receivables	31,991	(83,672)
Prepaid expenses	(8,555)	(1,387)
Increase (decrease) in:		
Accounts payable and accrued liabilities	5,536	(56,042)
Deferred revenue	<u>(12,000)</u>	<u>12,000</u>
Net Cash Provided by Operating Activities	228,872	313,178
Cash Flows from Investing Activities:		
Proceeds from sale of property	-	200,000
Purchases of property and equipment	(38,789)	(47,684)
Closing costs	<u>-</u>	<u>(24,700)</u>
Net Cash Provided by (Used in) Investing Activities	(38,789)	127,616
Cash Flows from Financing Activities:		
Net borrowings (payments) on line of credit	(200,000)	200,000
Principal payments on long-term debt	<u>(72,330)</u>	<u>(341,668)</u>
Net Cash Used in Financing Activities	<u>(272,330)</u>	<u>(141,668)</u>
Net Increase (Decrease) in Cash	(82,247)	299,126
Cash, Beginning of Year	<u>511,446</u>	<u>212,320</u>
Cash, End of Year	<u>\$ 429,199</u>	<u>\$ 511,446</u>
Supplemental disclosures		
Interest paid	<u>\$ 125,299</u>	<u>\$ 153,086</u>
Non-cash financing	<u>\$ -</u>	<u>\$ 100,000</u>

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

THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Notes to Consolidated Financial Statements  
June 30, 2013 and 2012

1. **Organization**

The Mental Health Center For Southern New Hampshire d/b/a CLM Center for Life Management (the “Agency”) is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs.

West Rock Endowment Association, Inc. (the “Association”), is a title-holding company as defined by the Internal Revenue Service whose sole purpose is to lease its real estate holdings to qualifying exempt organizations. It is affiliated with The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management through common board members.

During 2007, the Center for Life Management Foundation (the “Foundation”) was established to act for the benefit of, to carry out the functions of, and to assist the Agency. It is affiliated with The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management through common board members and management. In addition, the Agency is the sole member.

2. **Summary of Significant Accounting Policies**

**Basis of Presentation**

The consolidated financial statements include the accounts of The Mental Health Center of Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates, West Rock Endowment Association, Inc., and the Center for Life Management Foundation. All intercompany transactions and accounts have been eliminated in consolidation.

**Accounting for Contributions and Financial Statement Presentation**

The consolidated financial statements follow *Accounting for Contributions Received and Contributions Made* and *Financial Statements of Not-for-Profit Organizations* as required by the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC). Under these guidelines, there is a requirement to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributions, including contributed services, meeting certain criteria at fair values. These reporting standards establish standards for financial statements of not-for-profit organizations and require a Statement of Financial Position, a Statement of Activities, a Statement of Functional Expenses, and a Statement of Cash Flows.

### 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. Contributions are reported in accordance with FASB ASC *Accounting for Contributions Received and Contributions Made*.

### Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. 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 restrictions.

### Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, all highly liquid investments with an initial maturity of three months or less are considered to be cash equivalents.

### Property and Equipment

Property and equipment is recorded at cost or, if donated, at estimated fair market value at the date of donation. Major additions and improvements are capitalized, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from 3 to 40 years. Assets not in service are not depreciated.

### Financing Costs

Financing costs are recorded on the balance sheet net of accumulated amortization. These costs are being amortized over the term of the financing.

### Vacation Pay and Fringe Benefits

Vacation pay is accrued and charged to programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on programs.

### Third-party Contractual Arrangements

A significant portion of patient revenue is derived from services to patients insured by third-party payers. Reimbursements from Medicare, Medicaid, and Blue Cross at defined rates for services rendered to patients covered by these programs are received. The difference between the established billing rates and the actual rate of reimbursement is recorded as an allowance when received. A provision for estimated contractual allowances is provided on outstanding patient receivables at the balance sheet date.

### 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.

### Tax Status

The Mental Health Center of Southern New Hampshire d/b/a CLM Center for Life Management is exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). The Agency 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.

West Rock Endowment Association, Inc. is a 501(c)(2) title holding company whose sole purpose is to lease its real estate holdings to qualifying organizations.

The Center for Life Management Foundation is exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3). It is an organization that is organized and operated exclusively for the benefit of the Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management.

These financial statements follow 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. *Accounting for Uncertainty in Income Taxes* did not have a material impact on these financial statements.

Federal Form 990 (Return of Organization Exempt from Income Tax) for fiscal years 2010, 2011, and 2012 is subject to examination by the IRS, generally for three years after filing.

### Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

### Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

### Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to

constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2012, from which the summarized information was derived.

**Subsequent Events**

In accordance with the provisions set forth by FASB ASC, *Subsequent Events*, events and transactions from July 1, 2013 through October 1, 2013, the date the financial statements were available to be issued, have been evaluated by management for disclosure. Management has determined that there were no material events that would require disclosure in these financial statements through this date.

**3. Concentrations of Credit Risk**

Cash balances are maintained at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2013 all deposits were insured.

**4. Restricted Cash**

Restricted cash is to be used mainly for debt service, as designated by the Series 2006 bonds.

**5. Accounts Receivable, Net**

Receivables consisted of the following at June 30:

Accounts Receivable:	2013			2012		
	<u>Receivable</u>	<u>Receivable Allowance</u>	<u>Net</u>	<u>Receivable</u>	<u>Receivable Allowance</u>	<u>Net</u>
Clients	\$ 540,356	\$ (344,265)	\$ 196,091	\$ 605,129	\$ (362,453)	\$ 242,676
Insurance companies	151,163	(6,873)	144,290	118,902	(2,211)	116,691
Medicaid	455,647	(9,697)	445,950	430,360	(3,958)	426,402
Medicare	132,207	(10,645)	121,562	59,580	(2,851)	56,729
	<u>\$ 1,279,373</u>	<u>\$ (371,480)</u>	<u>\$ 907,893</u>	<u>\$ 1,213,971</u>	<u>\$ (371,473)</u>	<u>\$ 842,498</u>
Other Receivables:	<u>2013</u>	<u>2012</u>				
Towns	\$ 21,500	\$ 26,000				
NH Division of Mental Health	72,025	88,505				
Miscellaneous	48,435	59,446				
Other receivables	<u>\$ 141,960</u>	<u>\$ 173,951</u>				

**6. Property, Equipment and Depreciation**

The following is a summary of property and equipment as of June 30:

	<u>2013</u>	<u>2012</u>
Land	\$ 687,307	\$ 687,307
Buildings and improvements	4,475,044	4,470,824
Automobiles	89,335	130,920
Equipment	1,613,141	1,587,905
Construction in progress	41,394	32,061
	<u>6,906,221</u>	<u>6,909,017</u>
Less: Accumulated depreciation	<u>(2,489,568)</u>	<u>(2,323,110)</u>
Property and equipment, net	<u>\$ 4,416,653</u>	<u>\$ 4,585,907</u>

## 7. Line of Credit

As of June 30, 2013, a demand line of credit with People's United Bank with a borrowing capacity of \$750,000 is available through December 31, 2013, the annual review date. Interest accrued on the outstanding principal balance is payable monthly at prime plus 0.25%; provided, however, at no time shall the interest rate be less than 5.00%. The outstanding balance on this line at June 30, 2013 was \$0. The line of credit is secured by all business assets and real estate.

## 8. Long Term Debt

Long-term debt at June 30, 2013 consisted of the following:

	<u>2013</u>	<u>2012</u>
Mortgage payable to People's United Bank, interest at 5.823%, monthly payments of \$2,489, with balloon payment extended through September 17, 2011, collateralized by real estate.	\$ 57,189	\$ 89,519
Series 2006 New Hampshire Health and Education Facilities payable through July 2036, original principal of \$3,700,000, remarketed and sold to Centrix Bank in December 2011 at 2.80% per annum.	<u>3,420,000</u>	<u>3,460,000</u>
	3,477,189	3,549,519
Less Current Portion	<u>(108,809)</u>	<u>(107,449)</u>
Long-term debt, net of current portion	<u>\$ 3,368,380</u>	<u>\$ 3,442,070</u>

Future maturities of long-term debt are as follows for the years ending June 30:

2014	\$ 108,809
2015	103,380
2016	85,000
2017	90,000
2018	95,000
Thereafter	<u>2,995,000</u>
	<u>\$ 3,477,189</u>

In accordance with the Series 2006 bond issuance, there is a ten-year letter of credit commitment (currently with People's United Bank) to support the tax-exempt bonds issue. An 0.85% fee on the outstanding letter of credit balance is required. During the year ending June 30, 2013, fees were incurred on the outstanding letter of credit, which are included in interest expense.

The bonds are secured by land, building, equipment, and certain revenues. Certain covenants must also be met in order to maintain compliance with the loan agreements, including:

- A. Maintenance of a 1.10 Debt Service Coverage ratio and a 0.04 Liquidity ratio.
- B. Maintenance of a Debt Service Reserve Fund.

#### 9. **Restricted Net Assets and Net Assets Released from Restriction**

Since there are no restricted net assets, no net assets were released from restriction.

#### 10. **Fair Values of Financial Instruments**

FASB ASC, *Fair Value Measurements*, provides guidance for using fair value to measure assets and liabilities. *Fair Value Measurements* applies whenever other standards require or permit assets or liabilities to be measured at their fair market value. The standard does not expand the use of fair value in any new circumstances. Under *Fair Value Measurements*, fair value refers to the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. *Fair Value Measurements* clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the asset or liability and establishes a fair value hierarchy that prioritizes the information used to develop those assumptions.

Under *Fair Value Measurements*, fair value estimates are categorized based on a hierarchical framework associated with three levels of price transparency utilized in measuring financial instruments at fair value. Classification is based on the lowest level of input that is significant to the fair value of the instrument. The three levels are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. The types of financial instruments included in Level 1 are highly liquid instruments with quoted prices;
- Level 2 - Inputs from active markets, other than quoted prices for identical instruments, are used to model fair value. Significant inputs are directly observable from active markets for substantially the full term of the asset or liability being valued; and

- Level 3 - Pricing inputs significant to the valuation are unobservable. Inputs are developed based on the best information available; however, significant judgment is required by management in developing the inputs.

The carrying amounts of cash and cash equivalents approximate fair value because of the short maturity of those financial instruments and are considered Level 1 instruments.

#### 11. **Employee Benefit Plan**

Discretionary matching contributions to a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code are contingent upon financial condition. This program covers eligible regular full-time and part-time employees who have successfully completed at least one year of employment and work at least 20 hours per week. Eligible employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. During the year ended June 30, 2013, employer contributions totaled \$0.

#### 12. **Commitments and Contingencies**

The Mental Health Center for Southern New Hampshire, d/b/a CLM Center for Life Management, has entered into an agreement with Parkland Medical Center (PMC) of Derry, New Hampshire, effective June 1, 2013, and will expire on December 31, 2014, whereby CLM provides psychiatric services and consultations to inpatients of PMC for the hospital medical and nursing staff. The consultations are requested by the hospital and responded to by CLM medical staff on an on-call basis. In addition to the psychiatric services, CLM provides emergency mental health assessments, evaluations, and referral services to the emergency department (ED) of the hospital. CLM emergency service clinicians are available on a twenty-four hour, seven days a week basis to see patients entering the ED who are experiencing a mental health crisis or psychiatric emergency.

For the years ended June 30, 2013 and 2012, the Agency received approximately 57% and 60%, respectively, of its total revenue in the form of Medicaid reimbursements. Being a State of New Hampshire designated Comprehensive Community Mental Health Center affords the Agency Medicaid provider status. Annual contracting with New Hampshire Department of Health and Human Services-Bureau of Behavioral Health provides a base allocation of state general funds that can be taken as a grant or pledged in full or in part for leveraging matching federal Medicaid funds.

Lease Commitments

There were several long-term lease agreements for clinic space and equipment that expired July, 2013. Rent expense was \$85,035 for the year ended June 30, 2013.

13. **Beginning Net Assets Restatement**

Beginning net assets were increased by \$122,733 in order to properly reflect the prior year accounts payable balance.

THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidating Statement of Financial Position  
June 30, 2013

ASSETS

	Center for Life Management	West Rock Endowment	CLM Foundation	Total	Eliminations	Consolidated
Current Assets:						
Cash and cash equivalents	\$ 286,174	\$ 17,268	\$ 125,757	\$ 429,199	\$ -	\$ 429,199
Restricted cash	124,439	-	-	124,439	-	124,439
Accounts receivable, net	907,893	-	-	907,893	-	907,893
Other receivables	141,960	-	-	141,960	-	141,960
Prepaid expenses	62,886	-	-	62,886	-	62,886
Total Current Assets	<u>1,523,352</u>	<u>17,268</u>	<u>125,757</u>	<u>1,666,377</u>	<u>-</u>	<u>1,666,377</u>
Property and equipment, net	4,287,980	128,673	-	4,416,653	-	4,416,653
Finance costs, net	362,964	-	-	362,964	-	362,964
Total Assets	<u>\$ 6,174,296</u>	<u>\$ 145,941</u>	<u>\$ 125,757</u>	<u>\$ 6,445,994</u>	<u>\$ -</u>	<u>\$ 6,445,994</u>

LIABILITIES AND NET ASSETS

Current Liabilities:						
Accounts payable	\$ 76,018	\$ -	\$ -	\$ 76,018	\$ -	\$ 76,018
Accrued payroll and related taxes payable	153,878	-	-	153,878	-	153,878
Accrued vacation	274,697	-	-	274,697	-	274,697
Accrued interest	49,000	-	-	49,000	-	49,000
Accrued expenses	39,532	-	-	39,532	-	39,532
Current portion of long-term debt	108,809	-	-	108,809	-	108,809
Total Current Liabilities	<u>701,934</u>	<u>-</u>	<u>-</u>	<u>701,934</u>	<u>-</u>	<u>701,934</u>
Non-Current Liabilities:						
Long-term debt, net of current portion	3,368,380	-	-	3,368,380	-	3,368,380
Total Liabilities	<u>4,070,314</u>	<u>-</u>	<u>-</u>	<u>4,070,314</u>	<u>-</u>	<u>4,070,314</u>
Net Assets - unrestricted	2,103,982	145,941	125,757	2,375,680	-	2,375,680
Total Liabilities and Net Assets	<u>\$ 6,174,296</u>	<u>\$ 145,941</u>	<u>\$ 125,757</u>	<u>\$ 6,445,994</u>	<u>\$ -</u>	<u>\$ 6,445,994</u>

See Independent Auditors' Report.



THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidating Statement of Activities  
For the Year Ended June 30, 2013

	Center for Life Management	West Rock Endowment	CLM Foundation	Total	Eliminations	Consolidated
<u>Public Support and Revenues:</u>						
Public Support:						
Federal	\$ 970,014	-	-	\$ 970,014	-	\$ 970,014
State of New Hampshire - BBH	222,955	-	-	222,955	-	222,955
State and local funding	47,400	-	-	47,400	-	47,400
Other public support	7,235	-	31,087	38,322	-	38,322
Total Public Support	<u>1,247,604</u>	<u>-</u>	<u>31,087</u>	<u>1,278,691</u>	<u>-</u>	<u>1,278,691</u>
Revenues:						
Program service fees, net	9,964,952	-	-	9,964,952	-	9,964,952
Other service income	365,753	-	-	365,753	-	365,753
Rental income	83,794	15,930	-	99,724	(15,930)	83,794
Other	19,140	3	-	19,143	(3)	19,140
Total Revenues	<u>10,433,639</u>	<u>15,933</u>	<u>-</u>	<u>10,449,572</u>	<u>(15,933)</u>	<u>10,433,639</u>
Total Public Support and Revenues	<u>11,681,243</u>	<u>15,933</u>	<u>31,087</u>	<u>11,728,263</u>	<u>(15,933)</u>	<u>11,712,330</u>
<u>Expenses:</u>						
BBH funded program services:						
Children	3,182,135	-	-	3,182,135	-	3,182,135
Elders	287,693	-	-	287,693	-	287,693
Vocational	285,723	-	-	285,723	-	285,723
Beaver Lake Lodge	828,851	-	-	828,851	-	828,851
Multi-Service	1,458,738	-	-	1,458,738	-	1,458,738
Acute Care	662,924	-	-	662,924	-	662,924
Independent Living	1,746,387	-	-	1,746,387	-	1,746,387
Assertive Community Treatment	409,008	-	-	409,008	-	409,008
Non-Specialized Outpatient	1,338,833	-	-	1,338,833	-	1,338,833
Non-BBH funded program services	521,693	15,933	13,946	551,572	(15,933)	535,639
Total Program Expenses	<u>10,721,985</u>	<u>15,933</u>	<u>13,946</u>	<u>10,751,864</u>	<u>(15,933)</u>	<u>10,735,931</u>
Administrative Expenses	889,225	-	-	889,225	-	889,225
Total Expenses	<u>11,611,210</u>	<u>15,933</u>	<u>13,946</u>	<u>11,641,089</u>	<u>(15,933)</u>	<u>11,625,156</u>
Change in net assets	70,033	-	17,141	87,174	-	87,174
Net assets at beginning of year, as restated	2,033,949	145,941	108,616	2,288,506	-	2,288,506
Net assets at end of year	<u>\$ 2,103,982</u>	<u>\$ 145,941</u>	<u>\$ 125,757</u>	<u>\$ 2,375,680</u>	<u>\$ -</u>	<u>\$ 2,375,680</u>

See Independent Auditors' Report.

THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidating Statement of Activities  
For the Year Ended June 30, 2012

	Center for Life Management	West Rock Endowment	CLM Foundation	Total	Eliminations	Consolidated
<b>Public Support and Revenues:</b>						
Public Support:						
Federal	\$ 872,657	\$ -	\$ -	\$ 872,657	\$ -	\$ 872,657
State of New Hampshire - BBH	84,607	-	-	84,607	-	84,607
State and local funding	47,400	-	-	47,400	-	47,400
Other public support	16,573	-	26,926	43,499	-	43,499
Total Public Support	<u>1,021,237</u>	<u>-</u>	<u>26,926</u>	<u>1,048,163</u>	<u>-</u>	<u>1,048,163</u>
Revenues:						
Program service fees, net	9,673,849	-	-	9,673,849	-	9,673,849
Other service income	335,457	-	-	335,457	-	335,457
Rental income	80,271	35,200	-	115,471	(35,200)	80,271
Other	38,960	21,717	117	60,794	-	60,794
Total Revenues	<u>10,128,537</u>	<u>56,917</u>	<u>117</u>	<u>10,185,571</u>	<u>(35,200)</u>	<u>10,150,371</u>
Total Public Support and Revenues	<u>11,149,774</u>	<u>56,917</u>	<u>27,043</u>	<u>11,233,734</u>	<u>(35,200)</u>	<u>11,198,534</u>
<b>Expenses:</b>						
BBH funded program services:						
Children	2,964,715	-	-	2,964,715	-	2,964,715
Elders	255,875	-	-	255,875	-	255,875
Vocational	298,887	-	-	298,887	-	298,887
Beaver Lake Lodge	792,337	-	-	792,337	-	792,337
Multi-Service	1,390,733	-	-	1,390,733	-	1,390,733
Acute Care	622,662	-	-	622,662	-	622,662
Independent Living	1,622,516	-	-	1,622,516	-	1,622,516
Assertive Community Treatment	433,134	-	-	433,134	-	433,134
Non-Specialized Outpatient	1,389,331	-	-	1,389,331	-	1,389,331
Non-BBH funded program services	255,213	40,797	14,453	310,463	(35,200)	275,263
Total Program Expenses	<u>10,025,403</u>	<u>40,797</u>	<u>14,453</u>	<u>10,080,653</u>	<u>(35,200)</u>	<u>10,045,453</u>
Administrative Expenses	898,004	-	-	898,004	-	898,004
Total Expenses	<u>10,923,407</u>	<u>40,797</u>	<u>14,453</u>	<u>10,978,657</u>	<u>(35,200)</u>	<u>10,943,457</u>
Change in net assets	226,367	16,120	12,590	255,077	-	255,077
Net assets at beginning of year, as restated	1,066,276	871,127	96,026	2,033,429	-	2,033,429
Intercompany	741,306	(741,306)	-	-	-	-
Net assets at end of year	<u>\$ 2,033,949</u>	<u>\$ 145,941</u>	<u>\$ 108,616</u>	<u>\$ 2,288,506</u>	<u>\$ -</u>	<u>\$ 2,288,506</u>

See Independent Auditors' Report.

THE MENTAL HEALTH CENTER FOR  
 SOUTHERN NEW HAMPSHIRE  
 D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
 Analysis of Accounts Receivable  
 For the Year Ended June 30, 2013

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Change in Allowance	Accounts Receivable End of Year
Clients	\$ 605,129	\$ 1,791,614	\$ (440,990)	\$ (1,415,397)	\$ -	\$ 540,356
Insurance companies	118,902	2,000,503	(469,778)	(1,498,464)	-	151,163
Medicaid	430,360	7,680,533	(1,023,378)	(6,631,868)	-	455,647
Medicare	59,580	678,881	(252,433)	(353,821)	-	132,207
Allowance	<u>(371,473)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7)</u>	<u>(371,480)</u>
Totals	<u>\$ 842,498</u>	<u>\$ 12,151,531</u>	<u>\$ (2,186,579)</u>	<u>\$ (9,899,550)</u>	<u>\$ (7)</u>	<u>\$ 907,893</u>

See Independent Auditors' Report.

THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT  
Schedule of Program Revenues and Expenses  
For the Year Ended June 30, 2013

	Children	Elders	Vocational	Beaver Lake Lodge	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	Non-Specialized Outpatient	Other Non-BBH	Total Program Services	Administrative	Total Agency
<b>Public Support:</b>													
Federal	\$ -	\$ -	\$ -	\$ 241,391	\$ 3,000	\$ -	\$ 670,213	\$ 3,000	\$ -	\$ 52,410	\$ 970,014	\$ -	\$ 970,014
State of New Hampshire - BBH	27,180	-	-	-	27,000	141,185	-	80,000	-	(52,410)	222,955	-	222,955
State and local funding	31,429	-	-	-	-	-	-	-	3,271	12,700	47,400	-	47,400
Other public support	1,628	-	-	-	-	-	-	-	-	5,607	7,235	-	7,235
<b>Total Public Support</b>	<b>60,237</b>	<b>-</b>	<b>-</b>	<b>241,391</b>	<b>30,000</b>	<b>141,185</b>	<b>670,213</b>	<b>83,000</b>	<b>3,271</b>	<b>18,307</b>	<b>1,247,604</b>	<b>-</b>	<b>1,247,604</b>
<b>Revenues:</b>													
Program service fees, net	3,508,017	442,315	273,006	573,983	1,921,160	266,613	1,305,639	418,028	1,016,569	239,622	9,964,952	-	9,964,952
Other service income	62,778	9,171	-	-	-	243,751	-	-	2,415	47,638	365,753	-	365,753
Rental income	833	-	-	80,463	833	833	-	-	833	(1)	83,794	-	83,794
Other revenues	2,286	290	145	399	3,980	369	3,854	629	1,758	3,089	16,799	2,341	19,140
<b>Total Revenues</b>	<b>3,573,914</b>	<b>451,776</b>	<b>273,151</b>	<b>654,845</b>	<b>1,925,973</b>	<b>511,566</b>	<b>1,309,493</b>	<b>418,657</b>	<b>1,021,575</b>	<b>290,348</b>	<b>10,431,298</b>	<b>2,341</b>	<b>10,433,639</b>
<b>Total Public Support and Revenues</b>	<b>3,634,151</b>	<b>451,776</b>	<b>273,151</b>	<b>896,236</b>	<b>1,955,973</b>	<b>652,751</b>	<b>1,979,706</b>	<b>501,657</b>	<b>1,024,846</b>	<b>308,655</b>	<b>11,678,902</b>	<b>2,341</b>	<b>11,681,243</b>
<b>Total Program Expenses</b>	<b>3,446,045</b>	<b>311,553</b>	<b>309,419</b>	<b>897,592</b>	<b>1,579,718</b>	<b>717,903</b>	<b>1,891,223</b>	<b>442,929</b>	<b>1,449,869</b>	<b>564,959</b>	<b>11,611,210</b>	<b>-</b>	<b>11,611,210</b>
<b>Net</b>	<b>\$ 188,106</b>	<b>\$ 140,223</b>	<b>\$ (36,268)</b>	<b>\$ (1,356)</b>	<b>\$ 376,255</b>	<b>\$ (65,152)</b>	<b>\$ 88,483</b>	<b>\$ 58,728</b>	<b>\$ (425,023)</b>	<b>\$ (256,304)</b>	<b>\$ 67,692</b>	<b>\$ 2,341</b>	<b>\$ 70,033</b>

See Independent Auditors' Report.

THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT  
Schedule of Program Expenses  
For the Year Ended June 30, 2013

	Children	Elders	Vocational	Beaver Lake Lodge	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	Non-Specialized Outpatient	Other Non-BBH	Total Program Services	Admin-istrative	Total Agency
<b>Personnel Costs:</b>													
Salary and wages	\$ 2,184,378	\$ 195,272	\$ 185,205	\$ 452,483	\$ 986,652	\$ 474,358	\$ 806,814	\$ 240,934	\$ 910,043	\$ 312,808	\$ 6,748,947	\$ 575,861	\$ 7,324,808
Employee benefits	395,319	37,045	44,817	116,039	172,304	59,426	167,664	47,545	167,803	37,738	1,245,700	81,380	1,327,080
Payroll taxes	158,228	14,107	12,960	31,877	69,519	34,049	58,383	16,341	66,110	23,199	484,773	43,799	528,572
Accounting/audit fees	14,910	1,382	1,346	3,986	7,047	3,004	7,047	2,906	6,673	376	48,677	5,994	54,671
Advertising	1,902	134	224	520	767	428	855	321	740	382	6,273	855	7,128
Conferences, conventions, and meetings	2,293	156	148	389	795	460	932	3,056	1,666	2,432	12,327	10,736	23,063
Depreciation/Amortization	60,128	5,578	5,429	16,069	28,424	12,115	28,424	11,710	26,934	1,492	196,303	16,607	212,910
Equipment Maintenance	4,172	387	377	4,127	2,422	841	2,422	812	1,869	103	17,532	1,152	18,684
Equipment Rental	10,483	283	-	180	2,854	2,861	1,166	-	3,190	544	21,561	2,826	24,387
Insurance	20,862	1,936	1,884	7,633	11,918	4,203	9,863	4,063	9,345	517	72,224	6,602	78,826
Interest Expense	35,933	3,334	3,245	9,612	16,987	7,240	16,987	6,998	16,096	891	117,323	19,424	136,747
Legal fees	7,812	743	683	2,050	3,542	1,540	3,793	2,553	3,466	201	26,383	2,711	29,094
Membership dues	8,113	838	598	2,676	6,085	1,435	16,294	1,216	3,931	4,741	45,927	4,048	49,975
Occupancy expenses	52,788	9,775	417	66,075	37,168	12,230	482,072	3,836	42,348	32,201	738,910	22,392	761,302
Office expenses	46,403	2,242	4,114	7,746	22,790	13,364	20,740	5,595	21,291	10,090	154,375	28,779	183,154
Other expenses	4,407	304	178	528	2,338	1,550	1,788	421	2,949	6,121	20,584	6,379	26,963
Other professional fees	92,866	12,695	12,157	37,850	69,105	22,472	56,123	42,033	44,278	12,745	402,324	50,854	453,178
Program supplies	12,861	1,105	409	60,181	7,933	3,248	4,098	1,507	7,613	74,560	173,515	7,339	180,854
Travel	68,277	377	11,532	8,830	10,088	8,100	60,922	17,161	2,488	552	188,327	1,487	189,814
	3,182,135	287,693	285,723	828,851	1,458,738	662,924	1,746,387	409,008	1,338,833	521,693	10,721,985	889,225	11,611,210
	263,910	23,860	23,696	68,741	120,980	54,979	144,836	33,921	111,036	43,266	889,225	(889,225)	-
<b>Administrative Allocation</b>													
Total Program Expenses	\$ 3,446,045	\$ 311,553	\$ 309,419	\$ 897,592	\$ 1,579,718	\$ 717,903	\$ 1,891,223	\$ 442,929	\$ 1,449,869	\$ 564,959	\$ 11,611,210	\$ -	\$ 11,611,210

See Independent Auditors' Report.

 **IRS** Department of the Treasury  
Internal Revenue Service  
P.O. Box 2508  
Cincinnati OH 45201

In reply refer to: 0248567572  
Oct. 13, 2010 LTR 4168C E0  
02-0301530 000000 00  
00013542  
BODC: TE

 MENTAL HEALTH CENTER FOR SOUTHERN  
NEW HAMPSHIRE INC  
CLM CENTER FOR LIFE MANAGEMENT  
10 TSIENNETO RD  
DERRY NH 03038-1505

007323

Employer Identification Number: 02-0301530  
Person to Contact: Ms. Mueller  
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Oct. 01, 2010, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in November 1971.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website [www.irs.gov/eo](http://www.irs.gov/eo) for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

*Michele M. Sullivan*

Michele M. Sullivan, Oper. Mgr.  
Accounts Management Operations I



**TITLE:** Client Rights

**EFFECTIVE DATE:** June 1999  
April 2003  
January 2006  
Revised Feb 2008

**APPROVED BY:** Senior Management Team Date 6-28-2010  
Chief Executive Officer Date 6-28-2010

**APPLIES TO:** All programs and departments

**CONTACT PERSON:** V.P. of Quality & Compliance

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**POLICY:**

1. All services rendered by Center for Life Management (CLM) will be rendered on a non-discriminatory basis as required by federal and state laws.
2. All services will be rendered in a manner that is respectful of each person's age, gender, social supports, cultural orientation, psychological characteristics, sexual orientation, physical situation, and spiritual beliefs.
3. CLM shall ensure that all clients will be involved in all aspects of their treatment.
4. No applicant for service or client receiving service will be denied any right as set forth and protected by the New Hampshire Bureau of Behavioral Health in He-M 309. All clients of CLM shall be covered by this policy.
5. CLM will have an established mechanism for the notification of client rights and HIPAA privacy practices to all applicants for service.
6. CLM will have an established mechanism for the investigation and resolution of complaints regarding client rights. Investigations are part of CLM's Quality Improvement Program and, as such, are afforded certain protections from discovery.
7. CLM will have an established mechanism for the documentation of complaints regarding client rights.
8. All employees of CLM will be trained annually on client rights and will review CLM's Code of Ethics annually.
9. Employees of CLM shall make a complaint to the CLM Client Rights Investigator on behalf of an individual whenever they have reason to believe that a client rights violation has occurred.
10. Complaints determined by the Client Rights Investigator customer service in nature shall be referred to the appropriate department/program manager for resolution.

**PROCEDURE**

1. At Intake, and annually thereafter, in clearly understandable language, all applicants for service will be informed, orally and in writing of their rights as defined by He-M 309 and of the complaint process.
2. At Intake, all clients will receive a copy of CLM's Notice of Privacy Practices.
3. All applicants for services shall be informed of their right to an evaluation and access to treatment.
4. Notification of client rights will be documented in the client record.

5. An outline of client rights and HIPAA privacy practices will be conspicuously posted at each service delivery site.
6. Each program secretary, who will make them available to any client who asks to see and/or read the entirety of their client rights, will keep complete copies of He-M 309 and 202.
7. CLM will have at all times, a designated Clients Rights Investigator and a Privacy Officer. Designation or changes in designation of the Client Rights Investigator shall be reported to the Office of Client Legal Services at the Bureau of Behavioral Health.
8. The Client Rights Investigator will investigate each complaint in an objective manner. The resolution process and notification process outlined in He-M 202 will be followed.
9. At the option of the individual or guardian and, except in cases of abuse, neglect, or exploitation, concerns may be addressed informally as defined in He-M 303.
10. There will be no limit to the number of complaints by any complainant.
11. Complaints will be resolved within fifteen working days after receipt of the complaint, except for complaints requiring emergency actions, which shall require a decision no later than four working days after receipt of the complaint.
12. A client, an applicant for service, an employee of a program or family members of clients may make complaints. No complaint shall fail to be investigated due to the source of the complaint.
13. Instances of abuse, neglect or exploitation shall also be reported to the Division of Elderly and Ault Services (DEAS) or Division for Children, Youth and Families (DCYF), as appropriate.
14. An employee making a complaint on behalf of a client in good faith shall not be subject to formal or informal disciplinary actions, harassment or any form of retribution.
15. Employees are required to fully cooperate in any complaint investigation.
16. Clients will be informed of the appeals process for all complaints investigated.
17. The HIPAA Privacy Officer will handle all federal HIPAA Privacy issues as defined by those regulations.
18. All complaints summaries will be reviewed brought CLM's quality Improvement process and incorporated into the Quality Improvement Plan.

**CENTER FOR LIFE MANAGEMENT  
CLIENT RIGHTS INVESTIGATION TRACKING FORM**

Date of Complaint: \_\_\_\_\_

Consumer Name: \_\_\_\_\_

Age: \_\_\_\_\_

Sex: \_\_\_\_\_

Consumer Phone: \_\_\_\_\_

Consumer's Program: \_\_\_\_\_

Consumer's Treatment Provider(s): \_\_\_\_\_

Complainant Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Relationship to Consumer: \_\_\_\_\_

Complaint/incident:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Complaint/Incident Reported to:

DCYF \_\_\_\_\_ DEAS \_\_\_\_\_ Police \_\_\_\_\_ Guardian \_\_\_\_\_

Other (specify): \_\_\_\_\_

**CENTER FOR LIFE MANAGEMENT  
CLIENT RIGHTS INVESTIGATION REPORT**

**Initial Complaint:**

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**Client Rights Alleged to Have Been Violated:**

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**Interviews:**

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**Discovery:**

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**Finding:**

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**Recommendations:**

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**Actions Taken by Investigator:**

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\_\_\_\_\_  
**Client Rights Investigator**

\_\_\_\_\_  
**Date**

## CENTER FOR LIFE MANAGEMENT CLIENT RIGHTS STATEMENT

As a client of Center for Life Management, you have rights that will be respected and maintained. Your most important right is the right to know what your rights are and the right to complain when you believe that your rights have been violated. No client shall be deprived of any legal right to which all citizens are entitled solely by reason of their admission to the mental health services system. Some of these rights are outlined below. If you would like a complete copy of the State regulation that governs these rights, please ask a staff member for a copy of He-M 309: Rights of Persons Receiving Mental Health Services in the Community.

### PERSONAL RIGHTS

- to not be discriminated against
- to be treated with dignity and respect
- to be free from abuse, neglect, and exploitation
- to confidentiality: some exceptions are outlined below
- to complain about a violation of rights
- to freedom from restraint and seclusion except for personal safety
- to receive adequate written notice prior to suspension or termination of treatment with explanations as to the reason, and for the right to appeal the action
- if you are determined eligible to receive state funded services, to have your clinician explain:

### SOME EXCEPTIONS TO CONFIDENTIALITY

- to secure payment
- when reporting abuse, neglect or exploitation of disabled adults or of children to the Division of Behavioral Health
- in cases of an Involuntary Emergency Admission or Guardianship proceedings
- when you are a danger to yourself or others
- to family members or other person who lives with you or provides direct care to you (under certain circumstances)
- the purpose of the Individual Service Planning (ISP) treatment planning process including goals, objectives, timelines, reviews, and crisis plans
- that you have the power to choose either of the following methods by which my ISP is developed
  - through a formal client centered conference that is a meeting at a mutually convenient time and place with the psychiatrist and other involved persons approved by me, such as family members, CLM staff, representatives of other agencies providing services to me such as vocational rehabilitation, friends, an attorney, legal representative, a peer advocate and/or others with relevant knowledge or expertise
  - through a less formal method that shall include one or more one-on-one or small group meetings with the psychiatrist and/or others by phone, in person and/or through other effective means.

### TREATMENT RIGHTS

- to adequate and humane treatment
- to make decisions about your services
- to treatment based on generally accepted clinical and professional standards
- to a mutually agreed upon treatment plan
- to services in the least restrictive setting
- to be informed of all significant risks, benefits, side affects, and alternative treatment and services
- to be fully informed of your diagnosis and prognosis
- to seek changes in services or treatment
- to refuse medication and treatment (except in Involuntary Emergency Admissions)
- to consultation and second opinions
- to have someone with you at treatment meetings where informed decision-making is required
- to have ten days to make a decision after receiving the written explanation regarding he methods to develop the ISP
- to consult with family, friends, therapists, advocates and others before making the decision regarding the method to develop my ISP

These treatment rights do not require CLM to provide services or administer treatment that it considers unreasonable, unnecessary and/or against the clinical judgment of its professional staff. To assure a safe environment for all persons I understand that no firearms or other weapons are allowed on CLM premises except by law enforcement personnel. **If you feel that your rights have been violated, we urge you to contact us at any of the CLM sites or offices. You may do so by phone or in writing. Address your concerns to The Client Rights Investigator at Center for Life Management, 10 Tsienneto Road, or call 603-434-1577.**

Client Signature

Date

Guardian or DPOA

Date

WHITE COPY TO CLIENT AND YELLOW COPY FOR RECORD

**GEOGRAPHIC AREAS  
SERVED**

**ATKINSON**

**CHESTER**

**DANVILLE**

**DERRY**

**HAMPSTEAD**

**NEWTON**

**PELHAM**

**PLAISTOW**

**SALEM**

**SANDOWN**

**WINDHAM**

**G. NOFA Reporting Charts: *Number of Beds, Participants, and Services***

**Chart 1: Beds**

Beds	Current Level* (if applicable)	New Effort or Change in Effort	Projected Level (col. 1 + col. 2)
Number of Bedrooms	20		
Number of beds	20		

Only complete current level if proposed project will expand on current level (e.g., increase from 5 units to 10 units).

**Chart 2: Participants**

Participants	Current Level (if applicable)	New Effort or Change in Effort	Projected Level (col. 1 + col. 2)	No. Projected to be served over the grant term
Number of families with children				
Of persons in families with children				
a. number of disabled				
b. number of other adults				
c. number of children				
Of single individuals not in families				
a. number of disabled individuals	20			
a.1. number of disabled individuals who are chronically homeless				
b. number of other individuals				

Note: If your project is funded, you will be held responsible for achieving the numbers submitted.



*Center for Life  
Management*

**BOARD OF DIRECTORS\* FY2014**

July 1, 2012 to June 30, 2015

**Elizabeth Roth**  
Chairperson

**Ron Lague**  
Vice Chairperson

**Wayne D. White**  
Secretary

**Philip Plante**

**Jeffrey Rind, MD**

**Gail Corcoran**

**Vic Topo**  
President & CEO

**Judi Ryan**

July 1, 2011 to June 30, 2014

**Susan Davis**

**Laura Nelson**

July 1, 2013 - June 30, 2016

**Vernon Thomas**

# VICTOR TOPO

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## President/Chief Executive Officer

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Successful 27-year career as clinician, manager and CEO in community mental health organizations located in Ohio and New Hampshire. Proven ability to lead board and staff with a persistent focus on mission and achieving results. Talent for exploring new and innovative approaches to delivering traditional and non-traditional behavioral health care. Possess wide range of knowledge and experience with all service populations, especially vulnerable persons at high risk. Strengths include:

- Operations
- Reorganization and Reinvention
- Team building and leadership
- Strategic planning
- Board Collaboration
- Joint ventures and strategic partnerships
- Strong relationship with funders
- Community building

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## Professional Experience

**Center for Life Management – Derry, NH**  
**President/Chief Executive Officer**

1999 – Present

Recruited to manage 501(c) 3 comprehensive community mental health center and its title holding 501(c) 2 corporation, entitled West Rock Endowment Association. Began with revenues of 6.5 million and increased to 9 million. Restructured senior management increasing direct reports from three to six.

Key results:

- Consolidation of three outpatient offices into one newly constructed 28,000 sq. ft. facility.
- Established closer connection with surrounding community utilizing aggressive public relations strategy.
- Guided Board of Directors toward more accountability including higher expectation from management and individual board members.
- Initiated and created Fund Development which then led to creation of CLM Foundation.
- Initiated and implemented Corporate Compliance Program, including selection of corporate compliance officer.
- Facilitated joint venture with Manchester Mental Health Center involving medical services.
- Created and implemented strategy to integrate mental health care with physical health care.
- In partnership with CIO, developed and successfully implemented first in the state Electronic Health Record (EHR) called webAISCE.

**Pathways, Inc. – Mentor, OH**  
**Chief Executive Officer/Executive Director**

1988 - 1999

Started with managing a small single purpose case management agency with revenues of \$486,000 and over 11 years grew revenues to 4 million by expanding services to chronically mentally ill consumers. Created senior management team and strengthened Board of Directors utilizing shared vision approach.

Key results:

- In collaboration with mental health board designed one of Ohio's first 24 hour 7 days a week in-home crisis stabilization program called C.B.S. (Community Based Stabilization).
- Assumed leadership role in transitioning 32 long-term patients back to com-

## VICTOR TOPO

-Page 2-

- Positioned organization every year to competitively bid on ever/service provided and be awarded the service contract. Expanded wide range of services that include psychiatry, counseling, emergency services and housing.
- Created county's only Atypical Neuroleptic Medication Program (e.g. Clozaril).
- Pathways' first long range strategic plan in 1992.
- Increased Medicaid revenue from \$38,000 in 1989 to \$431,210 in 1997.

### **Community Counseling Center – Ashtabula, OH**

**1983-1988**

#### **Case Management Supervisor/Case Manager**

Provided direct services and supervision for services to severely mentally disabled persons in the community. Partnered with local private hospital as well as state hospital.

##### **Key results:**

- Transitioned consumers back into supervised and independent living.
  - Recruited, trained and managed staff of five case managers.
  - Designed and implemented agency's first case management program.
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## **EDUCATION**

### **Master of Social Work (MSW)**

West Virginia University, Morgantown, WV

### **Bachelor of Arts (BA)**

Siena College, Loudonville, NY

### **Associate of Applied Science (AAS)**

Fulton-Montgomery Community College, Johnstown, NY

## **BOARD/LEADERSHIP POSITIONS**

**Heritage United Way – Board of Directors**

**Mental Health Commission – Co-Chair**  
Consumers and Families Work Group

**Statewide Evidenced Based Practice Committee – Co-Chair**

**Greater Salem Chamber of Commerce – Board of Directors**

**Greater Derry/Londonderry Chamber of Commerce – Board of Directors**

**Greater Derry/Salem Regional Transportation Council (RTC) -**  
Chairman, Board of Directors, Derry, NH

**Greater Salem Leadership Program – Graduate, Class of 2001**

LISA K. MADDEN, MSW, LICSW

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**PROFESSIONAL EXPERIENCE**

***Vice President and Chief Operating Officer, 6/05 – present***

***The Center for Life Management, Salem, NH***

Responsible for the efficient operations of all outpatient clinical systems and residential services in accordance with all federal and state requirements.

- Establish and maintain integrated care model allowing for seamless access to services within agency and coordination of services with area healthcare providers and hospitals.
- Continuously improve accountability process, establish and maintain high standard of care and services provision.
- Responsible for monitoring clinical and administrative costs, revenue generation and development of annual operating budget.
- Assist the Chief Executive Officer in developing strategic plans, business development, facilities and capital usage.

***Consultant, 6/04 – 6/05***

***Lisa K. Madden, LICSW, LLC***

Independent contractor providing consultation services to a community counseling center and a specialized foster care organization.

***Interim Clinic Director, 8/04 – 5/05***

***Wayside Youth and Family Support, Framingham, MA***

Responsible for the turnaround management of a large community counseling center in Framingham. Accomplishments include:

- Reorganized clinical team, supervisory structure and support staff functions
- Implemented necessary performance improvement plans
- Hired staff with significantly increased productivity expectations
- Assisted in the implementation of a new Performance Management and Billing System
- Worked diligently to foster a positive work environment through extensive verbal and written communication; staff involvement in decisions when appropriate; providing direct feedback when necessary; and by providing support. The goal was to foster a positive and cooperative "culture" in the clinic.
- Provided senior management with budget reforecast for FY '05 and will assist with the development of program budget for FY '06.

***Clinical Supervisor, 7/04 – 6/05***

***The Mentor Network, Lawrence MA***

- Provide clinical supervision to MSW's seeking independent licensure.
- Provide training and consultation to the staff on such topics as diagnostic evaluations, treatment plans and case presentations.
- Provide group support and trauma debriefing after a critical incident.

***Northeast Regional Clinic Director, The Family Counseling Center, 12/99 – 9/03***

***The Massachusetts Society for the Prevention of Cruelty to Children (MSPCC), Lawrence, MA***

Responsible for turn around management of the clinics in the Northeast Region of MSPCC, specifically the cities of Lawrence, Lynn and Lowell. The clinics had been struggling with increased turnover of staff, reduced revenue, poor management of contracts, as well as significant problems in the medical records department. Responsibilities included budget development, implementation and accountability. Accomplishments include:

- Grew clinical team from 15 to 32 clinicians in three years.
- Developed Multi-Cultural Treatment Team.
- Increased annual third party revenue by 70%.
- Increased annual contract revenue by 65%.
- Contracts with the Department of Social Services; the Department of Mental Health in conjunction with the Professional Parent Advocacy League; the Department of Education and the Community Partnerships for Children and HeadStart.
- Organized a successful site visit and program review for re-licensure from the Department of Public Health (DPH).
- Successful site visit by the Council on Accreditation (COA).
- Reorganized Medical Records to meet DPH and COA standards; reorganize claims support resulting in increased revenue received for services rendered and significantly reduced write-offs.
- Participated on the HIPAA Task force—assisted in the development and implementation of the federally mandated Health Information Portability and Accountability Act policies and procedures for MSPCC.

***Clinic Director, The Family Counseling Center, 9/95-12/99***

***MSPCC, Hyannis, MA***

Responsible for the turn around management of a regional clinic serving children and families on Cape Cod. The clinic had recently experienced over 70% turnover, significant reduction in revenue, and a series of very negative stories in the local media because of the agency's response to the implementation of managed care. Responsible for marketing and public relations, redevelopment of a high quality clinical treatment team, increasing revenue and program development. Accomplishments include:

- Grew clinical team from 12 to 37 in three years.
- Streamlined intake procedures to increase access to services and reduce wait times.
- Increased annual third party revenue by 80%.
- Developed consultative relationships with two of Cape Cod's most well respected children's services providers.
- Developed first private/public partnership between MSPCC and a private practice to increase the availability of specialty clinical services.
- Developed internship program for Master's level clinician candidates.

***Employee Assistance Professional, Clinical Social Worker, 9/93-7/95***

***North Essex Community Mental Health Center, (NECMHC, Inc.), Newburyport/Haverhill, MA***

***Clinical Social Worker – Intern, 5/93-9/93***

***NECMHC, Inc., Newburyport/Haverhill, MA***

*Clinical Social Worker – Intern, 9/92-4/93  
Worcester Children's Friend Society, Worcester, MA*

*EAP Case Management Supervisor, 4/90-4/93  
The Jernberg Corporation, Worcester, MA*

*EAP Case Manager, 2/89-4/90  
The Jernberg Corporation, Worcester, MA*

*Clinical Counselor I & II  
The Carol Schmidt Diagnostic Center and Emergency Shelter, YOU, Inc., Worcester, MA, 10/85-2/89*

### **EDUCATION**

University of Connecticut, School of Social Work, West Hartford, CT  
Masters in Social Work, Casework/Administration, August 1993

Clark University, Worcester, MA  
Bachelor of Arts, Government/Human Services, May 1985

### **PROFESSIONAL LICENSE**

Licensed Independent Clinical Social Worker, MA # 1026094

*References available upon request.*

## MICHAEL J. BERGERON

**OBJECTIVE:** Executive level position within CLM Center for Life Management.

**PROFESSIONAL PROFILE:** Twenty-five plus years of extensive clinical background and skills combined with proven administrative management experience. Reputation for high integrity, loyalty, dependability, hard work, dedication, attention to detail, and goal achievement. Proven history of successful program development.

**EXPERIENCE:**

**CLM Center for Life Management, Salem, New Hampshire 9/99 to Present VICE PRESIDENT & CHIEF FINANCIAL OFFICER.** Administrative responsibility for Accounting, Accounts Receivable – Accounts Payable, Payroll, & Facilities/Operations. Primary responsibilities for fiscal management & reporting, budget development, monitoring and management, state & vendor contracting, employee benefits negotiations, facilities management and financing. 11/87 to 9/99 DIRECTOR, CASE MANAGEMENT SERVICES Complete administrative, operational, and supervisory responsibility for the initial development and ongoing management of discrete case management services within the context of a multi disciplinary treatment team model of community support programs. Led the expansion of this service to all children through elders, and guided the transformation from a fully funded program to a revenue generating one with \$1.4 million of annual billing and significant budget surpluses. Assisted with the design and development of customized network database system for case management clinical desk top applications. Responsible for State audits resulting in ninety-five plus percent contract compliancy ratings over the last five member of management council, budget committee, strategic planning group, missions statement work group, communication committee, TBS TQM initiative, and invited by the board to the CEO search committee.

**Hampstead Hospital, Hampstead, New Hampshire 1 0176 to 1 0187 SENIOR PSYCHIATRIC COUNSELOR** Provided individual, group, and family counseling as well as milieu management services and staff training. Instrumental in the expansion of the counseling role and responsibility. Appointed senior counselor by the medical director in recognition of this initiative and overall performance.

**Prudential Insurance Company, Lawrence, Massachusetts 9/75 to 10176 SPECIAL AGENT** Sales and marketing of complete insurance portfolio including life, health, property-casualty, and retirement.

**Raytheon Company, Andover Massachusetts 5/73 to 3/75 GOVERNMENT PROPERTY COORDINATOR** Management of utilization and disposition of government property, facilities, tooling, and test equipment in accordance with contract stipulations.

**Holy Family Hospital, Methuen, Massachusetts 6/70 to 6/72 PSYCHIATRIC COUNSELOR** Provided individual, group, and family counseling. Assisted with other indicated medical procedures such as electroconvulsive therapy, and participated in milieu management and activities.

**EDUCATION:**

**New Hampshire College -Graduate School Of Business, Manchester, New Hampshire M.B.A. Degree -1987**

**Fitchburg State College -Graduate School Of Guidance And Counseling, Fitchburg, Massachusetts 18**  
Graduate Hours in Counseling Completed -1973

**Nathaniel Hawthorne College, Antrim New Hampshire B.A. Degree -1971**

**LICENSES AND PROFESSIONAL AFFILIATIONS:**

- \* Licensed Certified Social Worker Massachusetts License -3028 2 051 181
- \* Member In Good Standing National Association Of Social Workers

**REFERENCES:** Available upon request.

Barry C. Quimby

BARRY C. QUIMBY

**Summary:** Over 18 years experience in community mental health and substance abuse treatment  
Vast experience in client advocacy to access mainstream benefits/gainful employment  
Knowledge of state/federal regulations and policies governing grant operations  
Knowledge of HUD housing/PATH outreach and program operations

**Experience:**

**Center for Life Management- Derry, New Hampshire** *June 2000-Present*

- ◆ **Program Manager for Housing Development:** Responsible for overseeing all HUD funding including the Shelter Plus Care housing assistance program. Foster relations with local landlords, Arrange for apartment inspections to meet HUD Quality Standards, Process and complete necessary file documentation, Advocate for clients within the program to obtain affordable housing, Serve as liaison to the local Housing Authority. Responsible for HMIS data entry, Annual renewals, APR submission, and Quarterly reports for all HUD contracts including Beaver Lake Lodge (A HUD funded residential program). Co-Chair to the New Hampshire Balance of State Continuum of Care (BOSCOC) (Nominated November 2007) Active participant of NH-HMIS Advisory Committee and NH HMIS Data Quality Committee. Successful recipient of a second Shelter Plus Care Good Samaritan grant involving three agencies participating in the NH BOSCOC in 2009. Successful recipient of NHH Transitional Housing funds for a Permanent Housing Program 2010.
- ◆ **PATH Homeless Outreach Supervisor:** Successful recipient of PATH funding to CLM. Responsible for overseeing all aspects of program funding for outreach to homeless individuals in Western Rockingham County. Provide outreach to identify homeless individuals suffering from mental illness and homelessness, link to community services for which said individuals are eligible and assist individuals engaged in obtaining mainstream benefits, housing, legal advocacy, and community Mental Health / Substance Abuse services. Assisted in the development of Bi-State Technical Assistance grant from SAMHSA to provide training for PATH providers on legal issues, advocacy, program improvement, and interstate collaboration to improve services provided to homeless individuals in New Hampshire and Vermont. Successfully initiated CLM as a pilot program in New Hampshire for PATH data entry into NH-HMIS.
- ◆ **Case Manager:** Responsible for the direct service planning as part of a multidisciplinary community support team. Provide Case Management and Functional Support Services to adult clients with mental illness. Consult with medical / clinical staff; Assist clients with identifying options for employment and assist with job placement and maintaining employment, Refer clients to community resources; Provide representative payee services; Promote independent functioning in the community to clients served; Provide staff training and orientation. Served as Dialectical Behavioral Therapy (DBT) skills group leader. Trained in DBT Therapy and active member of DBT consultation team. Serve on CLM's Safety Committee as well as CLM's Medicare Part D Committee. NH Hospital Liaison.

Barry C. Quimby

Harbor Homes, Inc., Nashua, New Hampshire

November 1993-June 2000

- ♦ **Program Manager / Residential Coordinator**: Involved in all aspects of operating a housing and treatment program for 43 clients living in supported housing in the greater Nashua area, including policy and regulation adherence for a 14-bed HUD-funded program. Managed 6 full-time and 21 fee-for-service staff; Fostered relations with local affiliates; Improved the clinical sophistication of program. Implemented training programs, assisted with grant writing, and reduced staff turnover. *HUD certified.*
- ♦ **Fee-for-Service Counselor**: Worked 1:1 with clients to assist in overall treatment goals. Worked with administration and management to develop policies and procedures to enhance the day to day operations of the program. Created training packages to ensure the overall Counselor/Client relationship is more productive and measurable for both billing and therapeutic productivity.

American Training, Lowell, Massachusetts

April 1998-December 1998

- ♦ **Program Director**: Directed all aspects of operating a supported housing program for 27 individuals in the greater Lowell area, including supervision of middle management and direct-care staff, policy and regulation adherence, and fostering program relations with local affiliates.

South Middlesex Opportunity Council, Framingham, Massachusetts

April 1992-April 1998

- ♦ **Program Manager / Site Coordinator**: Managed all aspects of operating a group home and supported housing program for chronic mentally ill adults. Improved program by ensuring licensure and regulation adherence from Department of Mental Health; Created a results-oriented team atmosphere for program efficiency; Reduced the program budget deficit during 1996 fiscal year; Reduced the staff turnover ratio within component; Worked with local and area DMH agencies and affiliates to improve program relations and reputation.
- ♦ **Supported Housing Coordinator**: Coordinated all aspects of a supported housing program for four mentally ill individuals. Managed staff overseeing clients while increasing program client turnover to more independent living status; Improved client charting and documentation to ensure DMH licensure; Improved inter-staff communication to improve efficiency of treatment.
- ♦ **Residential Counselor**: Worked in a program that involved transitioning mentally ill individuals from a hospital setting into community living. Assisted in moving 25 clients from state hospital setting into group homes located in Metro-west area; Assisted two clients in gaining skills needed to move from group home into independent living within the community.

**Education:**

Keene State College, Keene, New Hampshire

Graduated May 1991

- ♦ **Bachelor of Arts in Industrial / Social / Counseling Psychology**

Gained Independent Study laboratory experience as a **Research Assistant** organizing and administrating semantic-priming research studies at Keene State College. Responsibilities included designing experiments, testing subjects, collecting and analyzing data.

Elise J. Boudreau LICSW

**EDUCATION**

**LICSW**                      **State of New Hampshire**                      **2000**

**MSW**                              **Boston University School of Social Work**                      **1997**

**Graduate Intern**      **Child and Family Services**                      **1996**

Provided child, family and couples therapy. Performed crisis intervention. Performed intake assessments and referred for appropriate services. Taught Parenting skills groups.

**Graduate Intern**      **Philbrook Children's Center, NH Hospital**      **1995**

Acquired basic diagnostic and assessment skills. Interviewed patients and families. Performed and prepared psychosocial assessments. Conducted individual therapy with patients.

**BA Sociology**                      **St. Joseph's College, Standish, ME**                      **1990**

**WORK HISTORY**

<b>Center For Life Management</b>	<b>12/97 to Present</b>
<b>Clinical Supervisor</b>	<b>2/04 to Present</b>
<b>Clinician</b>	<b>1/09 to Present</b>
<b>Clinical Case Manager</b>	<b>12/97 to 1/09</b>
<b>Clinician-Child and Adolescent Services</b>	<b>05/98 to 1/02</b>

**Clinical Supervisor:** duties involve providing clinical and administrative supervision to clinicians, case managers and FSS team leaders; review and approval of documentation including intakes, treatment plans, eligibilities and progress notes; program development; training new clinicians on process, clinical skills and documentation.

**Clinician:** duties involve overseeing the treatment team for consumers on the case load, developing the clinical treatment plan, assessing symptoms and functioning status to determine eligibility for state funded services, conducting intake assessments, conducting audits of clinical documentation to meet state standards, providing individual therapy to consumers with severe and persistent mental illness.

**Clinical Case Manager:** All of the duties of a clinician combined with referral for additional services, linkage with community resources, monitoring and maintenance of benefits, coordination with other agencies and community resources and supports.

**COURT APPOINTED SPECIAL ADVOCATES(CASA)-Volunteer** 9/93 to 5/97

Advocacy and representation in court for abused and neglected children

# NICHOLAS D. PFEIFER, MSW, LADC

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## WORK EXPERIENCE

**Adult Outpatient Clinician.** *Center for Life Management, Derry, NH.* Provide psychotherapy for adult outpatient clients; Communicate with clinical and medical staff regarding clients and clinical practice; Conduct family therapy sessions; Complete intake assessments and evaluations on new clients; Form diagnostic formulations and individual service plans with clients; Provide individual and group supervision to agency employees and interns; Complete substance abuse assessments/evaluations; Attend staff meetings; Maintain clinical documentation; Establish and maintain relationships with referral sources and community supports. August 2007 - Present.

**Student Assistance Program Counselor.** *Second Start, Concord, NH.* Consult with staff and administration on issues related to policy, training, interventions, and education; Provide individual and group counseling to students; Complete substance abuse assessments/evaluations; Meet with families and provide education and support on various topics; Respond to student and school crises as needed; Attend staff meetings; Maintain clinical documentation; Establish and maintain relationships with local community agencies and organizations. March 2007 - July 2007.

**Residential Program Manager.** *WestBridge Community Services, Manchester, NH.* Coordinated staffing of residential dual disorders program to ensure required level of service to clients; Provided direct supervision to staff; Worked with other members of the leadership team to provide ongoing program development; Provided individual and group counseling; Facilitated and co-facilitate Family Education and Support sessions; Reviewed all admissions documentation for completeness; Ensured program compliance with local, state and federal regulations; Identified and took corrective actions to address maintenance issues with facility; Communicated with the treatment team daily on participant progress; Supported staff in understanding and assisting participant needs. October 2005 - February 2007.

**Residential Counselor.** *WestBridge Community Services, Manchester, NH.* Assisted clients with co-occurring disorders in working towards goals identified during intake process; Facilitated and co-facilitated group counseling/therapy sessions; Maintained working relationships with participants, families, agencies, and resources; Responded to client crises and emergencies; Documented developments and important events in accordance with clinical policies; Attended staff meetings, case conferences, and required trainings; Served as a role model through positive, appropriate conduct and participation at agency events. September 2005 - October 2005.

**Outpatient Therapist/LADC.** *Carroll County Mental Health, Wolfeboro, NH.* Performed formal substance abuse assessments for courts and multiple offender programs; Worked with clients on an ongoing basis and assisted with the development of treatment plans; Counseled clients in individual and family formats to work towards established goals; Maintained working relationships with agencies and resources; Responded to client crises and emergencies; Documented developments and important events in accordance with clinical policies. August 2003 - August 2004.

**Program Supervisor.** *Child and Family Services, Manchester, NH.* Developed and supervised outpatient/intensive outpatient substance abuse treatment program; Recruited and trained program staff; Provided daily supervision of clinical team; Coordinated team's efforts for interdisciplinary approach to treatment; Facilitated team meetings and intra and inter agency communications; Oversaw the development of the treatment protocols and schedule of services; Reported to the Community Advisory Board on program development, service volume and resource allocation challenges; Worked closely with consulting medical services to insure that individual treatment plans were appropriate; Insured that all program counselors implemented individual treatment plans; Served as primary counselor for up to six clients, providing individual, group and family counseling; Documented and maintained individual client records; Supervised all clinical documentation by conducting chart program reviews. August 2002 - June 2003.

**Program Director.** *Phoenix House, Phoenix Academy at Dublin, Dublin, NH.* Planned, implemented and managed staffing to ensure required level of service to clients; Ensured training and clinical supervision were provided; Directed and evaluated contract utilization and programming to meet requirements and achieve contract renewal; Ensured program compliance with local, state and federal regulations; Oversaw community mobilization and local fundraising activities; Developed budget and monitored and reported to supervisor on budget line items; Conducted and monitored the occurrence of case conferences and staff, safety, and quality assurance meetings; Led staff to understand and cooperatively undertake actions to meet client needs. January 2001 - August 2002.

**Assistant Program Director.** *Phoenix House, Phoenix Academy at Dublin, Dublin, NH.* Directly supervised clinical staff and provided and/or oversaw clinical staff training; Oversaw record keeping, caseload management, quality assurance, and utilization review as directed; Monitored balance of clinical, educational recreational, cultural, and public relations activities; Monitored the formulation and completion of treatment plans, progress notes, and group notes; Assisted in planning future programming, budgeting, and compliance with local, state, and federal regulations; Promoted the organization through positive role modeling and participation at special events; Managed a specific caseload and provided individual, group and family counseling; Assumed responsibility for...

### WORK EXPERIENCE (CON'T)

**Substance Abuse Counselor.** *Marathon/Phoenix House, The Lodge at Dublin, Dublin, NH.* Performed client screening, intake, orientation, and assessment functions necessary to complete admission; Assisted clients in development of individual treatment plans and monitored their progress; Counseled clients in individual, group, and family formats; Maintained working relationships with agencies, resources and families; Responded to client crises and emergencies; Documented developments and important events in accordance with clinical policies; Attended staff meetings, case conferences, and required trainings; Served as a role model through positive, appropriate conduct and participation at agency events. July 1997 - September 1999.

**Awake Overnight Counselor.** *Marathon/Phoenix House, The Lodge at Dublin, Dublin, NH.* Assisted residents with clinical issues as needed; Maintained professional relationship with clients; Conducted rounds of dormitory to assure the presence and safety of residents; Responded to emergency situations; Maintained records; Attended staff meetings; Served as a role model. May - July 1997.

**Counselor.** *Country Acres of New England, Gilsum, NH.* Provided consultation services to staff and administration pertaining to substance abuse; Facilitated a weekly group focusing on substance abuse and mental health issues with adolescent females; Maintained records to document weekly counseling sessions. September 1997 - September 1999.

**Child Development Specialist.** *Country Acres of New England, Gilsum, NH.* Assisted adolescent females with recovery goals utilizing counseling skills; Facilitated groups; Engaged in recreational activities with therapeutic value; Assisted residents with independent living skills; Transported residents to various destinations; Maintained professional records; Attended various meetings and workshops; Developed relationships with staff and residents. October 1995 - May 1997.

### EDUCATION

**Master of Social Work.** University of New Hampshire, Durham, NH. 2005.

**Bachelor of Arts in Personality/Social Psychology.** Keene State College, Keene, NH. 1997.

**Associate of Science in Human Services/Mental Health.** New Hampshire Technical Institute, Concord, NH. 1995.

### GRADUATE FIELD PLACEMENTS

Concord Hospital Employee Assistance Program (EAP). Concord, NH. September 2004 - May 2005.

Northern New Hampshire Mental Health and Developmental Services - Carroll County Mental Health. Wolfeboro, NH. September 2003 - May 2004.

### RELEVANT CERTIFICATIONS, TRAININGS & COMMITTEES

- License in Alcohol and Drug Counseling (LADC) - State of New Hampshire. Since 2002.
- Member of the National Association of Alcohol and Drug Abuse Counselors (NAADAC). Since 2003.
- Member of the New Hampshire Alcohol and Drug Abuse Counselors Association (NHADACA). Since 2003.
- Nonviolent Crisis Intervention - Certified Instructor. May 2000-2003; November 2006-2007.
- Facilitator for the State of New Hampshire Division of Alcohol and Drug Abuse Prevention and Recovery (DADAPR) Best Practices Workgroup on, "Implementing Best Practices for Adolescent Substance Abuse Treatment". November 2002.
- Quality Assurance Review Panel - Phoenix Houses of New England. November 2001.
- State of New Hampshire, Bureau of Child Care Licensing - Residential Rules Review Committee. February - June 2001.
- Quality Assurance Committee (residential adult and adolescent substance abuse programs) - Phoenix Houses of New England, Dublin, NH. January 2000 - August 2002.
- Internal Quality Improvement Reviewer - Phoenix Houses of New England. October 2000 - August 2002.
- Instructor at Keene State College (*Adventure Therapy & Experiential Learning as part of "Advanced Special Topics in Chemical Dependency"*). September 1999 - May 2001.

### REFERENCES

Available upon request.

**CLM CENTER FOR LIFE MANAGEMENT**  
**Permanent Housing For Homeless Disabled Project**  
**Beaver Lake Lodge**

**EXECUTIVE DIRECTOR & KEY EXECUTIVE STAFF**

<b><u>Position</u></b>	<b><u>Annual Salary</u></b>	<b><u>Total HUD Allocation Percent</u></b>
CEO	\$127,118.00	0.05 %
CFO	\$108,004.00	0.05 %
COO	\$100,923.00	2 %

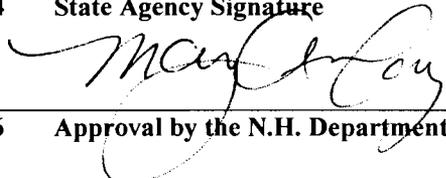
Subject: Continuum of Care Program

**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 Bridges		<b>1.4 Contractor Address</b> <del>2 Whitney Road</del> 70 Pembroke Road Concord, NH 03301	
<b>1.5 Contractor Phone Number</b> (603) 226-3212	<b>1.6 Account Number</b> 010-042-7927-102-0731	<b>1.7 Completion Date</b> June 30, 2015	<b>1.8 Price Limitation</b> \$113,896.00
<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> Roy Greensterberger Executive Director	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of _____ 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 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] 		SHERRY L. HARDING, Notary Public My Commission Expires May 9, 2017	
<b>1.13.2 Name and Title of Notary or Justice of the Peace</b> Sherry Harding, Director of Human Resources			
<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>4-17-14</u>			
<b>1.18 Approval by the Governor and Executive Council</b> By: _____ On: _____			

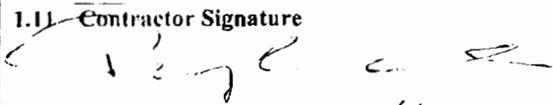
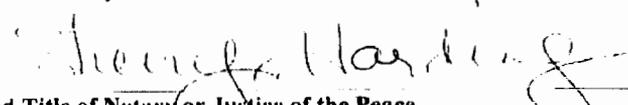
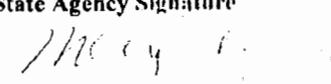
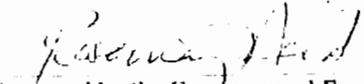
Subject: Continuum of Care Program

**AGREEMENT**

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**GENERAL PROVISIONS**

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<b>1.3 Contractor Name</b> Community Bridges		<b>1.4 Contractor Address</b> 2 Whitney Road 70 Pembroke Road Concord, NH 03301	
<b>1.5 Contractor Phone Number</b> (603) 226-3212	<b>1.6 Account Number</b> 010-042-7927-102-0731	<b>1.7 Completion Date</b> June 30, 2015	<b>1.8 Price Limitation</b> \$113,896.00
<b>1.9 Contracting Officer for State Agency</b> Eric D. Bonin		<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> Roy Geerstenberger Executive Director	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of _____ 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 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] 		SHERRY L. HARDING, Notary Public My Commission Expires May 9, 2017	
<b>1.13.2 Name and Title of Notary or Justice of the Peace</b> Sherry Harding, Director of Human Resources			
<b>1.14 State Agency Signature</b> 		<b>1.15 Name and Title of State Agency Signatory</b> Mary Ann (only) 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>4-17-14</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.**

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

Contractor Initials: RC  
Date: 4-6-14

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

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 six (6) 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>.

*[Handwritten Signature]*

4-1-14



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.

RG

4-1-14



Exhibit A

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 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.

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Exhibit A

- 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.
  - 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

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Exhibit A

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).

- 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.



**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**Continuum of Care Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Continuum of Care 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: Continuum of Care Program  
Total Amount Continuum of Care Program;  
July 1, 2014 – June 30, 2015: not to exceed \$113,896.00  
Funds allocation under this agreement for Continuum of Care Program;  
Supportive Services: \$47,627.00  
Operating Costs \$63,349.00  
Administrative Costs: \$2,920.00  
Total program amount: \$113,896.00

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. REPORTS**

As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:

- 2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.
- 2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

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Exhibit B

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

- 3.1. 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.
- 3.2. 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 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.
- 3.3. 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.

4. USE OF GRANT FUNDS

- 4.1. 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.
- 4.2. 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.

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Exhibit B

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- 4.3. 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.
5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM
- 5.1. 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.
- 5.2. 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 Contractor's costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
  - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
  - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 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.



**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



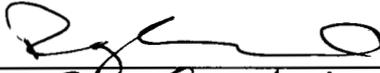
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
    - 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.

Contractor Name: Community Bridges

4-1-14  
Date

  
Name: Roy Geisler  
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 Bridges*

4-1-14  
Date

  
Name: *Roy Kestenberg*  
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**

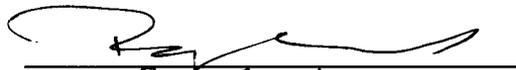
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
  - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - 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 (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: *Community Bridges*

4-1-14  
Date

  
Name: *Roy Gerstenberg*  
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 Bridges

4-1-14  
Date

  
Name: Roy Gustenbergh  
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 Bridges*

4-1-14  
Date

  
Name: *Roy Gierstenberg*  
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: *Community Bridges*

4-1-14  
Date

*[Signature]*  
Name: *Ray Gensterbergs*  
Title: *Executive Director*

State Agency Name:  
*NH DHHS*

4/14/14  
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: *Community Bridges*

4-1-14  
Date

  
Name: *Roy Genslerberg*  
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: 184213015
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 BRIDGES is a New Hampshire nonprofit corporation formed April 20, 1982. 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 2<sup>nd</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, Glenn Stuart, Board President, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Community Bridges.
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 1, 2014.

**RESOLVED:** That the Executive Director 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, 2014.
4. Roy Gerstenberger is the duly elected Executive Director of the Agency.

  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Merimack

The forgoing instrument was acknowledged before me this 4 day of April, 2014.

By Glenn Stuart  
(Name of Elected Officer of the Agency)

  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

**JULIA A. M. BARTON, Notary Public**  
**My Commission Expires November 6, 2018**

Commission Expires: \_\_\_\_\_



- General home maintenance
- Furnace maintenance
- Residence home painting
- Yard maintenance

Please contact John Lindgren, Director of Resource Development at 603-226-3212 x387 to answer any questions or to discuss how you or your company can help Community Bridges.



Community Bridges is a non-profit agency serving the communities of central New Hampshire. Disability is a natural part of the human experience and may occur as a result of developmental impairments, injury, or aging. We advance the integration, growth, and interdependence of people with disabilities in their home communities in ways that promote their ability to have positive control over the lives they have chosen for themselves.

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- Events
- Ways to Donate
- Blog

**COMMUNITY BRIDGES**

**Financial Statements**

**For The Years Ended June 30, 2013 and 2012**

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For The Years Ended June 30, 2013 and 2012

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## **Independent Auditors' Report**

To The Board of Directors  
Community Bridges  
Concord, New Hampshire

We have audited the accompanying financial statements of Community Bridges (a New Hampshire non-profit organization), which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities and changes in net assets, 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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(603) 886-1900

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 Bridges as of June 30, 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.

A handwritten signature in black ink, appearing to read "George J. Day, PA, CPA". The signature is fluid and cursive, with a long horizontal stroke at the end.

February 14, 2014

**COMMUNITY BRIDGES**  
**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2013 and 2012

	2013	2012
<b>ASSETS</b>		
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 2,867,105	\$ 1,210,819
Cash held for consumers under agency agreements	142,266	146,327
Accounts receivable, net of allowances of \$47,050 and \$21,827 for 2013 and 2012 respectively	1,810,660	2,643,903
Promises to give	18,500	22,725
Prepaid expenses	184,553	138,452
	5,023,084	4,162,226
 <u>PROPERTY &amp; EQUIPMENT</u> , at cost, net of accumulated depreciation	 1,585,864	 1,485,810
	\$ 6,608,948	\$ 5,648,036
<b>LIABILITIES AND NET ASSETS</b>		
<u>CURRENT LIABILITIES</u>		
Current portion of long-term debt	\$ 79,605	\$ 57,505
Accounts payable	2,247,797	1,866,994
Deferred revenue	855,518	212,553
Accrued payroll and payroll taxes	156,006	265,485
Accrued vacation	319,542	311,306
Held for consumers under agency agreements	142,266	146,327
	3,800,734	2,860,170
 <u>LONG TERM DEBT</u> , net of current portion	 758,036	 738,747
 <u>NET ASSETS</u>	 1,974,477	 1,996,043
Unrestricted	75,701	53,076
Temporarily restricted	2,050,178	2,049,119
	\$ 6,608,948	\$ 5,648,036

The Accompanying Notes Are An Integral Part  
Of These Financial Statements.

**COMMUNITY BRIDGES**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
For The Years Ended June 30, 2013 and 2012

	2013		2012			
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
<b>PUBLIC SUPPORT AND REVENUES</b>						
Medicaid	\$ 28,088,547	\$ -	\$ 28,088,547	\$ 27,781,553	\$ -	\$ 27,781,553
State of NH - DHHS	393,283	-	393,283	155,688	-	155,688
United Way allocation	14,504	4,752	19,256	20,055	6,948	27,003
Third-party insurance	230,997	-	230,997	304,764	-	304,764
Interest	1,525	-	1,525	1,964	-	1,964
Other revenues	991,651	62,758	1,054,409	1,149,435	42,532	1,191,967
Net assets released from restrictions:						
Satisfaction of purpose restrictions	44,885	(44,885)	-	13,567	(13,567)	-
Total public support and revenue	29,765,392	22,625	29,788,017	29,427,026	35,913	29,462,939
<b>EXPENSES</b>						
Program services:						
Case management	1,398,263	-	1,398,263	1,317,299	-	1,317,299
Family support	957,843	-	957,843	797,246	-	797,246
Respite care	197,705	-	197,705	178,897	-	178,897
Residential, day & combined	5,307,826	-	5,307,826	5,690,082	-	5,690,082
Independent living	725,916	-	725,916	777,217	-	777,217
Early intervention	1,717,752	-	1,717,752	1,826,263	-	1,826,263
Consolidated plans	3,049,310	-	3,049,310	2,649,703	-	2,649,703
Elderly	198,729	-	198,729	245,880	-	245,880
Residential services - subcontract	2,578,768	-	2,578,768	1,998,138	-	1,998,138
Combined day/residential - subcontract	6,389,451	-	6,389,451	6,598,419	-	6,598,419
Day & consolidated services - subcontract	3,810,565	-	3,810,565	4,001,318	-	4,001,318
Supporting services:						
General management	2,369,819	-	2,369,819	2,084,787	-	2,084,787
General management - subcontract	1,085,011	-	1,085,011	1,113,817	-	1,113,817
Total expenses	29,786,958	-	29,786,958	29,279,066	-	29,279,066
CHANGE IN NET ASSETS	(21,566)	22,625	1,059	147,960	35,913	183,873
NET ASSETS, BEGINNING OF YEAR	1,996,043	53,076	2,049,119	1,848,083	17,163	1,865,246
NET ASSETS, END OF YEAR	\$ 1,974,477	\$ 75,701	\$ 2,050,178	\$ 1,996,043	\$ 53,076	\$ 2,049,119

The Accompanying Notes Are An Integral Part  
Of These Financial Statements.

**COMMUNITY BRIDGES**  
**STATEMENTS OF CASH FLOWS**  
For The Years Ended June 30, 2013 and 2012

	2013	2012
<b>CASH FLOWS PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Cash received from support and revenue	\$ 31,266,925	\$ 28,542,004
Cash paid to suppliers and employees	(29,322,253)	(28,795,408)
Interest received	1,525	1,964
Interest paid	(46,293)	(35,302)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>1,899,904</u>	<u>(286,742)</u>
<b>CASH FLOWS PROVIDED BY (USED IN)</b>		
<b>INVESTING ACTIVITIES</b>		
Purchases property and equipment	(285,007)	(425,741)
<b>CASH FLOWS PROVIDED BY (USED IN)</b>		
<b>FINANCING ACTIVITIES</b>		
Proceeds from bank financing	108,000	277,000
Principal payments on debt	(66,611)	(37,143)
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>41,389</u>	<u>239,857</u>
NET INCREASE (DECREASE) IN CASH	1,656,286	(472,626)
CASH, Beginning of Year	<u>1,210,819</u>	<u>1,683,445</u>
CASH, End of Year	<u>\$ 2,867,105</u>	<u>\$ 1,210,819</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Change in net assets	\$ 1,059	\$ 183,873
Adjustments:		
Depreciation	184,953	185,949
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	833,243	(1,093,517)
Promises to give	4,225	(142)
Prepaid expenses	(46,101)	(11,144)
Increase (decrease) in:		
Accounts payable	380,803	418,196
Deferred revenue	642,965	174,688
Accrued payroll	(109,479)	(121,421)
Accrued vacation	8,236	(23,224)
Net cash provided by (used in) operating activities	<u>\$ 1,899,904</u>	<u>\$ (286,742)</u>

The Accompanying Notes Are An Integral Part  
Of These Financial Statements.

**COMMUNITY BRIDGES**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
 For The Year Ended June 30, 2012

	Case Management	Family Support	Respite Care	Residential, Day & Combined	Independent Living	Early Intervention	Consolidated Plans	Elderly	Subcontract Residential Services	Subcontract Combined Day / Residential	Subcontract Day & Consolidated Services	General Management	Subcontract General Management	2012 Total
Salaries and wages	\$ 778,899	\$ 395,456	\$ 8,451	\$ 2,250,476	\$ 469,515	\$ 782,233	\$ 1,154,720	\$ 189,322	\$ -	\$ -	\$ -	\$ 949,951	\$ -	\$ 6,979,023
Employee benefits	212,910	102,900	191	780,964	164,865	239,642	214,750	21,826	-	-	-	253,547	-	1,991,595
Payroll taxes	67,830	36,239	744	197,036	42,760	68,169	103,971	17,029	-	-	-	17,303	-	551,081
Family business	-	-	-	-	-	-	60,995	-	-	-	-	-	-	60,995
Contracted substitute staff	-	-	-	6,955	-	263	3,500	-	-	-	-	41,825	-	52,543
Client treatment services	-	-	-	1,277,764	-	-	293,892	-	-	-	-	-	-	1,571,656
Client therapies	5,500	-	-	143,724	-	493,136	44,135	-	-	-	-	6,217	-	686,495
Accounting	-	-	-	-	-	1,622	56,602	-	-	-	-	10,500	-	10,500
Audit fees	-	-	-	-	-	-	-	-	-	-	-	27,932	-	27,932
Legal fees	-	-	-	-	-	-	-	-	-	-	-	185,321	-	185,321
Other professional fees and consultants	44,925	383	-	229,138	499	4,206	48,730	2,345	-	-	-	-	-	515,547
Subcontractors	-	-	-	-	-	-	71,388	-	1,956,270	6,530,862	3,990,818	-	1,113,817	13,663,155
Non-subcontractors	-	-	-	-	-	-	283,160	-	41,868	67,557	10,500	-	-	403,085
Staff development and training	2,419	5,367	-	9,447	-	6,136	3,065	1,220	-	-	-	30,516	-	58,170
Rent	34,314	42,252	-	92,989	-	34,978	4,339	2,893	-	-	-	103,078	-	314,843
Client mortgage payments	-	-	-	40,110	-	-	5,247	-	-	-	-	-	-	45,357
Utilities	-	-	-	69,836	-	(109)	-	-	-	-	-	-	-	69,727
Building maintenance and repairs	4,925	4,599	-	39,664	-	5,240	700	326	-	-	-	11,730	-	67,184
Property taxes	-	-	-	3,397	-	-	-	-	-	-	-	-	-	3,397
Other occupancy costs	-	-	-	798	-	-	-	-	-	-	-	-	-	798
Office	18,347	6,068	-	20,236	-	8,335	3,529	1,380	-	-	-	47,258	-	105,153
Building/household	1,411	1,946	-	37,149	-	1,512	428	854	-	-	-	14,170	-	57,470
Equipment	-	-	-	43,713	-	17,350	8,080	-	-	-	-	-	-	69,287
Medical	-	-	144	839	-	-	31	-	-	-	-	-	-	870
Medical equipment rental	3,241	5,009	-	9,429	-	6,188	1,179	589	-	-	-	-	-	29,746
Equipment maintenance	849	892	-	4,105	-	906	113	57	-	-	-	64,746	-	71,668
Depreciation	-	-	-	-	-	-	-	-	-	-	-	185,949	-	185,949
Advertising	154	170	-	2,481	107	474	3,010	-	-	-	-	7,572	-	13,968
Printing	3,895	2,659	-	1,188	-	8,805	461	275	-	-	-	1,154	-	18,437
Telephone/communications	6,449	5,266	-	10,721	-	5,663	1,122	1,043	-	-	-	14,348	-	44,612
Postage/shipping	2,715	4,319	-	6,939	-	4,666	850	425	-	-	-	6,727	-	26,641
Transportation	10,804	42,436	1,832	246,224	99,452	80,253	107,826	5,516	-	-	-	14,421	-	608,764
Assistance to individuals	41,581	137,639	167,535	14,091	19	14,281	159,995	718	-	-	-	-	-	535,141
Insurance	1,564	1,606	-	32,324	-	5,329	4,415	-	-	-	-	8,728	-	54,884
Membership dues	-	-	-	280	-	540	-	-	-	-	-	3,016	-	3,836
Other expenditures	74,567	2,040	-	118,065	-	36,245	9,470	62	-	-	-	74,667	-	315,116
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 1,317,299</b>	<b>\$ 797,246</b>	<b>\$ 178,897</b>	<b>\$ 5,690,082</b>	<b>\$ 777,217</b>	<b>\$ 1,826,263</b>	<b>\$ 2,649,703</b>	<b>\$ 245,880</b>	<b>\$ 1,958,138</b>	<b>\$ 6,598,419</b>	<b>\$ 4,001,318</b>	<b>\$ 2,084,787</b>	<b>\$ 1,113,817</b>	<b>\$ 29,279,066</b>

The Accompanying Notes Are An Integral Part  
 Of These Financial Statements

**COMMUNITY BRIDGES**  
**NOTES TO FINANCIAL STATEMENTS**  
For The Years Ended June 30, 2013 and 2012

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**NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities

Community Bridges (the Agency) is a not-for-profit organization established in May 1983. It contracts with the New Hampshire Department of Health and Human Services (DHHS) to provide an array of community-based services and support for those with developmental disabilities located in the Merrimack County area of New Hampshire. Its major function is the coordination of services and support with those who are eligible to receive it. The majority of its funding is from federal and state government programs. Every five years the Agency must be re-designated by the State as an area agency to provide community services.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Support is recorded when received or pledged. Revenue is recorded when services are rendered. Expenses are recorded when the obligation has been incurred. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Agency and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations. All contributions are considered to be available for unrestricted use unless specifically restricted by donor.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Agency and/or the passage of time. When a restriction expires, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions are met in the fiscal year in which the contributions are recognized.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Agency. There were no permanently restricted net assets at June 30, 2013 and 2012.

Contributions

Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are

**COMMUNITY BRIDGES**  
**NOTES TO FINANCIAL STATEMENTS**  
For The Years Ended June 30, 2013 and 2012

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**NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Contributions (Continued)

recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received.

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, which are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Use of Estimates

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

Cash and Cash Equivalents

For purposes of the financial statements, the Agency considers cash in bank accounts and all other highly liquid investments with an original maturity of less than three months to be cash equivalents. The only cash equivalents at June 30, 2013 and 2012 were overnight investments in government securities made through commercial sweep accounts with the Agency's bank.

Cash Held and Funds Payable for Consumers

The Agency acts as custodian over funds of several consumers for a minimal fee. Cash is deposited and checks are drawn on a special bank account for the convenience of consumers. These funds are not the property of the Agency and, accordingly, are recorded as an asset with a corresponding liability in the same amount on the Agency's Statement of Financial Position. These accounts are offsetting and have no impact on the Agency's cash flow.

Property and Equipment

The Agency records property and equipment at cost. Major additions and improvements are capitalized, while ordinary maintenance and repairs are charged to

**COMMUNITY BRIDGES**  
**NOTES TO FINANCIAL STATEMENTS**  
For The Years Ended June 30, 2013 and 2012

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**NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property and Equipment (Continued)

expense as incurred. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. The ranges of the estimated useful lives are:

	<u>Years</u>
Buildings and Improvements	10-30
Equipment and furniture	5-10
Vehicles	3-5

Income Taxes

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Agency's income tax filings are subject to audit by various taxing authorities. The Agency's open audit periods are 2009 through 2012. The Agency believes it has met all the requirements to maintain its not-for-profit status and does not have any unrelated business income which would result in taxable income. It is the Agency's policy to expense when paid any interest and penalties associated with its income tax obligations.

Bad Debts

The Agency uses the allowance method of accounting for bad debts. An allowance of \$47,050 and \$21,827 was required at June 30, 2013 and 2012 respectively, based on specific identification of uncollectible accounts.

Functional Allocation of Expenses

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

**COMMUNITY BRIDGES**  
**NOTES TO FINANCIAL STATEMENTS**  
For The Years Ended June 30, 2013 and 2012

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**NOTE B. PROPERTY AND EQUIPMENT**

Property and equipment consists of the following at June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Land	\$ 320,847	\$ 314,432
Building and improvements	1,471,186	1,399,287
Equipment and furniture	975,207	958,276
Vehicles	581,760	670,722
Progress payments	<u>28,420</u>	<u>38,689</u>
	3,377,420	3,381,406
Less accumulated depreciation	<u>1,791,556</u>	<u>1,895,596</u>
	<u>\$ 1,585,864</u>	<u>\$ 1,485,810</u>

**NOTE C. CONCENTRATIONS OF RISK**

The Agency received 94% of its funding from Medicaid for the years ended June 30, 2013 and 2012. Additionally, 94% and 86%, respectively, of the June 30, 2013 and 2012 net accounts receivable balance was due from Medicaid.

Community Bridges maintains accounts at two banks. At June 30, 2012, cash at one institution totaled \$322,853. The account is insured by the Federal Deposit Insurance Corporation without limit from December 31, 2010 through December 31, 2012 as it is a non-interest bearing account. At June 30, 2013 the Agency had no cash balances exceeding FDIC insured limits.

At June 30, 2013 and 2012, the Agency had \$3,398,593 and \$1,284,643 respectively invested in repurchase agreements that were secured by marketable securities of federal agencies. The funds were not insured by the Federal Deposit Insurance Corporation.

**NOTE D. OPERATING LEASES**

The Agency leases office facilities used for service coordination pursuant to the terms of a five-year lease that expires in September 2013. The lease provides for two, two-year renewal options. The lessee is responsible for all utilities, repairs and maintenance, and insurance. The lessee is also responsible for a pro rata share of the real estate taxes and common area costs over a base. The lease was amended on October 15, 2012 to increase the square footage occupied. The base rent in the first year is \$93,875 per annum. The lease amount increases annually up to \$139,427 for year five.

**COMMUNITY BRIDGES**  
**NOTES TO FINANCIAL STATEMENTS**  
For The Years Ended June 30, 2013 and 2012

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**NOTE D. OPERATING LEASES (Continued)**

The Agency leases office facilities used for administrative services pursuant to the terms of a five-year lease that expires in August 2013. The lessee is responsible for all utilities, repairs and maintenance, and insurance. The base rent in the first year is \$111,112 per annum. The lease amount increases annually up to \$156,452 for year five. Upon expiration of the lease on August 31, 2013, the Agency declined the option to renew, continuing as a tenant-at-will through November 1, 2013.

A vehicle lease was entered into in May 2010 at \$253 per month for 36 months. The Agency is responsible for all maintenance and repairs.

A vehicle lease was entered into in May 2013 at \$273 per month for 36 months. The Agency is responsible for all maintenance and repairs.

The Agency also leases office equipment pursuant to the terms of a 63 month lease at \$962 per month. This new lease replaced a 36 month lease which expired in 2013.

Total facilities rental expense, including rent payments for consumers, was \$296,536 and \$314,843 for the Years Ended June 30, 2013 and 2012, respectively.

The future minimum rental payments due under these operating leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2014	\$ 61,099

**NOTE E. LINE OF CREDIT**

As of June 30, 2012, the Agency had established a \$1,600,000 working capital line of credit with a local bank. On February 7, 2013 the agency was granted a temporary increase in the line of credit to \$3,100,000. The temporary increase expires on September 12, 2013. Interest at the Wall Street Journal prime rate is due monthly, and principal with accrued unpaid interest are due on demand. The line of credit is secured by all assets of the Agency. There was no outstanding balance at either June 30, 2013 or 2012.

**COMMUNITY BRIDGES**  
**NOTES TO FINANCIAL STATEMENTS**  
For The Years Ended June 30, 2013 and 2012

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**NOTE F. NOTES PAYABLE TO BANK**

Notes payable to bank consisted of the following as of June 30:

	<u>2013</u>	<u>2012</u>
6.84% mortgage note payable bank, monthly installments of \$972 of principal and interest, through December 2022, secured by land and building	\$ 81,393	\$ 87,273
1.00% note payable state public agency, monthly installments of \$863 of principal and interest, through September 2014, secured by vehicles	12,865	23,041
6.90% mortgage note payable bank, monthly installments of \$1,291 of principal and interest, through September 2040, secured by land and building	190,068	192,356
Variable-rate mortgage note payable bank, secured by land and building, payable in monthly installments of principal and interest through January 2027. Interest is based on the Three Year Treasury Bill Adjusted to a constant maturity plus a margin of 2.75 percentage points. As of June 30, 2013 the interest rate was 3.14%, with monthly installments of \$479. As of June 30, 2012, the interest rate was 4.17%, with monthly installments of \$511	63,259	66,729
6.52% mortgage note payable bank, monthly installments of \$1,322 of principal and interest, through February 2025, secured by land and building	128,744	135,950
5.75% note payable bank, monthly installments of \$769 of principal and interest, through March 2014, secured by a vehicle	6,773	15,335

**COMMUNITY BRIDGES**  
**NOTES TO FINANCIAL STATEMENTS**  
For The Years Ended June 30, 2013 and 2012

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**NOTE F. NOTES PAYABLE TO BANK (Continued)**

6.24% note payable bank, monthly installments of \$1,817 of principal and interest, through April 2027, secured by land and building	201,660	210,568
2.95% note payable bank, monthly installments of \$1,940 of principal and interest, through January 2018, secured by vehicles	99,545	-
1% note payable state public agency, monthly installments of \$1,111 of principal and interest, through July 2017, secured by a vehicle	<u>53,334</u>	<u>65,000</u>
	837,641	796,252
Less current portion	<u>(79,605)</u>	<u>(57,505)</u>
	<u>\$ 758,036</u>	<u>\$ 738,747</u>

Annual principal payments for the next five years are as follows:

2014	\$	79,605
2015		68,368
2016		68,530
2017		71,434
2018		52,347
Thereafter		<u>497,357</u>
		<u>\$ 837,641</u>

**NOTE G. ADVANCED PAYMENTS**

The State of New Hampshire changed its Medicaid billing services provider in 2013. During the time period of the change, the Agency was unable to receive approval for claims or receive timely payment on approved claims. The State of New Hampshire advanced payments for services rendered during the period. The advanced payments which totaled \$2,102,388 at June 30, 2013 were reported as a reduction of accounts receivable.

**COMMUNITY BRIDGES**  
**NOTES TO FINANCIAL STATEMENTS**  
For The Years Ended June 30, 2013 and 2012

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**NOTE H. DEFERRED REVENUE**

Deferred revenue consists of the following at June 30:

	<u>2013</u>	<u>2012</u>
Family Support funding in excess of expenditures	\$ 149,795	\$ 212,553
START Center	500,000	-
Bureau of Developmental Services 2014 funding	<u>205,723</u>	<u>-</u>
	<u>\$ 855,518</u>	<u>\$ 212,553</u>

**NOTE I. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes or periods at June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Partners in health	\$ 4,752	\$ 6,948
Employee wellness	16,640	7,908
Competency and credentialing system	50,713	34,624
Autism grant	<u>3,596</u>	<u>3,596</u>
	<u>\$ 75,701</u>	<u>\$ 53,076</u>

**NOTE J. RETIREMENT PLAN**

The Agency maintains a 403(b) plan for its employees. All employees are eligible to contribute to the plan; there are no restrictions for length of service. The Agency does not contribute to the plan.

**COMMUNITY BRIDGES**  
**NOTES TO FINANCIAL STATEMENTS**  
For The Years Ended June 30, 2013 and 2012

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**NOTE K. FAIR VALUE OF FINANCIAL INSTRUMENTS**

The carrying amounts of financial instruments including cash, accounts receivable, accounts payable and short-term debt approximated fair value as of June 30, 2013 and 2012, because of the relatively short maturity of these instruments. The carrying value of long-term debt, including the current portion, approximated fair value as of June 30, 2013 and 2012, based on current borrowing rates for loans with similar maturities.

**NOTE L. DATE OF MANAGEMENT EVALUATION OF SUBSEQUENT EVENTS**

Management has evaluated events through February 14, 2014, the date that the financial statements were available to be issued.

The Agency entered into a lease for office facilities used for administration, service coordination and operations, effective November 2013, pursuant to the terms of a six-year lease that expires in October 2019. The lease provides for two, two-year renewal options. The lessor is responsible for all repairs and maintenance, and insurance. The lessee is responsible for a pro rata share of the utilities, real estate taxes and common area costs over a base. The base rent in the first year is \$263,569 per annum. The lease amount increases annually up to \$305,541 for year six.

**COMMUNITY BRIDGES  
BOARD OF DIRECTORS**

**2012-2013**

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**Glenn Stuart – Consumer**

New England College: Theatre Dept.  
Member since: June 2005

**President**

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**Kristin Phillips – Consumer**

Co-owner -Public Relations Firm  
Member since: March 2010T

**Vice President**

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**David Ossoff – Non-Consumer**

Owner, Endicott Trading Corp  
Member since: September 2010

**Treasurer**

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**William Cohen – Non-Consumer**

Business & Financial Consultant  
Member since: November 2006

**Secretary**

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**Alice Young – Consumer**

Member since: May 2012

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**Betsy McNamara – Consumer**

Development Consultant  
Member since: May 2002

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**Bob Quinn - Consumer**

Government Affairs Director, NH Association of Realtors  
Member since: September 2010

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**Bradley Hosmer – Non-Consumer**

Owner/President Beta Consulting Group, Concord  
Member since: March 1997

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**Frank Davis**

Retired Teacher  
N.H. House of Representatives  
House District – Merrimack 20  
Member since: January 2012

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# Wayne E. Colby

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## **Professional experience**

2007 to present      Community Bridges      Concord, NH

### **Assistant Director of Residential and Day Services**

- Hire and direct Program Managers who supervise direct support staff in providing supports and services for adults with intellectual disabilities.
- Develop budgets for providing services.
- Assure timely submission of reports and delivery of a high quality of services.

2003 to 2007      Community Bridges      Concord, NH

### **Director/Co-Director of Visions**

- **Oversaw residential and day supports to more than 100 individuals with intellectual disabilities.**
- **Provided supervision to Program Managers and others.**
- **Developed budgets and individual supports for new programs.**
- **Provided crisis management as needed.**
- **Maintained collaborative relationships with families and guardians.**
- **Represented the department within and outside the agency.**
- **Participated in agency planning and agency wide initiatives.**
- **Provided continuous quality improvement activities and management.**
- **Supported individuals to establish and maintain community connections.**

1997 to 2003      Community Bridges      Concord, NH

### **Program Manager**

- Coordinated educational, training, vocational, psychological and community supports for adults with intellectual disabilities living in community settings, staffed residences, and with families.
- Scheduled 24 hours a day, 365 days a year supports for the programs.
- Supervised staff who directly provided supports to individuals.
- Prepared and implemented budgets for ten programs.
- Found creative ways to educate the community about persons with intellectual disabilities.
- Ensured that certification standards and agency policies and procedures were upheld throughout the delivery of services.
- Recruited, hired, and supervised staff assigned to provide direct supports.

# Wayne E. Colby

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## **Professional Experience – continued**

1979 to 1997      New England College      Henniker, NH

### **Program Director**

- Designed and implemented community service programs for individuals moving from institutions and for others with intellectual disabilities.
- Performed tasks of Program Manager as listed above with additional tasks of writing grant proposals, securing funding, and negotiating contracts with agencies and subcontractors.
- Interacted with state and federal agencies, families, and the community to promote services, funding, and services for individuals.

## **Education**

1978      Antioch New England      Keene, NH

### **Master of Arts in Counseling Psychology**

1973      Boston State College (now UMass-Boston)      Boston, MA

### **Bachelor of Science in English with history and psychology minors**

Degree awarded summa cum laude

## **Professional Awards received**

2002      Noyes Award for recognition of leadership skills

1999      Community Bridges Certificate of Appreciation for excellence in service innovations and workflow

1993      Rehlander Award in recognition of outstanding service to Region IV Developmental Services clients

## **Community activities**

2000 to present      Town Moderator—Town of Henniker, NH

1995 to 2008      Trustee, Tucker Free Library Board of Trustees, Treasurer 10 years

1985 to 1994      Selectman, Henniker Board of Selectman, Chairman 3 years

1981 to 1984      Henniker School Board, Chairman 1 year

1984 to 2008      Henniker Lions Club, President, Secretary, Treasurer for 2 or more years each

## **Jennifer Putorek**

**Objective :** A position utilizing and expanding upon current skills in management and customer service.

### **Career Highlights / Qualifications**

- **14 years experience in direct care setting**
- **Able to multitask in a demanding setting**
- **Experience for 2 years as Assistant Program Manager, providing support for all aspects of residential program along with direct care.**
- **Assist in maintaining good communication with support organizations and family members**
- **Provide support for maintaining all medication documentation, reports and filing for yearly certification**
- **Honest, hardworking, flexible and accomodating in meeting needs of the people cared for and staff under my supervision.**
- **Computer skills including Word, Excel, Internet and email**
- **10 years experience owning and operating small online sales company**

### **Experience**

**Community Services Council of New Hampshire** 3/1997-1-09, 5/10 to Present  
Sheep Davis Road, Pembroke, NH

**Assistant Program Manager** 5/10-Present Continued to maintain all responsibilities described below plus assisted with

- **Supervision of 8-10 employees in a 24/7 program**
- **Training of new employees and any necessary training updates to current employees**
- **On-call to provide any needed advice, intervention or information to staff or medical personnel**
- **Reviewing daily, weekly and monthly documentation of progress, medication and needs of the individuals supported.**
- **Tracking monies allocated for Petty Cash . recreational activities, medication expenses and household expenses**
- **Preparing for annual inspection conducted by the State of New Hampshire and attending trainings on yearly updates to regulations of New Hampshire**
- **Attended numerous conferences specific for the needs of the individuals supported**
  - **Brain Injury Conference for 2 years**
  - **The Amazing Brain**
  - **How to Deal with Difficult People**
  - **Managing the Diabetic Patient**
  - **Support Out In the Community**
  - **Social Role Valorization**
  - **HIPAA (Annually renewed)**
  - **Bloodborne Pathogens (Annually Renewed)**
  - **Medication Training (Annually Renewed)**
  - **Completed Direct Support Professional Training**

- This included completing 11 core courses in the College of Direct Support through the Moore Center

**Residential Care Assistant 3/97-1/09 (Community Services Council of New Hampshire)**

**Responsible for providing a safe, healthy and productive environment for the individuals supported.**

- **Assisting with activities of daily living**
- **Dispensing prescribed medications**
- **Transporting and providing accurate reporting of needs, allergies and condition to doctors, therapists and other medical personnel**
- **Following through with treatment plans prescribed**
- **Setting up appointments**
- **Filling out daily, weekly and monthly reports concerning progress**
- **Preparing meals within dietary restrictions of diabetes, renal disease and hypertension.**
- **Communicating with support organizations and family members**
- **Supporting individuals in community settings, providing safe transportation along with a respectable representation while in their community**
- **Supporting individuals in places of employment or volunteer positions**

**Lakes Region Community Services Council 10/08-Present**  
Laconia, New Hampshire

**Family Directed Support Professional (sub-contractor)**

- **Providing support for family member with Down's Syndrome. This support includes but is not limited to**

- **Community support in a volunteer position**
- **Also proper support at doctors appointments**
- **Transportation plus support at places of employment and recreational activities**

### **VI.J Sales and Service 9/98- Present Self-employed**

- **I operate a small online sales company. It involves purchasing items for resale on auction sites. Also included is customer service, shipping, communication and tracking of income**

#### **Skills**

Dependable, hard working, responsible in accomplishing a project to completion. I take pride in being reliable to the point that I am present at work even when weather conditions are not favorable and when my health is not at 100%.

Very good communications skills and ability to multitask in a busy environment

Strong sense of duty to do my job often causes me to go above and beyond what is required of me.

**References available upon request**

Mary Brown

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### Objective

I am a highly motivated, responsible, hardworking, conscientious individual with almost 10 years experience at doing administrative work along with direct care. Proven ability to meet deadlines/effectively organize, with an excellent track record of achieving results in a timely manner. Known for my compassion to others I support, getting work done on time, displaying leadership qualities/motivational skills/etc. I am seeking the Assistant Manager position at Franklin Falls Farm where I can bring immediate value and strengths whilst developing my current skills further.

### Qualifications

Answering multi line phone, Correspondence knowledge, Medical Record filing, Taking down people's requests for medical information, I also know how to abstract, Knowledge of inventory, stocking supplies, and ordering supplies, Computer skills, Microsoft Outlook Express, internet knowledge, customer services, managing our database system and our web site, keeping track of all confidential files, and student files, scheduling classes, every day office duties, monthly, yearly reports, daily notes, attendance logs daily, training of new staff, fire drills, Also taking care of people with developmental disabilities out in the community during volunteer jobs, paid employment or just community activities.

### Education

High School

### Relevant Experience

07/13- Now - Community Bridges -- supporting individuals for 6 hours in the community while volunteering, doing paid employment, or community activities, all office work, filling, attendance logs daily, keeping all books in order, yearly certification, fire drills, training new staff, keeping main book and daily books in order, making list of missing documents and tracking them down interaction with all home providers and parents, monthly calendars and planning activities.

05/09-07/13- Community Service Council of NH- supporting individuals for 6 hours in the community while volunteering, doing paid employment, or community activities, all office work, filling, attendance logs daily, keeping all books in order, yearly certification, fire drills, training new staff, keeping main book and daily books in order, making list of missing documents and tracking them down interaction with all home providers and

parents, monthly calendars and planning activities.

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06/05-02/09 Lakes Region Community Service Council- Duties included supporting people and with mental disabilities and bringing them into the public for six hours a day.

11/05- 2007 The J. Jill Group,- Duties include packing peoples orders, receiving returns and cleaning them then packing them in new bags and sending them upstairs.

11/04-6/05 Skill Med Services INC, - Duties included answering multi line phone, filing sorting, Making copies, faxing, scheduling classes, keeping up with LNA side of company, Managing the company database and our website, keeping track of all files, also did data entry, along with making bank deposits and processing the mail, I also did follow ups on classes that were running.

10/04-11/04 Pro-Temps – I did receptionist work for the different jobs that they got me and also Did some filling work for them.

9/98-6/01 For 2 years I worked in Shipping and Receiving also at Franklin Hospital. I Did inventory, ordered supplies did UPS and Fed/Ex. My job was to keep inventory, Stock supplies, received supplies, data entry, taking calls for orders and delivering them also processed the mail.

9/98-9/04 Franklin Hospital, 15 Aiken Ave. Franklin NH 03235-I worked in Medical Records for 6 years. My job was to file away all patients' medical records that came in the hospital Copying, Faxing, Data Entry, Abstracting for Coders.

1992-1998 Super 8 Motel I did housekeeping there along with laundry and front desk.

## CINDY L. HUNT

**HIGHLIGHT OF QUALIFICATIONS**

- 17 years of successful business services experience
- Recognized for building strong relationships that contribute to the goals of the company through creative problem solving, team building and independent leadership
- A self-motivated and dedicated professional leader committed to providing high quality service to all organizational goals
- Maintain high standards of professionalism and confidentiality
- Advocate for all client rights and compliant with HIPAA rules and regulations

**MANAGEMENT AND STAFF DEVELOPMENT**

- Responsible for being on call, petty cash, scheduling work hours for staff along with team meetings
- Maintain accurate records/documentation; ensuring compliance with state regulations, certification/licensing requirements
- Recruit, train, and supervise staff of 10
- Coordinated contact with client's physicians, service coordinators, guardians, relatives, and significant agencies
- Prepare monthly/yearly summary reports to be submitted to the state agencies
- Knowledgeable of Medicaid and Medicare
- Fluent with all aspects of using Internet, Microsoft Word, Works, and Excel

**CLIENT CARE**

- Managing a home for six men with traumatic brain injuries and other physical/psychiatric disabilities
- Provide direct care with support of the team to individuals in the home
- Conduct daily client assessment of physical, cognitive & mental well-being and safety
- Interface with parents/guardians, services coordinators and clients for quarterly status review and annual Individual Service Plans (ISP)
- Coordinate medical evaluations, physical appointments as needed working closely with agency nurse regarding medical issues and consultations frequently with a variety of doctors regarding the care of the individuals
- Accountable for both residential and day services including aid activities and vocational support
- Assisting individual(s) who demonstrate high risk and challenging behaviors with development of social skills, boundaries and established behavior treatment plans

**PROFESSIONAL EXPERIENCE**

Lakes Region Community Services	Dec 2011 - Present
Behavior Treatment Specialist Shift Leader	July 2013 - Present
Behavior Treatment Specialist	Dec 2011 - July 2013
Franklin Falls Farm - TBI Program	Community Services Council of NH
Residential Program Manager	February 2010 - October 2011
Assistant Program Manager	Dec 1996 - February 2010

Prior 1996 work history also available upon request

**EDUCATION**

2010	LNA License: LNA Health Careers (NH LNA License # 042840-24)
1994	Certificate: Medication Administration (renewed yearly)
1992-1996	Associate Degree: Human Services, NH Community Technical College
1981	High School Diploma, Laconia High School

8/29/2013

**CONTRACTOR NAME**

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Wayne Colby	Program Director	\$50,000	3.75%	\$1,875
Jennifer Putorek	Manager	\$32,500	11.00%	\$3,575
Mary Brown	Assistant Residential Manager	\$27,040	100%	\$27,040
Cindy Hunt	Assistant Residential Manager	\$21,840	100%	\$21,840

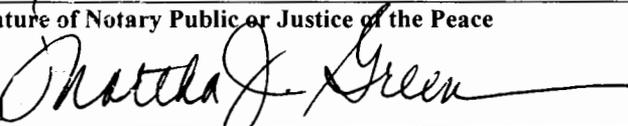
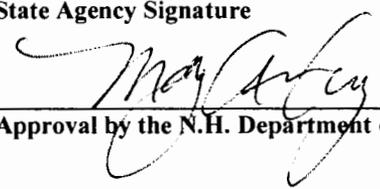
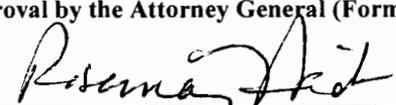
Subject: Continuum of Care Program

**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 Partners		<b>1.4 Contractor Address</b> 113 Crosby Road, Suite 1 Dover, NH 03820	
<b>1.5 Contractor Phone Number</b> (603) 749-4015	<b>1.6 Account Number</b> 010-042-7927-102-0731	<b>1.7 Completion Date</b> June 30, 2015	<b>1.8 Price Limitation</b> \$40,527
<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> Christopher Roundy, President	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of <u>Stratford</u> On <u>3/25/14</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> Martha J. Green, Notary		MARTHA J. GREEN Notary Public - New Hampshire My Commission Expires January 29, 2019	
<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>4-17-14</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.**

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

Contractor Initials:   CGR    
Date:   3/25/14

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

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 six (6) 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.



Exhibit A

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 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.



Exhibit A

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- 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.
  - 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



Exhibit A

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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).

- 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**

**Continuum of Care Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Continuum of Care 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: Continuum of Care Program  
Total Amount Continuum of Care Program;  
July 1, 2014 – June 30, 2015: not to exceed \$40,527.00  
Funds allocation under this agreement for Continuum of Care Program;  
Operating Cost: \$5,250.00  
Supportive Services: \$34,238.00  
Administrative Costs: \$1,039.00  
Total program amount: \$40,527.00

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. REPORTS

As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:

- 2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.
- 2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.



Exhibit B

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

- 3.1. 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.
- 3.2. 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 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.
- 3.3. 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.

4. USE OF GRANT FUNDS

- 4.1. 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.
- 4.2. 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.



Exhibit B

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- 4.3. 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.
5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM
  - 5.1. 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.
  - 5.2. 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.

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.



**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: *Community Partners*

3/25/14  
Date

  
Name: *Christopher Roudy*  
Title: *President*



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name: *Community Partners*

3/25/14  
Date

*Christopher Roundy*  
Name: *Christopher Roundy*  
Title: *President*



**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**

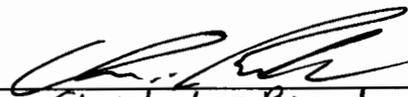
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
  - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - 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 (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: *Community Partners*

3/25/14  
Date

  
Name: *Christopher Roundy*  
Title: *President*



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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: *Community Partners*

*3/25/14*  
\_\_\_\_\_  
Date

*[Signature]*  
\_\_\_\_\_  
Name: *Christopher Rouny*  
Title: *President*



**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 Partners*

*3/25/14*  
\_\_\_\_\_  
Date

*[Signature]*  
\_\_\_\_\_  
Name: *Christopher Roundy*  
Title: *President*



**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: *Community Partners*

3/25/14  
Date

  
Name: *Christopher Roundy*  
Title: *President*

State Agency Name:

*NH DHHS*

4/4/14  
Date

  
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.

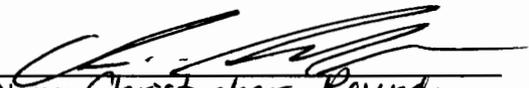
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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 Partners*

3/25/14  
Date

  
Name: *Christopher Roundy*  
Title: *President*



**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: 149406691
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:

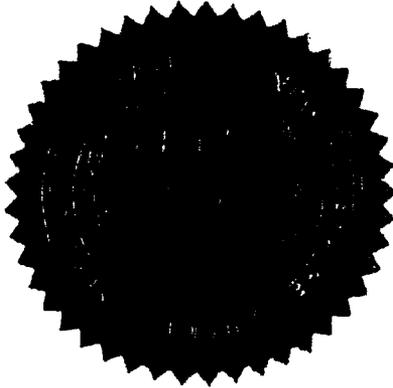
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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 Community Partners of Strafford County Foundation is a New Hampshire nonprofit corporation formed April 27, 2005. 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 5<sup>th</sup> day of June A.D. 2013

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, Ann Landry, 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 Community Partners.  
(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 3/25/14:  
(Date)

**RESOLVED:** That the Christopher Roundy, President  
(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 25<sup>th</sup> day of March, 2014.  
(Date Contract Signed)

4. Christopher Roundy is the duly elected President  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Ann Landry  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of New Hampshire

The forgoing instrument was acknowledged before me this 25<sup>th</sup> day of March, 2014.

By Ann Landry, Secretary  
(Name of Elected Officer of the Agency)

Shirley J. Green  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: 1/29/19

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> USI Insurance Services LLC PO Box 406 Portland, ME 04112-0406	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): <b>207-239-3500</b> FAX (A/C, No): <b>207-775-0339</b> E-MAIL ADDRESS:																					
	<table border="1"> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A :</td> <td><b>Philadelphia Indemnity Insuranc</b></td> <td><b>18058</b></td> </tr> <tr> <td>INSURER B :</td> <td><b>NH Employers Insurance Company</b></td> <td><b>13083</b></td> </tr> <tr> <td>INSURER C :</td> <td></td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> <td></td> </tr> </table>		INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A :	<b>Philadelphia Indemnity Insuranc</b>	<b>18058</b>	INSURER B :	<b>NH Employers Insurance Company</b>	<b>13083</b>	INSURER C :			INSURER D :			INSURER E :			INSURER F :	
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INSURER D :																						
INSURER E :																						
INSURER F :																						
<b>INSURED</b>  Community Partners 113 Crosby Road Suite 1 Dover, NH 03820																						

**COVERAGES      CERTIFICATE NUMBER:      REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS								
A	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC			PHPK1040451	07/01/2013	07/01/2014	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$								
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			PHPK1040451	07/01/2013	07/01/2014	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$								
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE  DED      RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$								
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y/N <input type="checkbox"/> N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			ECC60040000672013A	07/01/2013	07/01/2014	<table border="1"> <tr> <td>WC STATU-TORY LIMITS</td> <td>OTH-ER</td> </tr> <tr> <td>E.L. EACH ACCIDENT</td> <td>\$500,000</td> </tr> <tr> <td>E.L. DISEASE - EA EMPLOYEE</td> <td>\$500,000</td> </tr> <tr> <td>E.L. DISEASE - POLICY LIMIT</td> <td>\$500,000</td> </tr> </table>	WC STATU-TORY LIMITS	OTH-ER	E.L. EACH ACCIDENT	\$500,000	E.L. DISEASE - EA EMPLOYEE	\$500,000	E.L. DISEASE - POLICY LIMIT	\$500,000
WC STATU-TORY LIMITS	OTH-ER														
E.L. EACH ACCIDENT	\$500,000														
E.L. DISEASE - EA EMPLOYEE	\$500,000														
E.L. DISEASE - POLICY LIMIT	\$500,000														
A	<b>Professional Liability</b>			PHPK1040451	07/01/2013	07/01/2014	Per Claim: \$1,000,000 Aggregate: \$3,000,000								

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
**This Certificate of Insurance is issued as a matter of information only and confers no rights upon the holder and does not amend, extend or alter the coverage afforded by policies designated on the Certificate.**

<b>CERTIFICATE HOLDER</b>  NH Dept. of Health & Human Services 129 Pleasant St., Brown Building Concord, NH 03301	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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## *Community Partners Mission Statement*

*Our mission is to promote respect, wellness, full inclusion,  
and empowerment of individuals and their families who  
experience mental illness, emotional distress,  
developmental disability, chronic health needs,  
or acquired brain disorder.*

113 Crosby Road  
Suite 1  
Dover, NH 03820  
(603) 516-9300  
Fax: (603) 743-3244

50 Chestnut Street  
Dover, NH 03820  
(603) 516-9300  
Fax: (603) 516-7370

25 Old Dover Road  
Rochester, NH 03867  
(603) 516-9300  
Fax: (603) 335-9278

A United Way  
Partner Agency



*By identifying and creating opportunities for people, in  
close collaboration with a network of local agencies, we will  
promote independence and interdependence and help the  
people we serve to realize their maximum potential.  
We are committed to educate the community at large about  
our mission*

*The agency will provide staff with opportunities  
for professional growth so they may contribute to the overall  
achievement of the agency's mission.*

*Revised Jan/2002  
Reaffirmed Sept.2011*

**SUPPLEMENTAL INFORMATION**

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**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A  
COMMUNITY PARTNERS AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**June 30, 2012 and 2011**

In order for the Behavioral Health Services division of the Organization to receive this support, it must be formally approved by the State of New Hampshire, Bureau of Behavioral Health, as the community mental health provider for Strafford County in New Hampshire. This designation is received by the Organization every five years. The current designation expired August 15, 2011. On August 14, 2012, the Organization received reapproval of its designation to extend its designation from September 1, 2011 to September 1, 2016.

**9. Retirement Plan**

The Organization maintains a tax shelter annuity plan that is offered to all eligible employees. The plan includes an employer contribution equal to 3% of each eligible employee's salary. Total costs incurred for the plan during the years ended June 30, 2012 and 2011 were \$195,278 and \$219,813, respectively. The total expense for the years ended June 30, 2012 and 2011 for the Developmental Services division was \$90,553 and \$109,754, respectively, and for the Behavioral Health Services division was \$104,725 and \$110,059, respectively.

**10. Subsequent Events**

For purposes of the preparation of these consolidated financial statements in conformity with U.S. generally accepted accounting principles, management has considered transactions or events occurring through November 7, 2012, which is the date that the consolidated financial statements were available to be issued.

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A  
COMMUNITY PARTNERS AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**June 30, 2012 and 2011**

**7. Commitments and Contingencies**

**Operating Leases**

The Organization leases various office facilities and equipment under operating lease agreements. Expiration dates range from September 2012 through March 2018. Total rent expense charged to operations was \$222,689 in 2012 and \$224,895 in 2011.

Minimum operating lease payments for subsequent years ending after June 30, 2012 are as follows:

	<u>Total</u>
2013	\$ 176,872
2014	163,053
2015	163,195
2016	166,920
2017	170,757
Thereafter	<u>142,341</u>
	<u>\$ 983,138</u>

**8. Concentrations**

For the years ended June 30, 2012 and 2011, approximately 88% of the support and revenue of the Organization was derived from Medicaid. The future existence of the Organization is dependent upon continued support from Medicaid.

The accounts receivable due from Medicaid was:

	<u>2012</u>	<u>2011</u>
Developmental Services	\$ 1,114,425	\$ 518,544
Behavioral Health Services	<u>616,823</u>	<u>395,309</u>
	<u>\$ 1,731,248</u>	<u>\$ 913,853</u>

In order for the Developmental Services division of the Organization to receive this support, it must be formally approved by the State of New Hampshire, Bureau of Developmental Service, as the provider of services for developmentally disabled individuals for Strafford County in New Hampshire. This designation is received by the Organization every five years. The current designation expires September 30, 2013.

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A  
COMMUNITY PARTNERS AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
Total Developmental Services (brought forward)	\$ 452,057	\$ 524,852

**Behavioral Health Services**

Note payable to a bank, modified on March 23, 2011. At the time of refinancing, the interest rate changed from 5.07% to 4.15%. Monthly principal and interest installments due changed from \$2,662 to \$2,464, through April 2016 with one final payment of all unpaid principal and interest due at maturity; collateralized by certain real estate and an assignment of certain leases and rents. The note is a participating loan with New Hampshire Health and Education Facilities Authority.

<u>309,850</u>	<u>325,971</u>
\$ <u>761,907</u>	\$ <u>850,823</u>

The scheduled maturities of long term debt are as follows:

2013	\$ 48,000
2014	40,000
2015	42,000
2016	390,000
2017	17,000
Thereafter	<u>224,907</u>
	\$ <u>761,907</u>

Cash paid for interest approximates interest expense for the years ended June 30, 2012 and 2011, respectively.

**6. Temporarily Restricted Net Assets**

At June 30, 2012 and 2011, temporarily restricted net assets were \$96,518 and \$82,903, respectively. The Organization restricted assets consist of vehicles contributed to the Organization from the State of New Hampshire under grant programs. These contributed vehicles are to be used for the transportation of the Organization's clients.

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFORD COUNTY, INC. D/B/A  
COMMUNITY PARTNERS AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**June 30, 2012 and 2011**

**4. Line of Credit**

The Organization has a revolving line of credit agreement with a bank with an available balance to draw of \$700,000 and \$1,200,000 for the years ended June 30, 2012 and 2011, respectively. The line requires monthly interest payments on the unpaid principal balance at the rate of 1% over the bank's stated index, which was 4.25% during the years ended June 30, 2012 and 2011. The line of credit is collateralized by a security interest in all business assets. The Organization is required to annually observe thirty consecutive days without an outstanding balance. At June 30, 2012 and 2011, there was no outstanding balance on the line. Subsequent to June 30, 2012, the line of credit agreement was modified to increase the available balance to \$1,500,000 through December 31, 2012.

**5. Notes Payable**

Notes payable consisted of the following:

	<u>2012</u>	<u>2011</u>
<u>Developmental Services</u>		
Note payable to a bank, modified on March 23, 2011. At the time of refinancing, the interest rate changed from 5.07% to 4.15%. Monthly principal and interest installments due changed from \$1,189 to \$1,117, through April 2016 with one final payment of all unpaid principal and interest due at maturity; collateralized by certain real estate. The note is a participating loan with New Hampshire Health and Education Facilities Authority.	\$ 140,461	147,754
Note payable to a bank, modified on March 23, 2011. At the time of refinancing, the interest rate changed from 5.07% to 4.55%. Monthly principal and interest installments due changed from \$2,414 to \$2,326, through July 2017 with one payment of all unpaid principal and interest due at maturity; collateralized by certain real estate. The note is a participating loan with New Hampshire Health and Education Facilities Authority.	302,761	316,348
Note payable to a bank, modified on March 23, 2011. At the time of refinancing, the interest rate changed from 5.07% to 4.55%. Monthly principal and interest installments due changed from \$4,759 to \$4,468, through July 2012; collateralized by certain equipment. The note is a participating loan with New Hampshire Health and Education Facilities Authority.	<u>8,835</u>	<u>60,750</u>
Total Developmental Services (carried forward)	<u>\$ 452,057</u>	<u>\$ 524,852</u>

BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A  
COMMUNITY PARTNERS AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

**Functional Allocation of Expenses**

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

**2. Restricted Cash**

The Organization is currently serving as a pass-through entity for the Council for Children and Adolescents with Chronic Health Conditions Loan Guaranty Program. This program is operated and administered by a New Hampshire bank. Accordingly, as of June 30, 2012 and 2011, the Organization held cash totaling \$88,596 and \$88,320, respectively, which was restricted for this program. A corresponding amount has been recorded as a liability.

Additionally, the Organization is administering the Council for Children and Adolescents with Chronic Health Conditions Program. The total cash restricted for this program as of June 30, 2012 and 2011 was \$67,923 and \$66,843, respectively. A corresponding amount has been recorded as a liability and is classified within refundable advances.

**3. Property and Equipment**

Property and equipment consisted of the following:

	<u>2012</u>	<u>2011</u>
Land and buildings	\$ 1,859,893	\$ 1,859,893
Building improvements	1,524,678	1,497,632
Vehicles	824,356	917,573
Equipment and furniture	<u>1,945,032</u>	<u>1,874,756</u>
	6,153,959	6,149,854
Less accumulated depreciation	<u>3,922,862</u>	<u>3,823,526</u>
	<u>\$ 2,231,097</u>	<u>\$ 2,326,328</u>

BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STAFFORD COUNTY, INC. D/B/A  
COMMUNITY PARTNERS AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments with an original maturity date of less than three months to be cash equivalents. The cash equivalents represent repurchase agreements as of June 30, 2012 and 2011.

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. It has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk on cash and cash equivalents.

**Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Management provides for probable uncollectible accounts after considering each category of receivable individually, and estimates an allowance according to the nature of the receivable. Allowances are estimated from historical performance and projected trends. 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 trade accounts receivable. As of June 30, 2012 and 2011, allowances were recorded in the amount of \$245,825 and \$157,587, respectively.

**Property and Equipment**

Property and equipment are recorded at cost, while donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Expenditures for repairs and maintenance are charged against operations. Renewals and betterments which materially extend the life of the assets are capitalized. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Depreciation is provided for using the straight-line method in amounts designed to amortize the costs of the assets over their estimated lives as follows:

Buildings and improvements	15-39 years
Equipment and furniture	3-7 years
Vehicles	5 years

**Refundable Advances**

The Organization's refundable advances consist of funds received in advance for services to be performed at a later date, amounts due to Medicaid and estimated Medicaid recoupment settlement reserves for Medicaid eligibility audits, and certain pass through funds (Note 2).

BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STURGEON COUNTY, INC. D/B/A  
COMMUNITY PARTNERS AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

**Use of Estimates**

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

**Basis of Presentation**

Net assets and revenues, expenses, gains, and losses are classified as follows based on existence or absence of donor-imposed restrictions:

**Unrestricted net assets** - Net assets that are not subject to donor-imposed stipulations.

**Temporarily restricted net assets** - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

**Permanently restricted net assets** - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. As of June 30, 2012 and 2011, the Organization had no permanently restricted net assets.

**Contributions**

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purpose are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. 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 restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support in the year of the gift.

**Income Taxes**

The Organization is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code to operate as a not-for-profit organization.

Financial Accounting Standards Board *Accounting Standards Codification* (FASB ASC) Topic 740, *Income Taxes*, establishes financial accounting and disclosure requirements for recognition and measurement of tax positions taken or expected to be taken. Management has reviewed the tax provisions for the Organization under FASB ASC Topic 740 and determined it did not have a material impact on the Organization's consolidated financial statements.

BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A  
COMMUNITY PARTNERS AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2012 and 2011

**Nature of Activities**

Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners (the Organization) is a New Hampshire nonprofit corporation providing a wide range of community based services (see consolidated statement of functional revenue and expenses for various programs offered) for individuals, and their families, with developmental disabilities and/or mental illness. The Organization also supports families with children who have chronic health needs. The Organization is currently operating as two divisions: Developmental Services and Behavioral Health Services.

The Organization is the sole shareholder of Lighthouse Management Services, Inc. which was organized to perform accounting and management functions for other not-for-profit entities.

The Organization is the sole beneficiary of Community Partners Foundation (the Foundation) which was established exclusively for the benefit and support of the Organization. To that end, the Foundation receives and accepts gifts and funds.

The Foundation received and disbursed the following funds for years ended June 30:

	<u>2012</u>	<u>2011</u>
Funds received	\$ 22,957	\$ 33,159
Funds disbursed	<u>38,819</u>	<u>36,751</u>
	\$ <u>(15,862)</u>	\$ <u>(3,592)</u>

The Foundation has received and disbursed the following funds since its inception in 2007:

Funds received	\$ 200,991
Funds disbursed	<u>134,448</u>
	<u>66,543</u>

1. **Summary of Significant Accounting Policies**

**Principles of Consolidation**

The consolidated financial statements include the accounts of Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners, Lighthouse Management Services, Inc., and Community Partners Foundation. All material intercompany balances and transactions have been eliminated in consolidation. Collectively the entities are referred to as "the Organization" throughout these notes.

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STAFFORD COUNTY, INC. D/B/A  
COMMUNITY PARTNERS AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**Years Ended June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities		
Change in net assets	\$ 100,950	\$ 101,337
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	317,792	316,127
Change in allowance for doubtful accounts	88,238	(49,971)
Contribution revenue for capital purchases	(42,557)	(88,488)
Gain on sale of assets	(6,075)	-
Decrease (increase) in		
Restricted cash	(1,356)	863
Accounts receivable, trade	(920,181)	186,597
Grants receivable	(4,484)	7,040
Prepaid expenses	41,058	(371,414)
Increase (decrease) in		
Accounts payable, trade	180,033	38,629
Accrued expenses	147,228	(351,984)
Refundable advances	152,944	(23,026)
Loan fund	<u>276</u>	<u>365</u>
Net cash provided (used) by operating activities	<u>53,866</u>	<u>(233,925)</u>
Cash flows from investing activities		
Acquisition of equipment	(180,004)	(104,762)
Proceeds from sale of equipment	<u>6,075</u>	<u>-</u>
Net cash used by investing activities	<u>(173,929)</u>	<u>(104,762)</u>
Cash flows from financing activities		
Principal payments on long-term borrowings	<u>(88,916)</u>	<u>(85,192)</u>
Net cash used by financing activities	<u>(88,916)</u>	<u>(85,192)</u>
Net decrease in cash and cash equivalents	(208,979)	(423,879)
Cash and cash equivalents, beginning of year	<u>2,315,290</u>	<u>2,739,169</u>
Cash and cash equivalents, end of year	<u>\$ 2,106,311</u>	<u>\$ 2,315,290</u>
Supplemental disclosures		
Contribution of vehicles received under grant programs	<u>\$ 42,557</u>	<u>\$ 88,488</u>

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

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRAFFORD COUNTY, INC. D/B/A  
COMMUNITY PARTNERS AND SUBSIDIARIES**

**Consolidated Statements of Activities**

**Years Ended June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
Changes in unrestricted net assets		
Public support and revenue		
Medicaid revenue	\$ 21,849,714	\$ 21,497,967
Medicare revenue	152,534	175,729
Client resources	1,391,820	1,466,675
Contract revenue	646,231	572,448
Grant income	387,563	315,057
Interest income	1,096	1,896
Other program revenue	59,374	33,381
Public support	59,740	64,896
Other revenue	<u>174,395</u>	<u>218,703</u>
Total public support and revenue	24,722,467	24,346,752
Net assets released from restrictions	<u>33,020</u>	<u>22,064</u>
Total public support, revenue, and reclassifications	<u>24,755,487</u>	<u>24,368,816</u>
Expenses		
Program services		
Case management	1,887,441	1,978,706
Day programs and community support	6,509,680	6,234,372
Early support services and youth and family	3,408,030	3,457,224
Family support	607,518	644,701
Residential services	5,484,782	5,477,058
Combined residential, day and consolidated services	3,940,153	3,431,267
Medical services	96,718	93,308
Adult services	299,098	384,890
Emergency services	592,081	611,855
Other	<u>443,200</u>	<u>477,939</u>
Total program expenses	23,268,701	22,791,320
Supporting services		
General management	<u>1,399,452</u>	<u>1,546,825</u>
Total expenses	<u>24,668,153</u>	<u>24,338,145</u>
Total change in unrestricted net assets	<u>87,334</u>	<u>30,671</u>
Changes in temporarily restricted net assets		
Grant income	42,557	88,488
United Way allocation	4,079	4,242
Net assets released from restrictions	<u>(33,020)</u>	<u>(22,064)</u>
Total change in temporarily restricted net assets	<u>13,616</u>	<u>70,666</u>
Total change in net assets	100,950	101,337
Net assets, beginning of year	<u>3,592,661</u>	<u>3,491,324</u>
Net assets, end of year	<u>\$ 3,693,611</u>	<u>\$ 3,592,661</u>

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

**BEHAVIORAL HEALTH & DEVELOPMENTAL SERVICES OF STRA... FORD COUNTY, INC. D/B/A  
COMMUNITY PARTNERS AND SUBSIDIARIES**

**Consolidated Statements of Financial Position**

**June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,106,311	\$ 2,315,290
Restricted cash	156,519	155,163
Accounts receivable, net of allowance for doubtful accounts	2,087,591	1,255,648
Grants receivable	20,289	15,805
Prepaid expenses	411,448	452,506
Property and equipment, net	<u>2,231,097</u>	<u>2,326,328</u>
 Total assets	 <u>\$ 7,013,255</u>	 <u>\$ 6,520,740</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable	\$ 589,135	\$ 409,102
Accrued expenses	883,257	736,029
Refundable advances	996,749	843,805
Loan fund	88,596	88,320
Notes payable	<u>761,907</u>	<u>850,823</u>
 Total liabilities	 <u>3,319,644</u>	 <u>2,928,079</u>
Commitments and contingencies (Note 7)		
Net assets		
Unrestricted	3,597,093	3,509,758
Temporarily restricted	<u>96,518</u>	<u>82,903</u>
 Total net assets	 <u>3,693,611</u>	 <u>3,592,661</u>
 Total liabilities and net assets	 <u>\$ 7,013,255</u>	 <u>\$ 6,520,740</u>

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



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners and  
Subsidiaries

We have audited the consolidated statements of financial position of Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners and Subsidiaries (the Organization) as of June 30, 2012 and 2011, and the related consolidated statements of activities, functional revenue and expenses, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on the consolidated financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Behavioral Health & Developmental Services of Strafford County, Inc. d/b/a Community Partners and Subsidiaries as of June 30, 2012 and 2011, and the consolidated changes in their net assets and their consolidated cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

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

*Berry, Dunn, McNeil & Parker*

Manchester, New Hampshire  
November 7, 2012



## Community Partners BOARD OF DIRECTORS 2013-2014

**PRESIDENT**

Chris Roundy (Joined 06/26/2007)

**TREASURER**

Matthew Sylvia (Joined 12/19/2006)

**VICE PRESIDENT**

Kathleen Boisclair

**Sylvia MAILING ADDRESS**

Vice President, TDBanknorth NA

**SECRETARY**

Ann Landry (Joined 08/23/2005)

Margaret Almeida (Joined 06/26/12)	David Andre ( C ) (Joined 4/26/05)	Kristine Baber (Joined 0/26/13)
Greg Betts (C) (Rejoined 09/27/11)	Rev. Sue Frost (C) (Joined 01/28/14)	Wayne Goss (C) (Joined 01/28/14)
Bryant Hardwick (Joined 2/22/11)	Kerri Larkin (C) Joined 11/23/10)	John Lowy (C) Joined 09/13/99)
Ken Muske (Joined 03/05/02)	Ken Muske (Joined 03/05/02)	

(C) = Consumer

## BRIAN J. COLLINS

### Summary:

A seasoned Executive Director with broad experience in managing complex nonprofit organizations; manages with a hands-on, approachable style and a strong, mission-driven value system.

### Experience:

1995 - Present

#### **Executive Director**

**Behavioral Health & Developmental Services of Strafford County, Inc.,  
D/B/A Community Partners of Strafford County, Dover, NH**

CEO of a designated regional Area Agency for Developmental Disabilities and Community Mental Health Center serving over 3200 people with 350 staff and \$25 million budget; implemented needed programmatic changes stemming from long-term financial losses, including negative fund balances; vastly improved quality outcomes after assuming the position in 1995; report to a 15 member Board of Directors.

- Turned around agency's \$324K negative total net assets upon arrival to \$3.6 million positive total net assets today.
- Successfully implemented corrective administrative measures, resulting in removal of conditions imposed by the State of NH as a result of the impending bankruptcy coupled with unsatisfactory programming through FY95.
- Provided 150 new services to waitlist consumers during the first 4 years with no additional resources.
- Merged a bankrupt mental health center into organization in 2001, creating one of only two organizational models in New Hampshire.
- Expanded agency mission, including becoming a Partners in Health site serving children with chronic illness and their families, running State-wide loan program for families with chronically ill members and expanded business office operations through contractual means with other not for profit organizations.
- Statewide Leadership role as a founder of both the Community Support Network Inc., a trade organization for the Area Agency system, and the NH Community Behavioral Health Association, a trade organization for the mental health system.
- Regional leader in a variety of social service organizations and associations that advance human service causes including chronic illness, elder services, supporting families of children with chronic illness, mental health court, sexual assault victims, employment for people with disabilities and work with schools and pre-schools.

Area Agency responsibilities include Early Supports and Services for children birth-three, Family Support Services for all families of children with disabilities (including respite,

Brian Collins

Page 2

parent to parent, transition supports, benefits application assistance, support groups, clinical education), Adult Services including Service Coordination, employment and day habilitation, residential, community and in-home supports, contract administration of provider organizations, consumer directed programs.

Community Mental Health Centers serve individuals with severe and persistent mental illness including psychiatry, case management, community functional supports, therapy, and medication management. For children and families this includes an at risk category, but the same types of intervention as for adults, providing 24 hour/7 day emergency services, working in local hospitals assessing at risk to the individual or the community.

1989 - 1995

**Executive Director  
The Plus Company, Nashua, NH**

Chief Executive Officer of a non-profit human service agency serving over 150 people with disabilities in New Hampshire and Massachusetts. Agency provides residential, vocational, and medical supports in over 50 locations. Agency employs 125 staff with a total budget of \$4.5 million. Report to a 15 member Board of Directors.

- Eliminated debt service after Agency had lost \$500,000 over a prior five-year period. Agency's surplus exceeded \$600,000 over five year tenure.
- Increased operational budget over \$1 million. Contract with 25 funding streams, which include three states, numerous non-profit agencies, school systems, and private companies.
- Eliminated the need for a sheltered workshop by developing community jobs and individualized day options for over 75 consumers. Negotiated the sale of the sheltered workshop building and relocated the agency headquarters. The move retired all debt service.
- Downsized all group home populations by developing individualized and small group options. Grew the number of consumers living in small group settings from 45 to 70 people during a five-year period.
- Increased fund raising and public relation, including a high profile annual breakfast with over 400 people in attendance.

1985 - 1989

**Program Planning and Review Specialist  
New Hampshire DMHDS, Concord, NH**

Responsible for managing \$13 million of State and Federal funds, covering one-quarter of the service system; areas of responsibilities include case management, housing, vocational programming, respite care, early childhood intervention and family support services. Reported to the Assistant Director of Developmental Services.

Brian Collins

Page 3

- Monitor contract compliance to ensure cost effective service delivery system. Oversee implementation of Supported Employment Initiative to establish program models, funding stream, staff re-education and training, and business and industry liaisons.
- Analyze budgets to determine maximum revenue sources and maintain controls over expenditures.
- Ensure that the Board of Directors policies and staff procedures enhance community presence of people with severe disabilities.
- Liaison for regional area agencies and State agencies to Division of Vocational Rehabilitation.
- Ensure compliance with \$2 million federal grant, to fund a five-year plan to create employment opportunities.
- Member of Governor's Task Force on Employment.

1982 - 1985      **Quality Assurance Administrator,  
Training Coordinator, New Hampshire DMHDS**

**Quality:** Responsible for quality assurance function statewide for Community Service Delivery System. Led seven-person team in annual reviews of each regional area agency. Reported to the Director of Quality Assurance.

**Training:** Responsible for the coordination of statewide and regional training for Community Service Deliver System; designed Training Needs Inventory using regional priorities to establish training needs; procured funding to provide consultants for specific regional training and technical assistance; originated special projects, including training annual, audio visual training packages and leisure skills handbook.

**Education:**

**Masters in Public Administration,** University of New Hampshire  
**BA, Communications,** Boston College Evening School

**Advisory Boards:**

Advisory Board, University of New Hampshire Institute on Disability (UAP)  
University of Hartford Rehabilitation Training Program  
Virginia Commonwealth University Rehabilitation Research and Training Center.  
New Hampshire Governor's Appointment to Inter-Agency Coordinating Council.  
Overseeing services to children with disabilities from birth to age three.  
HHS Commissioner Stephen's Advisory Council focused on increasing employment for people with disabilities

**Memberships:**

The Association for Persons with Severe Handicaps (TASH)

American Association on Mental Retardation (AAMR)

National Rehabilitation Association (NRA)

New Hampshire Rehabilitation Association (NHRA)

American Network of Community Options and Resources

## **Kathleen Stocker**

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### **Accomplishments**

- \* Installation of T-1 lines for voice and data telecommunications systems reducing phone costs by 35%
- \* Implementation of direct deposit of payroll
- \* Directed conversion of computer system to PC network
- \* Streamlined accounting departments of 3 divisions saving overhead of \$200 thousand per year
- \* Initiated the development of MIS group to improve information flow
- \* Designed meaningful cash flow and other financial reporting
- \* Converted to a new MIS system resulting in more timely, meaningful financial information
- \* Accelerated accounts receivable collection period from 50 days to 40 days
- \* Converted payroll to bi-weekly to improve cash flow by \$150 thousand
- \* Collapsed insurance package for savings of \$400 thousand per year
- \* Combined insurance programs for savings of \$50 thousand per year
- \* Presented public offering memorandum to SEC committee
- \* Implemented accounts receivable factoring facility of \$3.5 million
- \* Raised new capital to refinance four nursing homes for \$17.9 million
- \* Effort to identify reimbursable costs resulted in an average Medicaid rate increase of 11%
- \* Successful in negotiations with state and federal tax agencies
- \* Directed successful audits with CPA firms IRS, Medicaid agents

### **Business Experience**

**2000 – Present Community Partners, d/b/a of Behavioral Health & Developmental Services of Strafford County, Inc., Dover, New Hampshire**

Chief Financial Officer 2001 – Present  
Controller 2000 - 2001

Responsible for directing the overall financial and administrative management of this \$18+ million agency, including Human Resources, Facilities, and IT. Also, an additional \$3 million between Community Partners and three other agencies in the Dover area to provide overall financial and IT management.

**1993 – 2000 Renaissance Greeting Card, Inc., Sanford, Maine**

Controller for a privately held subsidiary of FTD. Renaissance designs, manufactures, and distributes products for the greeting card industry. The nation wide retailer has annual revenues of \$10 million. Report directly to Executive Vice President.

- \* Develop a system of financial reporting to advise on performance and to facilitate planning.
- \* Evaluate and recommend improvements for MIS system and Operation Process.
- \* Establish training and education to strengthen understanding of accounting and systems issues.
- \* Direct and coordinate accounting functions required to maintain data integrity and all books of account.
- \* Manage the Credit functions to ensure timely processing of orders and the acceleration of collection's efforts.
- \* Implement and improve company wide budget process with major focus on sales and inventory.
- \* Provide support and focus to teams in developing Marketing Strategy, improving Profitability, and strengthening overall company Structure initiatives.

**1990 – 1993 Schirm Associates, Waltham, Massachusetts**

Controller of a privately held collective that provides rehabilitation and education services to survivors of head trauma. The fifteen proprietorships offer seven programs in a continuum of care approach to head injury. Located in the New England and Mid Atlantic States with revenues of \$45 million. Managed nineteen accounting, finance, tax, risk management, and administrative professionals. Reported directly to owner.

### **Schirm Associates continued**

- \* Coordinated all the planning, development, and implementation of the necessary accounting functions required to close, monitor, and analyze the books of account.

- \* Reviewed and managed all risk management functions.
- \* Planned and organized all fiscal year end requirements including audits, reporting, and taxes.
- \* Supported and led team in preparation of information for presentation to the institutional lending markets.
- \* Key member of task force to develop public offering memorandum.
- \* Assisted work-out group in reorganization of companies

**1988 – 1990 Clipper Home Affiliated, Durham, New Hampshire**

Controller of a privately held company that develops, owns, and operates retirement communities. Clipper Home Affiliates is one of the largest providers of long-term care services in the state of New Hampshire. The companies are comprised of eight operating corporations, eight related partnerships and an affiliated management company with total assets of approximately \$35 million. Supervised twelve accounting and administrative professionals. Reported to the Chief Financial Officer.

- \* Performed all the necessary accounting functions to close and monitor the books of account, general ledger, and asset records. Prepared and revised financial statements.
- \* Managed the accountability of construction records for new facilities.
- \* Implemented a reporting system to review performance and facilitate planning
- \* Developed operational budgets and pricing.
- \* Supported a task force in developing a presentation to the institutional lending market.
- \* Worked with other finance and MIS professionals to evaluate the existing computer system.
- \* Prepared Cost filings for the State to determine the reimbursement rate for the Medicaid recipients. Maintained the company's insurance and risk management programs. Planned, coordinated, and administered the year end audits by State and Federal agencies. Calculated cash requirements and developed cash flow reporting. Administered all outstanding debt. Solicited and evaluated proposals for a centralized cash management system.

**1977 – 1988 Spaulding Composites, Rochester, New Hampshire**

Spaulding Composites, Inc. is a privately held manufacturer of specialty insulating materials and fabricated component for electronics, housing and automotive industries with gross sales of approximately \$100 million.

Controller of three of eight Spaulding Divisions 1983 – 1988. Supervised six accounting professionals. Reported to the Vice President of Operations and Vice President of Finance.

- \* Planned, managed, and performed all the necessary accounting functions including closing and analyzing the books of account, reconciliation of inter-company transactions, maintenance of the general ledger monthly reporting, financial statement preparation and analysis.
- \* Monitored standard cost system geared toward cost containment and control.
- \* Established and administered policies and procedures.
- \* Prepared revenues and cost evaluation surveys of the manufacturing processes for Federal agencies.
- \* Prepared and monitored budgets with annual sales of \$50 million.
- \* Trained staff in the conversion of a manual system to a computerized accounting and reporting system.

Assistant Controller 1977-1982 Supervised staff of five accounting professionals and MIS staff of three.

- \* Supervised all the day to day accounting functions including accounts receivable, accounts payable, payroll and standard costing of \$3 million inventory.
- \* Member of corporate wide task force to reduce accounts receivable and improve collections.
- \* Planned, analyzed and reported on special projects geared toward improvement of bottom line profits.
- \* Monitored the ongoing conversion of accounting integrity of a newly implemented decentralized accounting and reporting system.
- \* Designed and implemented a system to fully automate a labor cost control method.

**Education**

M.B.A., Management, 1980, New Hampshire College  
 B.S., Accounting, 1977, New Hampshire College

# Christopher D. Kozak

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## SENIOR MANAGEMENT

### Profile

High-performance executive providing leadership, innovation and direction to support infrastructure change and development to maximize profitability. Proven ability to develop and implement strategic approaches and methodologies to create a highly effective organization that operates at or below budgetary requirements. Excel in understanding the insurance industry and the challenges faced by insurers and providers. Skilled in identifying and capitalizing on technology to solve business problems. Demonstrate broad-based strengths and accomplishments in:

- Leadership & Accountability
- P & L Responsibility
- Strategic Planning
- Staff Development and Team Building
- MCO Contracting
- Rate Negotiation
- Process and Quality Improvement
- Corporate Presentations & Marketing

### Professional Experience

#### Community Partners

Dover, NH October 2010 – Present

*A State designated Community Mental Health Program providing services to individuals*

#### *Chief Operating Officer (4/12 – present)*

#### *Director of Quality Improvement (10/10 – 4/12)*

Senior member of the management team with responsibility for oversight of the Behavioral Health Services Division.

#### *Accomplishments*

- Successfully navigated the organization through the State's re-designation process. Preliminary feedback indicated that the State will award the organization with another full 5-year designation as a community mental health program.
- Developed and implemented several new reports, forms and other management tools that created efficiencies in daily paper work as well as providing managers with a dashboard-like view of data about their specific staff/program simply by opening a Microsoft Excel file.
- Engaged in a major change management process that has challenged veteran staff to rethink and analyze nearly every facet of their program operation.

#### Dynamic Solutions NE, LLC

Portsmouth, NH September 2008 – Present

*Independent consulting company specializing in revenue enhancement strategies, operational automation and small application development for behavioral health practices and small health plans.*

#### *Consultant*

Founded Dynamic Solutions NE, LLC after spending nearly two decades in leadership positions in the insurance, case management and technology fields.

#### *Accomplishments*

- Developed proposal for a custom web-based outcome measurement application to be used by 14 psychiatric treatment centers spanning six states.
- Provided expert witness consultation in a case related to software pirating.
- Provide ad hoc consultation to information technology firms relative to healthcare informatics.

#### Casenet Inc.

Bedford, MA August 2006 – July 2008

*A startup software company offering a platform care management solution for commercial insurance carriers as well as Medicaid / Medicare care management programs.*

#### *Vice President of Product Management*

Key member of the management team with responsibility for developing client specific solutions as well as creating the vision driving overall product direction.

#### *Accomplishments*

- Visionary behind the base business solution platform for the care management marketplace.
- Developed messaging that was instrumental in landing first commercial payer accounts (>\$9 million).
- Member of the Senior Management Team that successfully secured \$7.5 million of B-round

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financing.

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**Landmark Solutions, LLC (A.K.A. BHN)**

Concord, NH September 1998 – September 2006

*A regional managed behavioral healthcare company, national employee assistance program, and IT consulting group.*

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*Vice President of Managed Care Services (7/03 – 8/06)*

*Director of Behavioral Health Services (8/98 – 7/03)*

Complete responsibility for the managed care product including \$3.5 million operating budget, \$18 million clinical capitation, strategic planning, vision, provider contracting, and oversight of five departments. Worked closely with IT to develop and implement innovative and efficient processes and systems to support process improvement, operational compliance, reporting and analysis, and workflow integration.

**Accomplishments**

- Re-contracted provider network to simplify contracts and maximize flexibility in bringing on new business lines.
  - Initiated and implemented on-line patient registration process and automated attendant resulting in net operational savings of 3.5%.
  - Implemented a new Outpatient Treatment Report to reign in escalating outpatient claims costs resulting in clinical savings of 4.5%.
  - Met aggressive budget requirements by implementing tighter monitors on inpatient utilization resulting in a net savings of 10.6%.
  - Brought credentialing process in-house resulting in a 66% reduction in operating costs.
  - Initiated and successfully implemented a complete overhaul of the utilization management program resulting in improved NCQA delegation scoring from the low 60's to 100 percent.
  - Collaborated with the director of information and technology to develop and implement a provider Web portal allowing providers to submit updated clinical information directly to BHN/Landmark Solutions'.
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**CNR Health, Inc.**

Milwaukee, WI August 1991 – September 1998

*A national company offering medical, behavioral health, disability, and worker's compensation management services, employee assistance programs, and software development.*

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**Director of Case Management**

Directly responsible for the care management business unit including medical and behavioral health utilization management, case management, disability management and workers compensation management.

**Accomplishments**

- Numerous positions of increasing responsibility during seven-year tenure: Behavioral Health Case Manager, Clinical Operations Manager, Director of Behavioral Health, Director of Case Management.
  - Directly responsible for a \$2.5 million dollar operating budget.
- 

**Education**

**North Dakota State University, Fargo, ND**

**Bachelor of Science in Psychology, 5/87**

Minor: Statistics

**Marquette University, Milwaukee, WI**

**Master of Science in Clinical Psychology, 8/89**

Thesis: Self-control deficits in depression: The contingent relationship between expectancies, evaluations and reinforcements.

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**References**

Available upon request

Community Partners

Key Personnel

<u>Name</u>	<u>Job Title</u>	<u>Salary</u>	<u>% Paid from this Contract</u>	<u>Amount Paid from this Contract</u>
Brian Collins	Executive Director	\$185,000	0	0
Kathleen Stocker	Chief Financial Officer	\$ 99,000	0	0
Christopher Kozak	Chief Operations Officer	\$ 80,000	0	0

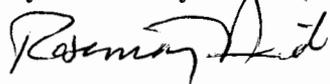
Subject: Continuum of Care

**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 St. Concord, NH 03301	
<b>1.3 Contractor Name</b> Families In Transition		<b>1.4 Contractor Address</b> 122 Market St. Manchester, NH 03101	
<b>1.5 Contractor Phone Number</b> (603) 641-9441	<b>1.6 Account Number</b> 010-042-7927-102-0731	<b>1.7 Completion Date</b> June 30, 2015	<b>1.8 Price Limitation</b> \$127,746
<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> Maureen Beauregard, President	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of <u>Hillsborough</u> On <u>3/28/14</u> 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>RUTH A. SYREK, Notary Public</b> My Commission Expires October 16, 2018	
<b>1.13.2 Name and Title of Notary of Justice of the Peace</b> Ruth Syrek, Admin Asst. 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>4-17-14</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.**

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**

**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 twelve (12) homeless individuals and/or families 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/or hiring a moving company), child-care costs for establishing and operating child care, and providing child-care vouchers for children from families experiencing



## Exhibit A

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**

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- 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 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**

**Continuum of Care Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Continuum of Care 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: Continuum of Care Program

Total Amount Continuum of Care Program;

April 1, 2014 – June 30, 2015: not to exceed \$127,746

Funds allocation under this agreement for Continuum of Care Program;

Supportive Services: \$28,746

Leasing or Rental Assistance: \$95,900

Administrative costs: \$3,100

Total program amount: \$127,746

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



Exhibit B

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 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.



**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.

Contractor Name: Families in Transition

3/28/14  
Date

  
Name: Maureen Beauregard  
Title: President



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

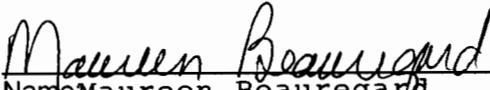
The undersigned certifies, to the best of his or her knowledge and belief, that:

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

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

Contractor Name: Families in Transition

3/28/14  
Date

  
Name: Maureen Beauregard  
Title: President



**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

*[Handwritten Signature]*



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: Families in Transition

3/28/14  
Date

  
Name: Maureen Beauregard  
Title: President



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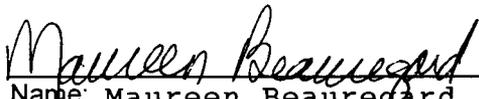
**CERTIFICATION REGARDING**  
**THE AMERICANS WITH DISABILITIES ACT COMPLIANCE**

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: Families in Transition

3/28/14  
Date

  
Name: Maureen Beauregard  
Title: President



**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: Families in Transition

3/28/14  
Date

  
Name: Maureen Beauregard  
Title: President



**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.

*WAB*



**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: Families in Transition

3/28/14  
Date

Maureen Beauregard  
Name: Maureen Beauregard  
Title: President

State Agency Name:  
NH DHHS

4/7/14  
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: Families in Transition

3/28/14  
Date

  
Name: Maureen Beauregard  
Title: President



**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: 825360399
  
- 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:

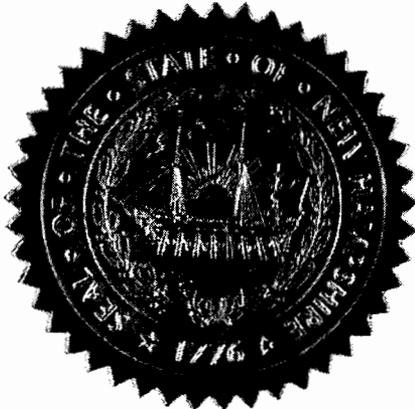
- 4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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 FAMILIES IN TRANSITION is a New Hampshire nonprofit corporation formed May 13, 1994. 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 cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State

# CERTIFICATE OF VOTE

I, Karyn O'Neil, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Families in Transition.  
(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 March 28, 2014.  
(Date)

**RESOLVED:** That the President  
(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 28 day of March, 2014.  
(Date Contract Signed)

4. Maureen Beauregard is the duly elected President  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 28 day of March, 2014.

By Karyn O'Neil  
(Name of Elected Officer of the Agency)

  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: \_\_\_\_\_  
**RUTH A. SYREK, Notary Public**  
**My Commission Expires October 16, 2018**



***Families in Transition***

***122 Market Street***

***Manchester, NH 03101***

***Tel. 603-641-9441***

***Fax. 603-641-1244***



**Families  
in Transition**

Providing a Home. Building Hope.

***Mission***

To provide safe and affordable housing and  
comprehensive social services to individuals  
and families who are homeless or who are at risk of  
becoming homeless, enabling them to gain  
self-sufficiency and respect.

**FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES**

**MANCHESTER, NEW HAMPSHIRE**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT**

**DECEMBER 31, 2012**

**FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES**

**MANCHESTER, NEW HAMPSHIRE**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT**

**DECEMBER 31, 2012**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Families in Transition, Inc. and Subsidiaries  
Manchester, New Hampshire

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Families in Transition, Inc. and its subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2012 and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We did not audit the financial statements of the individual subsidiaries (Millyard Families II Limited Partnership, Bicentennial Families Concord Limited Partnership, Family Bridge Limited Partnership, Family Willows Limited Partnership, Belmont Street Family Housing, School/Third Street, and Lowell Street) which statements reflect total assets constituting 81.7 percent of consolidated total assets at December 31, 2012, and total revenues constituting 42.2 percent of consolidated total revenues for the year then ended. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for these subsidiaries, is based solely on the reports of the other auditors. 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 consolidated financial statements are free from material misstatement.

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

such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

#### *Basis for Qualified Opinion*

We were not engaged to audit the financial statements of Family OutFITters, LLC, a subsidiary of Families in Transition, Inc. Management has decided to omit the financial position of Family OutFITters, LLC as of December 31, 2012 and its statements of activities, functional expenses, and cash flows for the year then ended. Total assets, liabilities, revenues and expenses of this subsidiary as of December 31, 2012 and for the year then ended are \$195,799, \$124,659, \$665,829 and \$722,119, respectively. In our opinion, the inclusion of this subsidiary in the consolidated financial statements is required by accounting principles generally accepted in the United States of America.

#### *Qualified Opinion*

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Families in Transition, Inc. and its subsidiaries as of December 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Other Matters*

#### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating financial statements and the financial statements of Families in Transition, Inc. (not including subsidiaries) are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in related to the consolidated financial statements as a whole.

#### *Summarized Comparative Information*

The summarized financial information for 2011 has been derived from the Families in Transition, Inc.'s 2011 financial statements, which were audited by a predecessor auditor. An unqualified audit opinion was issued on those financial statements dated March 20, 2012. As part of our audit of the 2012 financial statements, we also audited the adjustments described in Note S 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 the Entity other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2011 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 April 5, 2013, on our consideration of Families in Transition, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements. 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 Families in Transition, Inc.'s internal control over financial reporting and compliance.

*Wachon Clukay & Company PC*

Manchester, New Hampshire  
April 5, 2013

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2012 AND 2011

ASSETS

	2012	2011
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 620,278	\$ 1,228,115
Accounts receivable	43,692	205,427
Grants receivable	108,980	124,213
Prepaid expenses	65,586	56,455
Reserve cash designated for properties	940,581	966,212
Other assets	44,277	22,493
<b>TOTAL CURRENT ASSETS</b>	1,823,394	2,602,915
<b>NON CURRENT ASSETS</b>		
Investments	29,707	28,629
Land, buildings and equipment - net	24,756,211	24,509,767
Other assets - financing fees	172,393	186,159
<b>TOTAL NON CURRENT ASSETS</b>	24,958,311	24,724,555
<b>TOTAL ASSETS</b>	\$ 26,781,705	\$ 27,327,470
<u>LIABILITIES AND NET ASSETS</u>		
<b>CURRENT LIABILITIES</b>		
Current portion of long-term debt	\$ 121,296	\$ 100,872
Accounts payable	92,898	144,385
Accrued expenses	84,815	160,909
Funds held as fiscal agent	66,506	74,626
Deferred revenue	3,668	5,876
Due to related entity	1,976	3,246
Security deposits	28,252	26,344
<b>TOTAL CURRENT LIABILITIES</b>	399,411	516,258
<b>NONCURRENT LIABILITIES</b>		
Minority Interest	6,652,776	7,311,817
Long-term debt, less current portion	10,067,905	9,899,481
<b>TOTAL LIABILITIES</b>	17,120,092	17,727,556
<b>NET ASSETS</b>		
Unrestricted	9,443,806	9,072,326
Temporarily restricted	217,807	527,588
<b>TOTAL NET ASSETS</b>	9,661,613	9,599,914
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 26,781,705	\$ 27,327,470

The accompanying notes are an integral part of the financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2012

(With summarized financial information for the year ended December 31, 2011)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>2012 TOTAL</u>	<u>2011 TOTAL</u>
<b>REVENUE AND SUPPORT</b>				
Federal, state and other grant support	\$ 1,683,498	\$ 280,318	\$ 1,963,816	\$ 3,601,616
Rental income	1,590,097		1,590,097	1,634,635
Public support	114,182		114,182	157,774
Tax credit contributions	33,600		33,600	188,100
Special events	158,436		158,436	119,821
Property management fees	-		-	424,756
Developer fees	-		-	443,700
VISTA program revenue	94,931		94,931	70,503
Unrealized (loss) gain on investments	1,078		1,078	(342)
Realized (loss) on disposal of assets	(5,998)		(5,998)	(2,912)
Interest income	29,946		29,946	1,993
In kind donations	25,585		25,585	29,693
Other income	342,318		342,318	104,756
Net assets released from restrictions	590,099	(590,099)		
<b>TOTAL REVENUE AND SUPPORT</b>	<u>4,657,772</u>	<u>(309,781)</u>	<u>4,347,991</u>	<u>6,774,093</u>
<b>EXPENSES</b>				
Program expenses	4,221,855		4,221,855	4,118,752
Fund-raising	426,802		426,802	272,390
Management and General	296,676		296,676	669,442
<b>TOTAL EXPENSES</b>	<u>4,945,333</u>		<u>4,945,333</u>	<u>5,060,584</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>				
<b>BEFORE MINORITY INTERESTS</b>	(287,561)	(309,781)	(597,342)	1,713,509
Add back losses attributed to				
Minority Interests	659,041		659,041	343,550
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>371,480</u>	<u>(309,781)</u>	<u>61,699</u>	<u>2,057,059</u>
<b>NET ASSETS - BEGINNING OF YEAR, as restated</b>	<u>9,072,326</u>	<u>527,588</u>	<u>9,599,914</u>	<u>7,542,855</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 9,443,806</u>	<u>\$ 217,807</u>	<u>\$ 9,661,613</u>	<u>\$ 9,599,914</u>

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2012

(With summarized financial information for the year ended December 31, 2011)

	<u>PROGRAM ACTIVITIES</u>	<u>FUND- RAISING</u>	<u>MANAGEMENT AND GENERAL</u>	<u>2012 TOTAL</u>	<u>2011 TOTAL</u>
<b>EMPLOYEE COMPENSATION</b>					
Wages	\$ 1,266,830	\$ 256,790	\$ 188,313	\$ 1,711,933	\$ 1,689,901
Temporary labor	-			-	-
Employee benefits	138,760	28,127	20,626	187,513	189,278
Payroll taxes	107,470	21,785	15,975	145,230	140,681
<b>TOTAL WAGES AND RELATED</b>	<b>1,513,060</b>	<b>306,702</b>	<b>224,914</b>	<b>2,044,676</b>	<b>2,019,860</b>
<b>EXPENSES</b>					
Administrative housing expenses	45,485			45,485	201,589
Advertising	3,451	486	357	4,294	5,761
Amortization	13,766			13,766	
Bank charges			3,072	3,072	2,929
Consultants	8,877	1,799	1,320	11,996	101,940
Daycare and rental subsidies	142,643			142,643	183,958
Depreciation	768,728	21,986	16,123	806,837	714,521
Development expenses				-	8,846
Events		26,431		26,431	32,085
General housing expenses	166,343			166,343	221,445
General insurance	62,759	6,733	4,937	74,429	44,344
Interest expense	102,197			102,197	46,633
Interest-Mortgage	105,738			105,738	101,012
Management fees	35,049			35,049	119,119
Meals and entertainment	5,187	1,052	771	7,010	5,228
Membership dues and subscriptions	5,908	1,198	878	7,984	6,469
Office supplies	40,786	8,268	6,063	55,117	54,349
Participant clothing and expenses	56,337			56,337	49,076
Postage	4,762	965	708	6,435	4,136
Printing	13,728	2,783	2,041	18,552	4,606
Professional fees	53,833	5,460	4,004	63,297	41,786
Repairs and maintenance	300,020	12,906	9,464	322,390	405,894
Staff development and supervision	12,837	2,602	1,908	17,347	44,046
Subrecipient grants	648			648	23,274
Taxes - property and BET	119,967			119,967	31,943
Technology support	45,170	9,156	6,714	61,040	72,031
Telephone	37,185	7,184	5,268	49,637	48,198
Travel	24,644	4,995	3,663	33,302	36,652
Utilities	338,350			338,350	327,769
VISTA program	164,322			164,322	70,848
Workers' compensation insurance	30,075	6,096	4,471	40,642	27,979
In kind expense - services	-			-	2,258
<b>TOTAL EXPENSES 2012</b>	<b>\$ 4,221,855</b>	<b>\$ 426,802</b>	<b>\$ 296,676</b>	<b>\$ 4,945,333</b>	
<b>TOTAL EXPENSES 2011</b>	<b>\$ 4,118,752</b>	<b>\$ 272,390</b>	<b>\$ 669,442</b>		<b>\$ 5,060,584</b>

The accompanying notes are an integral part of the financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2012</u>	<u>2011</u>
Change in net assets	\$ (597,342)	\$ 1,713,509
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	806,837	714,521
Amortization	13,766	
Forgiveness of debt	(131,267)	(65,634)
Unrealized loss (gain) on investments	(1,078)	342
Loss on asset disposal	5,998	2,912
(Increase) decrease in accounts receivable	161,735	(175,210)
Decrease in grants receivable	15,233	15,334
(Increase) in prepaid expenses	(9,131)	(4,831)
(Increase) decrease in other assets	(21,784)	3,460
Neighborhood Stabilization Grant-Belmont		(1,408,320)
Increase (decrease) in accounts payable	(51,487)	48,751
Increase (decrease) in accrued expenses	(76,094)	53,866
(Decrease) in funds held as fiscal agent	(8,120)	
Increase (decrease) in deferred revenue	(2,208)	298
(Decrease) in due to related party	(1,270)	
Increase in security deposits	1,908	6,692
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>105,696</u>	<u>905,690</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash purchases of property and equipment	(1,059,279)	(2,718,201)
<b>NET CASH (USED) BY INVESTING ACTIVITIES</b>	<u>(1,059,279)</u>	<u>(2,718,201)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowing	490,223	2,685,049
Payments on debt	(170,108)	(379,134)
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<u>320,115</u>	<u>2,305,915</u>
<b>INCREASE (DECREASE) IN CASH</b>	<b>(633,468)</b>	<b>493,404</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>2,194,327</u>	<u>1,700,923</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 1,560,859</u>	<u>\$ 2,194,327</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash payments for interest	<u>\$ 207,935</u>	<u>\$ 130,441</u>

The accompanying notes are an integral part of the financial statements.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2012

**NOTE A - ORGANIZATION**

Families in Transition, Inc. (the Entity) was incorporated as a non-stock, non-profit corporation under New Hampshire law on May 13, 1994. The Entity, which began independent operations effective January 1, 1995, provides housing and comprehensive social services to individuals and families who are homeless or at risk of becoming homeless in the Concord and Manchester, New Hampshire area. The Entity receives funding from federal, state and private grants as well as cash and non-cash contributions from the public and from private operations.

The Entity operates housing programs in facilities located on Spruce and Amherst Streets in Manchester, New Hampshire. These programs were formerly run by the New Hampshire Community Loan Fund (NHCLF). Effective January 1, 1995, all leases and contracts related to the programs were assigned to the Entity. Additional housing facilities were opened at 106 and 122 Market Street, Manchester as well as in Bicentennial Square in Concord in 2004, on Second Street in Manchester in 2005, on Douglas Street in 2007 and on South Beech Street in 2008.

In 2008, Families in Transition created a Community Development Housing Organization (CHDO), Housing Benefits, Inc. Housing Benefits, Inc. identifies and develops new housing units and refurbishes existing units to meet the persistent need of combating homelessness. The Entity owns six properties. Two of the buildings, located at School and Third Streets, were acquired in 2009. Two of the locations became operational in 2011 and are located at Lowell Street and Belmont Street. In 2012, the CHDO purchased two additional properties - one at 106 Market St, Manchester, NH, which was already operational and one at 576 Central Ave. in Dover, NH which will become operational in 2013.

In 2012, Families in Transition acquired Manchester Emergency Housing, Inc., a Manchester, NH-based entity that provides emergency shelter for families. The Entity also acquired the New Hampshire Coalition to End Homelessness, a statewide entity, whose mission is to "eliminate the causes of homelessness through research, education and advocacy." As both entities are separate 501(c)3's with fiscal year-ends of June 30, the entities financials are summarized in Note R of the Notes section of the audit.

**NOTE B – SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

The financial statements of Families in Transition, Inc. are prepared using the accrual basis of accounting.

Basis of Presentation

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed restrictions that may or will be met either by actions of the Entity and/or the passage of time. When a restriction expires, net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets are released.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

NOTE B – SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Basis of Presentation (continued)

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained in perpetuity and only the income from the funds may be expended. As of December 31, 2012, the Entity had no permanently restricted net assets.

Use of Estimates

The financial statements include estimates and assumptions made by management that affect the carrying amounts of assets and liabilities and the reported amounts of revenues and expenses. Actual results may differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Entity considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Contributions

The Entity reports gifts of cash or other assets as restricted contributions when they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (such as when a stipulated time restriction ends), temporarily restricted net assets are released to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Net assets are released from donor restrictions when time restrictions are realized or the intended purposes of the fund are satisfied. Temporarily restricted net assets of \$217,807 at December 31, 2012, represent amounts designated for program services, not yet expended. (See also Note K.)

Donated Property, Equipment and Services

Donations of property and equipment are recorded at fair market value on the date of receipt. Such donations are reported as unrestricted support unless the donor has restricted their use.

Contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Entity reports expiration of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Entity reclassifies restricted net assets as unrestricted net assets at that time.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

NOTE B – SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Donated Property, Equipment and Services (continued)

A number of volunteers have donated their time to the Entity's program and administrative services. The value of these services is not reflected in the accompanying financial statements since the volunteers' time does not meet criteria for the recognition. An estimate of the value of this donated time is \$627,013.

Property, Plant, Equipment and Depreciation

Property, plant and equipment are recorded at cost or, in the case of donated assets, at fair market value. The Entity's capitalization policy includes recording assets greater than \$1,000. Repairs and maintenance are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the fixed assets. (See also Note D.)

Functional Expenses

Functional expenses have been allocated between program services and supporting services based on estimated personnel time and space utilized for the related activity.

Income Taxes

The Entity has received a determination letter from the Internal Revenue Service stating that it qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code for its exempt function income. In addition, the Entity is not subject to state income taxes.

On July 13, 2006, the FASB issued an income tax pronouncement, which fundamentally changes the way that the Entity will be required to treat its uncertain tax positions for financial accounting purposes. It prescribes rules regarding how the Entity should recognize, measure and disclose in its financial statements tax positions that were taken or will be taken on the Entity's tax return that are reflected in measuring current or deferred income tax assets and liabilities for interim or annual periods. Differences between tax positions taken in a tax return and amounts recognized in the financial statements will generally result in an increase in a liability for income taxes payable, or a reduction in a deferred tax asset or an increase in a deferred tax liability. On January 1, 2009, the Entity adopted this pronouncement. At the adoption date, the Entity did not have any unrecognized tax benefits and determined the impact of this interpretation was not material to the Entity's financial statements. During the year ending December 31, 2012, no new additional unrecognized tax benefits were identified. As of December 31, 2012, the tax years ending December 31, 2011, 2010, and 2009 are open for possible tax examination.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

**NOTE B – SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

Income Taxes (continued)

The Entity does not expect that the amounts of unrecognized tax transactions will change significantly within the next twelve months.

Principles of Consolidation

At December 31, 2012, the Entity owned 79% of Brick Mill House Families, Inc. ("Brick Mill"), 100% of Brick Mill House Families II, Inc. ("Brick Mill II), 21% of Tricorner Corporation ("Tricorner"), 100% of Bicentennial Family Concord, 100% of Family Mill, Inc., and 100% of Big Shady Tree, Inc., all of which are New Hampshire corporations. The Entity also owns 100% of Family OutFITters, LLC, a limited liability corporation. Through complete management control, Families in Transition, Inc. also has indirect ownership in Millyard Families II Limited Partnership ("Millyard II"), Bicentennial Families Concord Limited Partnership, Family Bridge Limited (Family Mill), and Family Willows Limited Partnership, all of which are New Hampshire Limited Partnerships, whereby Brick Mill II is a sole .01% general partner, Bicentennial Family Concord is a sole .01% general partner, Family Mill is a .01% general partner and Family Willows is a .01% general partner. The financial statements include the accounts of Families in Transition, Inc. and the Investments in Brick Mill and Brick Mill II, Tricorner, Bicentennial Family Concord, Family Mill, Family Willows and Family OutFITters on the cost basis of accounting.

The Partnerships are considered variable interest entities and are consolidated in the financial statements of Families in Transition, Inc. as required by (EITF) 04-5.

In October, 2002, the subsidiary entity, Family OutFITters, LLC was created with Families in Transition as its sole member. Family OutFITters, LLC operates as an independent thrift store with the sole purpose of being an alternate funding stream for Families in Transition. In 2012, Family OutFITters operated a thrift store in Manchester, NH and a boutique in Concord, NH. As the financial statements of Family OutFITters, LLC, were not audited for fiscal year ending December 31, 2012 and December 31, 2011, management has decided to omit the financial position of Family OutFITters, LLC as of December 31, 2012 and December 31, 2011 and its statements of activities, functional expenses, and cash flows from these consolidated financial statements.

In 2011, Families in Transition purchased a property at 20 South Main Street, Concord, NH. This property serves as the new location for the Family Outfitters Concord boutique and also includes tenant-leased office space and two apartments.

Housing Benefits, Inc., incorporated in 2008 as a non-stock, non-profit corporation under New Hampshire law, currently serves as the property acquisition and renovation arm of Families in Transition. The corporation identifies and develops new housing units and refurbishes existing units to meet the persistent need of combating homelessness.

The partnership of Millyard Families Limited Partnership (Millyard I LP) dissolved on August 15, 2012. For this reason, activity shown is partial year. This dissolution was granted at the request of the limited partner to exit the partnership and to dispose of the property. The newly formed entity, Millyard I, was then acquired by Housing Benefits, Inc.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

NOTE C – INVESTMENT IN RELATED ENTITIES

Investment in related entities is comprised of the following:

Brick Mill House Families, Inc.	79%	\$ 65,275
Brick Mill House Families II, Inc.	100%	0
Tricorner	21%	1,000
Family OutFITters, LLC	100%	1,000
Bicentennial Family Concord, Inc.	100%	340,000
Second Street Family Mill, Inc.	100%	788,972
Big Shady Tree, Inc.	100%	<u>100</u>
		<u>\$ 1,196,347</u>

The Entity's 100% interest in Brick Mill House Families II, Inc. is carried at no value in the financial statements because management does not believe that future benefits will exceed future expenditures relating to the entity. (See Note B regarding principles of consolidation). Investments in related entities are eliminated in the consolidated financial statements.

NOTE D – PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION

	Useful Lives	Families	Properties	2012 Total	2011 Total
Furniture and fixtures	5 years	\$203,072	\$184,189	\$ 387,261	\$ 379,121
Equipment	5 years	277,665	131,917	409,582	363,128
Vehicles	5 years	178,444	-0-	178,444	128,559
Land			2,707,082	2,707,082	2,705,697
Buildings and improvements	30 years	<u>2,502,470</u>	<u>23,218,124</u>	<u>25,720,594</u>	<u>25,323,620</u>
Total		3,161,651	26,241,312	29,402,963	28,900,125
Less accumulated depreciation		<u>(796,933)</u>	<u>(3,849,819)</u>	<u>(4,646,752)</u>	<u>(4,390,358)</u>
Book value, net		<u>\$2,364,718</u>	<u>\$22,391,493</u>	<u>\$24,756,211</u>	<u>\$24,509,767</u>

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

NOTE E- RELATED PARTY NOTES RECEIVABLE

Long-term receivables consist of notes due from related parties; Millyard Families I, Bicentennial Families Concord Limited Partnership, Family Bridge Limited Partnership and Family Willows Limited Partnership. These notes are eliminated in consolidation:

A mortgage receivable of \$400,000, secured by real property. The note bears simple interest at 7.03% per annum, maturing in May 2026. Interest only payments are to be paid monthly to the extent of fifty (50%) percent of net positive cash flow on Millyard I financials. Accrued interest receivable at December 31, 2012 was \$161,899.	\$ 400,000
An unsecured, promissory note of \$400,799, due from Family Bridge LP. The note bears simple interest at 5.21% per annum, maturing in August 2034. No interest was paid in 2012. Accrued interest receivable at December 31, 2012 was \$123,551.	400,799
A promissory note of \$400,000, secured by real estate, due from Family Willows Limited partnership. The note bears interest at 5.21%. Payment of principal and interest is deferred until June 29, 2036. Accrued interest at December 31, 2012, was \$139,869.	400,000
A mortgage receivable of \$275,000, secured by real property, due from Bicentennial Concord. The note bears simple interest at 4.79% per annum, maturing in May 2033. Payments are applied first to interest due and then to principal. The balance of principal due shall be paid in 2033. No interest payments were received in 2012. Accrued interest receivable at December 31, 2012, was \$110,073.	275,000
A promissory note of 250,000, secured by real estate, due from Family Willows Limited Partnership. The note bears interest at 5.15%. Payment of principal and interest is deferred until June 29, 2037. Accrued interest at December 31, 2012, was \$65,855.	<u>250,000</u>
Total long-term portion	<u>\$ 1,725,799</u>

The following is a summary of maturities due on long term receivables as of December 31, 2012:

<u>Year Ended</u> <u>December 31</u>	<u>Amount</u>
2013	\$ 0
2014	0
2015	0
2016	0
2017	0
Thereafter	<u>1,725,799</u>
Total	<u>\$1,725,799</u>

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

NOTE F- LONG TERM DEBT

Long term debt consists of the following:

A mortgage loan payable to New Hampshire Housing Finance Authority in monthly payments of \$680, including interest at 1% and an escrow of \$289. The note is secured by real estate located on Amherst Street, Manchester, NH. The loan is due and payable in full in January, 2033.	\$ 74,376
A note payable to New Hampshire Housing Finance Authority. The note is non-interest bearing and is secured by real estate located on Amherst St. The loan is due and payable upon sale or refinancing of the property or in June 2042.	123,249
A mortgage loan payable to St. Mary's Bank in monthly payments of \$989.50, including interest at 6.25%. The note is secured by real estate on Spruce Street, Manchester, NH and is due and payable in full in February, 2019.	139,741
3 vehicle loans payable to a dealership in monthly payments of \$206 per loan at 6.99% annual interest rate. The loans are due and payable in July, 2013.	4,280
A vehicle loan on an activity bus payable to New Hampshire Health and Education Facilities Authority in monthly payments of \$524.78 at 1% annual interest rate. The loan is due and payable in February, 2017.	25,689
A mortgage note, secured by real estate at Beech Street payable to TD Bank, N.A. in monthly payments of \$1,359, including interest at 7.1% and principal. The loan is due and payable in full in November, 2023.	117,608
A mortgage note, secured by real estate on Douglas St., payable to RBS Citizens Bank in monthly payments of \$2,126, including interest at 4.93% and principal. The loan is due and payable in full in April, 2024.	264,855
Note payable to the City of Manchester, NH, payable in annual installments of \$1,977 at 0% interest. The loan is due and payable in full in October, 2014.	3,955
A mortgage note payable from Bicentennial Families Concord Limited Partnership, to the New Hampshire Housing Finance Authority, secured by real estate and personal property. Monthly payments of \$1,095 include interest at 4.75% per annum until the principal and interest are fully paid with the final installment due and payable on May 1, 2034.	175,021
A promissory note payable from Bicentennial Families Concord Limited Partnership to the New Hampshire Housing Finance Authority. The note is non-interest bearing and is secured by real estate and various financing instruments. The loan is due and payable in May 2034.	102,325

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

NOTE F- LONG TERM DEBT (CONTINUED)

<p>A promissory note from Bicentennial Families Concord Limited Partnership to the New Hampshire Housing Finance Authority. The note is non-interest bearing and is secured by real estate and various financing instruments. The loan is due and payable in May 2033.</p>	<p>337,720</p>
<p>A promissory note payable from Bicentennial Families Concord Limited Partnership to Merrimack County. The note is non-interest bearing and is secured by real estate and various financing instruments. All unpaid amounts are due and payable in full May 27, 2033.</p>	<p>260,000</p>
<p>A mortgage note payable from Millyard Families II Limited Partnership to the New Hampshire Housing Finance Authority. The note is secured by real estate and various financing instruments. The loan is due and payable upon sale or refinancing of the property or in May 2031. This loan is non-recourse.</p>	<p>462,309</p>
<p>A mortgage note payable from Millyard Families II Limited Partnership to the New Hampshire Housing Finance Authority. The note is secured by real estate and personal property. Monthly payments of \$1,729 include principal and interest at 3.5% per annum. The final installment is due and payable on September 1, 2032.</p>	<p>290,630</p>
<p>A mortgage note payable from Millyard Families II Limited Partnership to the City of Manchester, secured by the real estate and various financing instruments. All unpaid amounts are due and payable in full on August 1, 2031. This note is non-recourse.</p>	<p>227,521</p>
<p>A mortgage note payable from Millyard Families II Limited Partnership to the New Hampshire Community Loan Fund, Inc., secured by real estate. All unpaid amounts are due and payable in full on December 31, 2031. This note is non-recourse.</p>	<p>250,000</p>
<p>A mortgage note payable from Millyard Families I to the City of Manchester Community Improvement Program. The note is non-interest bearing and is due and payable in January 2027.</p>	<p>230,000</p>
<p>A note payable from Millyard Families I to the New Hampshire Community Loan Fund secured by real estate. Monthly payments of \$1,121 include principal and interest at 2% per annum. The final installment is due and payable on June 15, 2022.</p>	<p>116,285</p>
<p>A mortgage note payable from Family Bridge Limited Partnership to New Hampshire Housing Finance Authority secured by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on August 30, 2034.</p>	<p>850,000</p>
<p>A promissory note from Family Bridge Limited Partnership payable to TD Bank, N.A. Monthly payments of \$3,953 include principal and interest at 7.71%. The loan is payable in full in October 27, 2023.</p>	<p>501,084</p>

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

NOTE F- LONG TERM DEBT (CONTINUED)

<p>A promissory note payable from Family Bridge Limited Partnership to the City of Manchester. The note is non-interest bearing and all outstanding principal is due by October 1, 2034. The note is secured by real estate and is non-recourse.</p>	<p>600,000</p>
<p>A mortgage note payable from Family Willows Limited Partnership to the New Hampshire Housing Finance Authority, secured by real estate and personal property. The note is to be repaid from 50% of available surplus cash annually with all remaining principal due on July 9, 2037.</p>	<p>598,957</p>
<p>A promissory note payable from Family Willows Limited Partnership to the City of Manchester. The note is non-interest bearing and has an annual payment of \$9,091 payable on October 1 each year. All outstanding principal is due by October 2029. The note is secured by real estate and is non-recourse.</p>	<p>154,545</p>
<p>A promissory note payable from Family Willows Limited Partnership to RBS Citizens Bank. Monthly payments of principal and interest (currently at 3.25%) of \$2,207 are due until October 14, 2033 when all outstanding principal and interest must be paid. The note is secured by real estate and is guaranteed by Families in Transition.</p>	<p>336,191</p>
<p>A mortgage note payable from School/Third Street to the New Hampshire Housing Finance Authority, secured by real estate and personal property. Monthly payments of \$2,774, include principal and interest at 8% per annum. The note is due April 1, 2021.</p>	<p>200,540</p>
<p>A mortgage note payable from School/Third Street to New Hampshire Community Loan Fund. The note is non-interest bearing. Monthly payments of \$2,774 will commence in April 2021 and continue until maturity in September, 2039.</p>	<p>617,613</p>
<p>A non-interest bearing mortgage note payable from Belmont Street Family Housing to the New Hampshire Housing Finance Authority, secured by real estate and personal property. The note will be paid annually in amounts equal to 50% of surplus cash and must be paid in full by December, 2040.</p>	<p>433,000</p>
<p>A privately-financed mortgage note secured by property located at South Main Street in Concord, NH. Monthly payments of \$3,158 include principal and interest at 6.25% per annum. The note will be paid in full in September 2031.</p>	<p>417,878</p>
<p>A non-interest bearing mortgage note payable from Lowell Street to the New Hampshire Housing Finance Authority, secured by real estate and personal property. The note will be paid annually in amounts equal to 50% of surplus cash. The loan is due and payable in August, 2040.</p>	<p>78,681</p>
<p>A non-interest bearing mortgage note payable from Lowell Street to the City of Manchester. Annual payments equal to the greater of 25% of new cash flow or \$4,000 commenced in October 2012 and will continue until the maturity date in June 2041.</p>	<p>198,049</p>

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

NOTE F- LONG TERM DEBT (CONTINUED)

A non-interest promissory note payable from Lowell Street to the New Hampshire Housing Finance Authority secured by a mortgage and security agreement. The note will be forgiven 1/15th per year over the LIHTC compliance period. A total of \$131,267 in income was recognized during 2012. The loan is due and payable in August, 2040.

1,772,099

A promissory note payable from Dover Housing Project to New Hampshire Housing Finance Authority. The note bears no interest and is secured by a mortgage and security agreement. The note will be paid annually from surplus cash and must be paid in full by June 2028.

225,000

Total long-term debt

\$10,189,201

Less current maturities

121,296

Total long-term debt per Consolidated Statement of Financial Statements

\$10,067,905

Total long-term debt

\$10,189,201

Total related party long-term debt (see Note E)

\$ 1,725,799

Total interorganization long-term debt

\$11,915,000

The aggregate maturities of long term debt are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Amount</u>
2013	\$ 121,296
2014	122,678
2015	126,734
2016	131,988
2017	134,169
Thereafter	<u>9,552,336</u>
<b>Total</b>	<u><b>\$10,189,201</b></u>

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

**NOTE G – OPERATING LEASES**

The Entity rents corporate office space located at 106 Market and 122 Market Streets in Manchester, New Hampshire under tenant-at-will arrangements. The rent payments to Millyard I for 106 Market Street were \$300 per month. The rent payments to Millyard II for 122 Market Street were \$500 per month. Office space is also maintained at the Concord Bicentennial location at a rate of \$527.50 per month. The Entity incurred a total of \$15,930 in rent expense of its office space in 2012.

**NOTE H – CONTINGENCIES**

The Entity participates in a number of federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amounts, if any, of additional expenses which may be disallowed by the granting agency cannot be determined at this time, although the Entity expects such amounts, if any, to be immaterial.

**NOTE I – GRANT REVENUE**

The Entity's primary sources of support are fees and grants received from the federal government, the State of New Hampshire, and local foundations. The recognized revenue from grants for the year ended December 31, 2012 was \$1,963,816 (or 45.5% of total revenue). The various grant agreements are awarded on an annual basis or bi-annual basis. Revenue is recognized as earned under the terms of the contract and is received on a cost reimbursement basis. Other support originates as rental income, property management fees, public support and miscellaneous sources.

**NOTE J – FAIR VALUE OF FINANCIAL INSTRUMENTS**

The Entity's financial instruments, none of which are held for trading purposes, include cash, investments, accounts payable, accounts receivable and notes receivable. The Entity estimates that the fair value of all financial instruments at December 31, 2012, does not materially differ from the aggregated carrying values of its financial instruments recorded in the accompanying statements of financial position.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

NOTE K – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following specific services:

The Family Place	\$ 5,018
Research and training	40,000
Lowell Street	12,932
Manchester Emergency Housing	13,700
Scholarships and tutoring	12,595
VISTA program	71,992
Dover Housing Program	20,000
Direct care for clients	16,570
Grant receivable-time restricted	<u>25,000</u>
	<u>\$ 217,807</u>

NOTE L – RETIREMENT PLAN

The Entity has a tax deferred retirement plan which is available to all full-time employees. All employees are eligible to participate and are fully vested with the first contribution. The Entity matches contributions at 100% up to 3% of compensation. In calendar year 2012 the Entity contributed \$33,257 as its employer match expenses. At December 31, 2012, twenty-eight employees were participating in the plan.

NOTE M – HOUSING ACTION NEW HAMPSHIRE

In 2011, Families in Transition entered into a Fiscal Sponsorship Agreement with Housing Action New Hampshire (HANH), an unincorporated association. Authority to manage the programmatic activities of HANH is vested solely in HANH. Families in Transition maintains the books and financial records for HANH in accordance with generally accepted accounting principles. HANH is presented in the Families in Transition financial statements as a "funds held as fiscal agent" liability with the corresponding cash balance.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

**NOTE N – MINORITY INTEREST**

Minority interest, as shown on the Statement of Financial Position, represents investments by Limited Partners in the properties according to the following schedule:

<u>Limited Partner</u>	<u>Property</u>	<u>Minority Interest</u>
Community Capital 2000	Millyard Families II	\$ 1,159,663
NH Housing Equity Fund	Bicentennial Families	440,412
JP Morgan Chase	Bicentennial Families	440,498
BCCC, Inc.	Family Bridge	10
Boston Capital Corporate	Family Bridge	2,056,161
BCCC, Inc	Family Willows	10
Boston Capital Midway	Family Willows	2,556,022
		<u>\$ 6,652,776</u>

**NOTE O – Line of Credit**

In 2005, the Entity obtained a line of credit of \$100,000 with a financial institution. This line of credit matured on May 31, 2006 has been renewed annually each year since. During the term of agreement, the interest rate on any outstanding principal balance shall be equal to the Base Rate, as defined by the financial institution, with a floor of 4.00%.

As of December 31, 2012, the outstanding balance of the line of credit was \$-0- and the interest rate was 4.00%.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

**NOTE P – Significant Concentrations of Credit Risk**

The Entity maintains its cash balances in two financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to a combined total of \$250,000 per financial institution as of December 31, 2012. The bank balances may, at times, materially exceed federally insured limits. The Entity has not experienced any losses on such accounts. The Entity's uninsured cash balance was \$149,351 as of December 31, 2012.

**NOTE Q – RELATED ENTITIES DISCLOSURE**

Manchester Emergency Housing, Inc., a FIT-owned 501(c)3, presented the following financials at fiscal year-end, 6/30/12:

**ASSETS:**

Cash, savings and investments	\$ 6,969
Land and Buildings	<u>\$ 56,836</u>
<b>Total Assets:</b>	<b><u>\$ 63,805</u></b>

**LIABILITIES:**

Current Liabilities	\$ 6,488
Total Equity	<u>\$ 57,317</u>
<b>Total Liabilities &amp; Equity</b>	<b><u>\$ 63,805</u></b>

**Total Revenues:** \$175,342

**Total Expenses:** \$186,486

**Net Loss at 6/30/12:** (\$11,144)

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

NOTE R – RELATED ENTITIES DISCLOSURE (continued)

The New Hampshire Coalition to End Homelessness a FIT-owned 501(c)3, presented the following financials at fiscal year-end, 6/30/12:

**ASSETS:**

Cash, savings and investments	\$ 10,774
Other Assets	\$ 2,143
<b>Total Assets:</b>	<b>\$ 12,917</b>

**LIABILITIES:**

Current Liabilities	\$ 4,726
Total Equity	\$ 8,191
<b>Total Liabilities &amp; Equity</b>	<b>\$ 6,894</b>

Total Revenues: \$ 6,323

Total Expenses: \$ 864

Net Income at 6/30/12: \$ 7,187

NOTE S -- RESTATEMENT OF NET ASSETS

Family OutFITters, LLC is a wholly owned subsidiary of Families in Transition, Inc. During the year ended December 31, 2012, management has decided to omit the unaudited financial information of Family OutFITters, LLC from these consolidated financial statements. As condensed comparative information is included in these consolidated financial statements, net assets have been restated as of January 1, 2011 and 2012 as follows:

	2012	2011
Net assets - January 1 (as previously reported)	\$ 9,727,344	\$ 7,652,722
Amount of restatement due to removal of subsidiary from the consolidated financial statements	(127,430)	(109,867)
Net assets - January 1 as restated	\$ 9,599,914	\$ 7,542,855

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2012

**NOTE T – SUBSEQUENT EVENTS**

Management has evaluated subsequent events to April 5, 2013 the date that the financial statements are available to be issued and has determined that there are no transactions requiring disclosure.

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2012

	ASSETS							
	Families in Transition Unrestricted	Milliard Families II	Bicentennial Families Concord	Family Bridge	Family Willows	Housing Benefits	Temporarily Restricted	
<b>CURRENT ASSETS</b>								<b>TOTAL</b>
Cash and cash equivalents	\$ 314,991	\$ 16,737	\$ 4,204	\$ 2,592	\$ 5,162	\$ 58,785	\$ 217,807	\$ 620,278
Accounts receivable	110,349	2,957	124	2,977	1,714	2,415		43,692
Grants receivable	108,980							108,980
Prepaid expenses	16,409	6,458	10,613	10,874	1,095	20,137		65,586
Accrued interest receivable on related party note	601,247							-
Reserve cash designated for properties	34,407	164,310	93,806	235,899	124,378	287,781		940,581
Due from related party	162,149					19,221		-
Other assets	-	658	3,111	6,152	2,036	32,320		44,277
<b>TOTAL CURRENT ASSETS</b>	<b>1,348,532</b>	<b>191,120</b>	<b>111,858</b>	<b>258,494</b>	<b>134,385</b>	<b>420,659</b>	<b>217,807</b>	<b>1,823,394</b>
<b>NON CURRENT ASSETS</b>								
Related party notes receivable	1,725,799							-
Investments	4,656					25,051		29,707
Investment in related entities	1,196,347							-
Land, buildings and equipment - net	2,364,718	2,944,909	2,369,291	5,153,746	4,329,820	7,593,727		24,756,211
Other assets - financing fees - net	-	15,490	8,457	23,973	36,414	88,059		172,393
<b>TOTAL NON CURRENT ASSETS</b>	<b>5,291,520</b>	<b>2,960,399</b>	<b>2,377,748</b>	<b>5,177,719</b>	<b>4,366,234</b>	<b>7,706,837</b>		<b>24,958,311</b>
<b>TOTAL ASSETS</b>	<b>\$ 6,640,052</b>	<b>\$ 3,151,519</b>	<b>\$ 2,489,606</b>	<b>\$ 5,436,213</b>	<b>\$ 4,500,619</b>	<b>\$ 8,127,496</b>	<b>\$ 217,807</b>	<b>\$ 26,781,705</b>
<b>CURRENT LIABILITIES</b>								
Current portion of long-term debt	\$ 46,453	\$ 10,745	\$ 4,939	\$ 9,124	\$ 20,921	\$ 29,114	\$ -	\$ 121,296
Accounts payable	51,433	6,297	4,846	15,014	10,373	42,451		92,898
Accrued expenses	83,937	878						84,815
Funds held as fiscal agent	66,506							66,506
Due to related entity	61,209	61,105	110,073	221,210	205,724	164,600		1,976
Deferred revenue	293	194	684	892	747	858		3,668
Security deposits	8,924	658	3,111	6,153	2,014	7,392		28,252
<b>TOTAL CURRENT LIABILITIES</b>	<b>318,755</b>	<b>79,877</b>	<b>123,653</b>	<b>252,393</b>	<b>239,779</b>	<b>244,415</b>	<b>-</b>	<b>399,411</b>
<b>NONCURRENT LIABILITIES</b>								
Minority interest		1,169,663	880,910	2,056,171	2,556,032			6,652,776
Long-term debt, less current portion	1,125,178	1,219,715	1,145,127	2,342,759	1,718,772	4,242,153		10,067,905
<b>TOTAL LIABILITIES</b>	<b>1,443,933</b>	<b>2,459,255</b>	<b>2,149,690</b>	<b>4,651,323</b>	<b>4,514,583</b>	<b>4,486,568</b>	<b>-</b>	<b>17,120,092</b>
<b>NET ASSETS</b>								
Unrestricted	5,196,119	692,264	339,916	784,890	(13,964)	3,640,928	217,807	9,443,806
Temporarily restricted								217,807
<b>TOTAL NET ASSETS</b>	<b>5,196,119</b>	<b>692,264</b>	<b>339,916</b>	<b>784,890</b>	<b>(13,964)</b>	<b>3,640,928</b>	<b>217,807</b>	<b>9,661,613</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 6,640,052</b>	<b>\$ 3,151,519</b>	<b>\$ 2,489,606</b>	<b>\$ 5,436,213</b>	<b>\$ 4,500,619</b>	<b>\$ 8,127,496</b>	<b>\$ 217,807</b>	<b>\$ 26,781,705</b>

**FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**  
(With summarized financial information for the year ended December 31, 2011)

	Families In Transition Operating	Milliard Families	Milliard Families II	Bicentennial Families	Family Bridge	Family Willows	Housing Benefits	Eliminations	Unrestricted Total	Temporarily Restricted	2012 Total	2011 Total
<b>REVENUE AND SUPPORT</b>												
Federal, state and other grant support	\$ 1,435,820	\$ 234,178	\$	\$	\$	\$	\$	\$ (103,917)	\$ 1,683,498	\$ 280,318	\$ 1,963,816	\$ 3,601,616
Rental income	247,651	92,819	168,475	142,322	335,553	279,250	343,557	(19,530)	1,590,097	1,590,097	1,590,097	1,634,635
Thrift store sales												
Public support	114,182								114,182		114,182	157,774
Tax credit revenue	33,600								33,600		33,600	188,100
Special events	158,436								158,436		158,436	119,821
Property management fees	508,296							(508,296)				424,756
Developer fees												443,700
VISTA program revenue	94,931								94,931		94,931	70,503
Unrealized (loss) on investments	1,078								1,078		1,078	(342)
Realized loss on assets		(1,088)		(421)	(2,570)	(1,695)			(5,998)		(5,998)	(2,912)
Interest income	97,133	3			507	70	3	(67,770)	29,946		29,946	1,993
In kind donations	25,585								25,585		25,585	29,693
Other income	206,922	800	3,801	22,157	14,160	11,033	143,621	(60,176)	342,318		342,318	104,756
Contribution from Milliard 1 LP							445,108	(445,108)				
Net assets released from restrictions	590,099								590,099	(590,099)		
<b>TOTAL REVENUE AND SUPPORT</b>	<b>3,513,733</b>	<b>326,712</b>	<b>172,052</b>	<b>164,058</b>	<b>347,650</b>	<b>288,658</b>	<b>1,049,705</b>	<b>(1,204,797)</b>	<b>4,657,772</b>	<b>(309,781)</b>	<b>4,347,991</b>	<b>6,774,093</b>
<b>EXPENSES</b>												
Program expenses	2,765,455	107,417	315,114	249,734	504,594	428,599	609,631	(759,689)	4,221,855		4,221,855	4,118,752
Distribution to Milliard 1 LP		445,108						(445,108)				
Fund-raising	426,802								426,802		426,802	272,390
Management and General	296,676								296,676		296,676	669,442
<b>TOTAL EXPENSES</b>	<b>3,489,933</b>	<b>552,525</b>	<b>315,114</b>	<b>249,734</b>	<b>504,594</b>	<b>428,599</b>	<b>609,631</b>	<b>(1,204,797)</b>	<b>4,945,333</b>		<b>4,945,333</b>	<b>5,060,584</b>
<b>CHANGE IN NET ASSETS</b>												
<b>BEFORE MINORITY INTEREST</b>	<b>23,800</b>	<b>(225,813)</b>	<b>(143,062)</b>	<b>(85,676)</b>	<b>(156,944)</b>	<b>(139,941)</b>	<b>440,075</b>		<b>(287,561)</b>	<b>(309,781)</b>	<b>(597,342)</b>	<b>1,713,509</b>
Minority interest		(147,479)	(143,048)	(85,667)	(156,928)	(125,919)			(659,041)		(659,041)	(343,550)
<b>CHANGE IN NET ASSETS</b>	<b>23,800</b>	<b>(78,334)</b>	<b>(14)</b>	<b>(9)</b>	<b>(16)</b>	<b>(14,022)</b>	<b>440,075</b>		<b>371,480</b>	<b>(309,781)</b>	<b>61,699</b>	<b>2,057,059</b>

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2012

(With summarized financial information for the year ended December 31, 2011)

	Families In Transition Operating	Millyard Families	Millyard Families II	Bicentennial Families	Family Bridge	Family Willows	Housing Benefits	Eliminations	Program Total	Fund-Relating	Management and General	2012 Total	2011 Total
<b>EMPLOYEE COMPENSATION</b>													
Wages	\$ 1,266,830								\$ 1,266,830	\$ 256,790	\$ 188,313	\$ 1,711,933	\$ 1,689,901
Temporary labor													
Employee benefits	138,760								138,760	28,127	20,626	187,513	189,278
Payroll taxes	107,470								107,470	21,785	15,975	145,230	140,681
<b>TOTAL WAGES AND RELATED EXPENSES</b>	<b>1,513,060</b>								<b>1,513,060</b>	<b>306,702</b>	<b>224,914</b>	<b>2,044,676</b>	<b>2,019,860</b>
Advertising	2,398								2,398	486	357	4,294	5,761
Administrative		6,173					1,053		3,451			45,495	201,569
Amortization				10,038	52,921		60,775	(108,207)	45,485			13,766	
Bank charges				780	1,961	3,197	6,524		13,766				
Clothing and participant expenses	56,337								56,337		3,072	3,072	2,929
Consultants	8,877								8,877	1,799	1,320	11,996	49,076
Daycare and rental subsidies	142,643								142,643			101,940	101,940
Depreciation	108,467								108,467			142,643	183,958
Development expenses		26,958			172,482	119,877	164,717		768,728	21,986	16,123	806,837	714,521
Events										26,431		26,431	8,846
General									166,343			166,343	32,085
General insurance	33,215				52,615	40,861	2,636		127,327			127,327	221,445
Interest expense	65,299						26,700		62,759	6,733	4,937	74,429	44,344
Interest mortgage		19,406			20,882	34,689	9,372	(67,770)	102,197			102,197	46,633
Management fees		20,184			39,621	10,345	17,560		105,738			105,738	101,012
Meals and entertainment	100,320					70,533	36,648	(209,652)	35,049			35,049	119,119
Membership dues and subscriptions	5,187								5,187	1,052	771	7,010	5,228
Office supplies and expense	40,786								40,786	1,198	878	42,862	6,469
Postage	4,762								4,762	8,268	6,063	19,093	54,349
Printing	13,728								13,728	965	708	15,401	4,136
Professional fees	26,938								26,938	2,783	2,041	31,762	4,606
Related entity expenditures	171,710					7,634	18,765	(171,710)	53,833	5,460	4,004	63,297	41,786
Rent	15,930												
Repairs and maintenance	63,670								63,670	12,906	9,464	86,040	405,894
Staff development and supervision	12,837					89,795	113,598	(186,420)	12,837	2,602	1,908	17,347	44,046
Subrecipient grants	648								648			648	
Taxes	31,667						79,998		119,967			119,967	31,943
Technology support	45,170								45,170	9,156	6,714	61,040	72,031
Telephone	35,440						1,520		37,185	7,184	5,268	49,637	48,198
Travel and vehicle	24,644								24,644	4,995	3,663	33,302	36,652
Utilities	42,417						69,765		338,350			338,350	327,769
VISTA program	164,322								164,322			164,322	70,848
Workers' compensation	30,075								30,075	8,096	4,471	42,642	27,979
In Kind													
<b>TOTAL EXPENSES</b>	<b>\$ 2,766,455</b>	<b>\$ 107,417</b>	<b>\$ 315,114</b>	<b>\$ 249,734</b>	<b>\$ 604,594</b>	<b>\$ 428,599</b>	<b>\$ 609,631</b>	<b>\$ (759,889)</b>	<b>\$ 4,821,855</b>	<b>\$ 426,802</b>	<b>\$ 296,676</b>	<b>\$ 4,945,333</b>	<b>\$ 5,060,584</b>

FAMILIES IN TRANSITION, INC.

STATEMENT OF FINANCIAL POSITION  
(Not including subsidiaries)

DECEMBER 31, 2012

(With summarized financial information for the year ended December 31, 2011)

	<u>ASSETS</u>			
	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>2012 TOTAL</u>	<u>TOTAL</u>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 314,991	\$ 217,807	\$ 532,798	\$ 1,026,481
Accounts receivable	110,349		110,349	308,404
Grants receivable	108,980		108,980	124,213
Prepaid expenses	16,409		16,409	15,155
Accrued interest receivable on related party note	601,247		601,247	505,357
Reserve cash designated for properties	34,407		34,407	65,219
Due from related party	162,149		162,149	75,206
Other assets			-	1,000
<b>TOTAL CURRENT ASSETS</b>	<u>1,348,532</u>	<u>217,807</u>	<u>1,566,339</u>	<u>2,121,035</u>
<b>NON CURRENT ASSETS</b>				
Related party notes receivable	1,725,799		1,725,799	1,725,799
Investments	4,656		4,656	3,578
Investment in related entities	1,196,347		1,196,347	1,196,347
Land, buildings and equipment - net	2,364,718		2,364,718	2,101,755
<b>TOTAL NON CURRENT ASSETS</b>	<u>5,291,520</u>	<u>-</u>	<u>5,291,520</u>	<u>5,027,479</u>
<b>TOTAL ASSETS</b>	<u>\$ 6,640,052</u>	<u>\$ 217,807</u>	<u>\$ 6,857,859</u>	<u>\$ 7,148,514</u>
<u>LIABILITIES AND NET ASSETS</u>				
<b>CURRENT LIABILITIES</b>				
Current portion of long-term debt	\$ 46,453	\$ -	\$ 46,453	\$ 40,240
Accounts payable	51,433		51,433	78,173
Accrued expenses	83,937		83,937	149,313
Funds held as fiscal agent	66,506		66,506	74,626
Due to related party	61,209		61,209	78,840
Deferred revenue	293		293	719
Security deposits	8,924		8,924	4,281
<b>TOTAL CURRENT LIABILITIES</b>	<u>318,755</u>	<u>-</u>	<u>318,755</u>	<u>426,192</u>
<b>NONCURRENT LIABILITIES</b>				
Long-term debt, less current portion	1,125,178		1,125,178	1,022,415
<b>TOTAL LIABILITIES</b>	<u>1,443,933</u>	<u>-</u>	<u>1,443,933</u>	<u>1,448,607</u>
<b>NET ASSETS</b>				
Unrestricted	5,196,119		5,196,119	5,172,319
Temporarily restricted		217,807	217,807	527,588
<b>TOTAL NET ASSETS</b>	<u>5,196,119</u>	<u>217,807</u>	<u>5,413,926</u>	<u>5,699,907</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 6,640,052</u>	<u>\$ 217,807</u>	<u>\$ 6,857,859</u>	<u>\$ 7,148,514</u>

FAMILIES IN TRANSITION, INC.

STATEMENT OF ACTIVITIES  
(Not including subsidiaries)

For The Year Ended December 31, 2012

(With summarized financial information for the year ended December 31, 2011)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>2012 TOTAL</u>	<u>2011 TOTAL</u>
<b>REVENUE AND SUPPORT</b>				
Federal, state and other grant support	\$ 1,435,820	\$ 280,318	\$ 1,716,138	\$ 2,039,900
Rental income	247,651		247,651	249,857
Public support	114,182		114,182	157,774
Tax credit revenue	33,600		33,600	188,100
Special events	158,436		158,436	119,821
Property management fees	508,296		508,296	463,528
Developer fees	-		-	443,700
Program service revenue	94,931		94,931	70,503
Unrealized (loss) gain on investments	1,078		1,078	(342)
(Loss) on asset disposal	-		-	(2,912)
Interest income	97,133		97,133	97,549
In kind donations	25,585		25,585	29,693
Other income	206,922		206,922	126,752
Net assets released from restriction	590,099	(590,099)		
	<u>3,513,733</u>	<u>(309,781)</u>	<u>3,203,952</u>	<u>3,983,923</u>
<b>EXPENSES</b>				
Program expenses	2,766,455		2,766,455	2,452,764
Fund-raising	426,802		426,802	272,390
Management and General	296,676		296,676	669,442
TOTAL EXPENSES	<u>3,489,933</u>		<u>3,489,933</u>	<u>3,394,596</u>
INCREASE (DECREASE) IN NET ASSETS	23,800	(309,781)	(285,981)	589,327
NET ASSETS - BEGINNING OF YEAR	<u>5,172,319</u>	<u>527,588</u>	<u>5,699,907</u>	<u>5,110,580</u>
NET ASSETS - END OF YEAR	<u>\$ 5,196,119</u>	<u>\$ 217,807</u>	<u>\$ 5,413,926</u>	<u>\$ 5,699,907</u>



## Board of Directors

**Karyn O'Neil, Chair**



Board member since 2003

**Susan Grodman, Vice Chair**



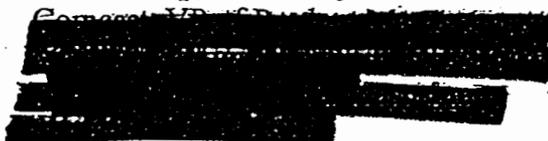
Board member since 2007

**Deborah J. Brann, Treasurer**



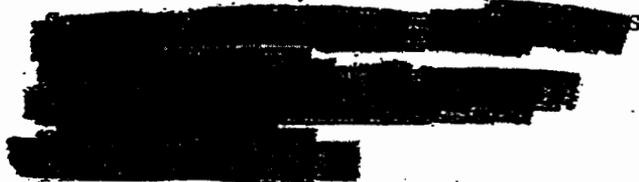
Board member since 2011

**Trevor Arp, Secretary**



Board member since 2008

**Sedra Michaelson,**



Board member since 2003

**Joan Reische**



Board member since 1998

**Dick Anagnost**



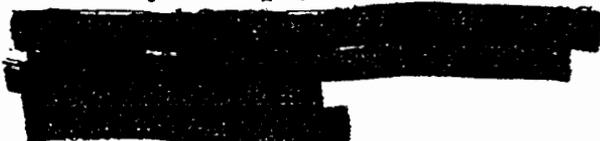
Board member since 2007

**Judy Bergeron**



Board member since 2005

**Rev. Gayle Murphy**



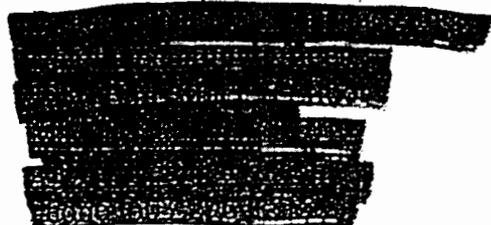
Board member since 2008

**Theresa Dolloff**



Board member since 2007

**Graham Chynoweth**



Board member since 2009

**David Donohue**



Eric Demaree

[REDACTED]

Board member since 2012

Stephanie Sledjeski

[REDACTED]

Board member since 2010

Charla Stevens

[REDACTED]

Board member since 2013

Margaret "Missy" Fulton

[REDACTED]

Board member since 2012

As of May 2013

# Maureen Ann Beauregard

## Professional Experience

**November 1991 to Present:** Families in Transition, 122 Market Street, Manchester, NH 03101.

1995-Present. President, Families in Transition. Developed a Board of Directors and established Families in Transition as a private nonprofit agency in 1995. Responsible for grant writing, fundraising, facility development, oversight of agency personnel, program development, day to day operations, reporting to state and federal agencies and public relations.

- 2003 to Present: Development and Implementation of 33 units permanent affordable housing in Manchester.
- 2001-2003: Development of Families in Transition – Concord, 16 units of affordable housing with 6 designated for homeless women with a disability and 10 designated for transitional housing for homeless women and their children.
- 2001 to Present: Development of Families in Transition's social entrepreneurship, Family OutFITters thrift store and Employment Training Program.
- 1998 – 2001: Development of Millyard II Transitional Housing Program with 19 apartments and 1 interim unit for 3 families.
- 1995 – 1997: Development of Millyard I Transitional Housing Program with 12 apartments for homeless women with children.
- 1994 – 1995: Development of steering committee to form the Board of Directors for Families in Transition and Families in Transition becomes and independent 501 © (3)

1991- 1994 New Hampshire Community Loan Fund. Program Director. Designed and implemented transitional housing programs for the homeless women with and without children.

- 1993 – 1994: Development and implementation of Community Program providing supportive services to 14 homeless women and their children and assisting them in attaining and maintaining housing.
- 1992 – 1993: Development and implementation of Amherst Street Transitional Housing Program for 9 homeless single women.
- 1991 – 1992: Development and implementation of Spruce Street Transitional Housing Program for 5 homeless women and their children.

**November 1989-March 1991:** Child Protective Service Worker II for the Division for Children and Youth Services, 30 Maplewood Avenue, Portsmouth, NH. Advocated for abused and neglected children in court, established support network (fostercare, visitation, and counseling) to help in the abuse/neglect recovery process.

**November 1988-November 1989:** Substance Abuse Counselor for Team Coordinating Agency, Phoenix East, Haverhill, MA. Counseled clients, aided and found resources

(AA/NA meetings, employment, education, and counseling) for residents in halfway house for alcoholic/addicts, age 16-25. Conducted weekly support group.

### **Education**

Bachelor of Science degree from the University of New Hampshire, College of Life Science and Agriculture. Area of study: Family Studies.

### **Professional Affiliations and Honors**

- **1998 to 2004** – Northern New England Housing Investment Fund. Member of Board of Directors.
- **1998 to 2004** – Northern New England Equity Fund. Member Board of Directors and Investment Committee
- **2004:** New Hampshire Business Review, Business Excellence Awards 2004, Maureen Beauregard for Excellence in Non-Profit
- **2004:** The Walter J. Dunfey Awards for Excellence in Management awarded to Families in Transition
- **2003:** YWCA Susan B. Anthony Award, Woman of the Year
- **2003:** New Hampshire Housing Finance Authority Annual Conference: Maureen Beauregard and Families in Transition recognized as Best Practice for Development of Affordable Housing in New Hampshire.
- **2002:** Great Bay Foundation: \$150,000 grant award for the development and implementation of social entrepreneurship, Family OutFITters.
- **2002:** Citizens Bank and WMUR Channel – 9, 2003 Community Champions Award for Homelessness for New Hampshire
- **2001:** Manchester Continuum of Care Narrative submission to the U.S. Dept. of Housing & Urban Development, SuperNOFA: 1 of top 10 narratives in the country.
- **2003 to Present:** YMCA Diversity Committee
- **2003 to Present:** Intown Manchester, Economic Development Committee, Trustee
- **2003:** The Sharing Foundation, Caring for Cambodia's Children Parent Advisory Council
- **2003 to Present:** New Hampshire Interagency Council on Homelessness, member appointed by Governor Benson
- **2002 to Present:** Policy Academy for the Chronically Homeless, member
- **2002 to Present:** Great Bay Foundation, Work Group consisting of 5 leading initiatives, member
- **2001 to Present:** Manchester Task Force on Housing, member appointed by Mayor
- **1999 to Present:** Northern New England Housing Investment Fund, Investment Committee, Trustee
- **1998 to Present:** Manchester Continuum of Care, Chairperson in 1998, 2003, founding member

# CAROLYN TOWNE

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**Objective:** A position promoting the well-being of others, while serving the community

**Education:**  
9/96-5/00 Bachelor of Arts, Psychology, Summa Cum Laude  
University of New Hampshire at Manchester

**Experience:**  
2/10-Present

**Treatment Coordinator**  
**Families in Transition, Manchester, NH**

- Provide case management services for a caseload of 17 participants; includes support with creating a case plan and achieving individualized goals related to obtaining and/or maintaining suitable housing, improving financial management skills, obtaining/maintaining mainstream benefits, improving physical and/or mental health, obtaining gainful employment and/or increasing education, improving parenting skills, and other activities of daily living
- Connect participants to community resources and communicate with collateral contacts as needed to coordinate appropriate level of care
- Coordinate and co-lead groups and workshops related to improving interpersonal skills, managing finances, and other topics as needed
- Maintain caseload files and document services in a timely manner.

3/07-Present

**Visit Supervisor**  
**YWCA Supervised Visitation & Child Exchange Center,**  
**Manchester, NH**

- Facilitate a safe and neutral environment for visits and exchanges:
  - Responsible for supervising contact between child(ren) and non-residential parent;
  - Ensure strict adherence to Center’s policies and procedures by providing clear direction and redirection as needed;
  - Document objective observations before, during, and after visits.

10/09-1/10

**Parent Aide**  
**Child and Family Services**  
**Laconia, NH**

- Supervised visits between child(ren) in placement and their parent(s)
- Modeled appropriate parenting techniques and provided coaching regarding life skills
- Supported parent(s) with identifying and accessing appropriate community resources
- Completed treatment plans, assessments, and documentation of visit notes in a timely manner

# **CAROLYN TOWNE**

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## **Experience**

### **(cont.):**

- 3/07-10/09**                    **Community Integration Coordinator**  
**Fellowship Housing Opportunities, Concord, NH**
- Coordinated and provided therapeutic behavioral services and medication support services to outreach clients suffering with severe and persistent mental illness
  - Resolved medication issues via communicating with client, outreach staff, pharmacy personnel, and client's treatment team as needed
  - Provided direct care, including medication support services and support with activities of daily living, in a residential setting for people suffering with severe and persistent mental illness
- 9/04-3/07**                    **Housecleaner/Sub-contractor/Room Attendant**  
**Cat's Eye Cleaning Service, Plymouth, NH**  
**The Snowy Owl Inn, Waterville Valley, NH**
- Thoroughly cleaned guest rooms, privately owned houses, and condominium units; included removal of debris and detailed cleaning of newly constructed condominium units
- 3/05-6/05**                    **Youth Counselor**  
**Mount Prospect Academy, Plymouth, NH**
- Provided 100% supervision of at-risk male youth
  - Aided teachers in maintaining learning environment
  - Maintained a safe living environment for youth in the residence
  - Utilized behavioral modification level system and implemented non-violent crisis intervention as needed
- 10/00-6/04**                    **Housing Outreach Counselor/Cypress Center Counselor**  
**The Mental Health Center of Greater Manchester, Manchester, NH**
- Outreached clients at risk for frequent hospitalizations and/or eviction, to provide medication monitoring and symptom management
  - Supported clients in the community to decrease isolation and promote independence
  - Provided short-term, intensive crisis stabilization activities aimed at reducing acute mental and emotional disturbances

## **Community**

### **Service:**

- 5/99-5/00**                    **Crisis Counselor Volunteer**  
**YWCA, Manchester, NH**
- 9/97-9/98**                    **Compeer Volunteer**  
**The Mental Health Center of Greater Manchester, Manchester, NH**

**References:**                    **Furnished upon request**

Katelyn Gagnon

**Objective:**

To obtain a position within a social service agency and utilize interpersonal skills through working with the community in which they serve.

**Education:**

Keene State College  
229 Main Street  
Keene, NH 03435  
Bachelor of Arts in Psychology  
Graduated May 2011  
2007-2011

John Stark Regional High School  
618 N. Stark Highway  
Weare, NH 03281  
High School Diploma  
2003-2007

**Experience:**

Families in Transition  
122 Market Street  
Manchester, NH 03101  
603-641-9441  
February 2013- present

**Job Title:** Day time Program Aide at Manchester Emergency Housing

**Job description:** provide case management to families within the shelter and also in the housing program, general shelter oversight, screen calls for clinical hotline.

**Supervisor:** Stephanie Savard

Child and Family Services  
464 Chestnut Street  
Manchester, NH 03105  
603-518-4000  
August 2011-February 2013

**Job Title:** Parent Aide

**Job Description:** in home support services for children and families in which a case has been founded as abuse and/or neglect. Models appropriate parenting and supporting safe and healthy interactions. Travel required.

**Supervisor:** Maria Berube

Greater Manchester Family YMCA  
116 Goffstown Back Road  
Goffstown, NH 03045  
603-497-4663

June 2012-March 2013

**Job Title:** Sports Coach

**Job Description:** Teach parent/child soccer, t-ball, and basketball classes for 3-5 year old children.

**Supervisor:** Katie Duffey

YMCA Camp Halfmoon

May 2008-September 2011

**Job Title:** Program Director

**Job Description:** Temporary summer position, supervise six members of the program staff, organize weekly schedule, engage children in program activities, open and close camp.

**Supervisor:** Katie Duffey

**Skills:** extensive computer skills, familiar with Microsoft Office, positive attitude, quick learner, open minded and willing to learn new concepts.

First Aid and CPR certified

**Volunteer Opportunities**

NH Lady Twisters AAU basketball  
Head Coach  
March 2013-June 2013

Assistant Coach  
March 2012-June 2012

**References:**

Lynn Gamache  
22 Guys Lane  
Weare, NH 03281  
603-529-4193

Sue Dodge  
202 Snook Road  
Goffstown, NH 03045  
603-497-8246

Amy Malone  
**1-781-405-5833**

**CONTRACTOR NAME**  
*Families in Transition*  
Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Maureen Beauregard	President	\$131,329	0%	--
Carolyn Towne	Program Manager	\$47,196	23%	\$10,855
Katelyn Gagne	Housing Advocate	\$33,825	25%	\$8,456

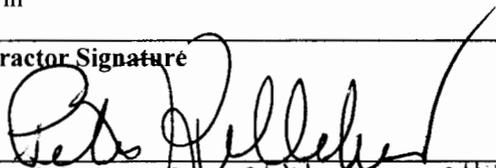
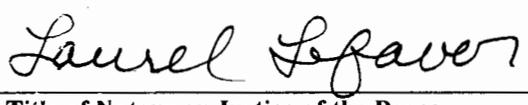
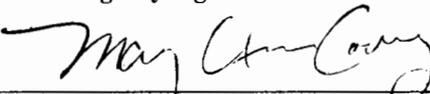
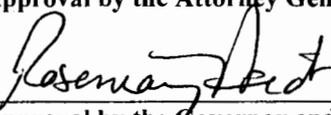
Subject: Continuum of Care - Supportive Housing Program

**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> Harbor Homes, Inc.		<b>1.4 Contractor Address</b> 45 High Street Nashua, NH 03060	
<b>1.5 Contractor Phone Number</b> (603) 881-8436	<b>1.6 Account Number</b> 010-042-7927-102-0731	<b>1.7 Completion Date</b> December 31, 2014	<b>1.8 Price Limitation</b> \$88,406.00
<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> Peter Kelleher, President & CEO	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of <u>Hillsborough</u> On <u>2/26/14</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]  LAUREL A. LEFAVOR, Notary Public My Commission Expires September 22, 2015			
<b>1.13.2 Name and Title of Notary or Justice of the Peace</b> Laurel Lefavor Notary			
<b>1.14 State Agency Signature</b> 		<b>1.15 Name and Title of State Agency Signatory</b> Mary Ann Conroy 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>4-2-14</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.

Contractor Initials:       
Date: 2/21/14

**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

Contractor Initials: JK  
Date: 2/26/14

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

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 nine (9) 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.



**Exhibit A**

- 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 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.



**Exhibit A**

- 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.
  - 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



**Exhibit A**

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).

- 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**

**Continuum of Care Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Continuum of Care 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: Continuum of Care Program

Total Amount Continuum of Care Program;

January 1, 2014 – December 31, 2014: not to exceed \$88,406.00

Funds allocation under this agreement for Continuum of Care Program;

Leasing or Rental Assistance: \$85,764.00

Administrative Costs: \$2,642.00

Total Program Amount: \$88,406.00

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. REPORTS**

As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.



Exhibit B

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3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

- 3.1. 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.
- 3.2. 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 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.
- 3.3. 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.

4. USE OF GRANT FUNDS

- 4.1. 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.
- 4.2. 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.



Exhibit B

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4.3. 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.

5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM

5.1. 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.

5.2. 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.



**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.

Contractor Name: Harbor Homes Inc.

Name: Peter Kelleher  
Title: President & CEO

2/26/14  
Date

Contractor Initials PK

Date 2/26/14



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name: Harbor Homes Inc .

Name: Peter Kelleher  
Title: President & CEO

2/26/14  
Date



**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 (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: Harbor Homes Inc .

Name: Peter Kelleher  
Title: President & CEO

2/26/14  
Date



**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: Harbor Homes Inc .

Name: Peter Belleher  
Title: President & CEO

2/26/14  
Date



**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: Harbor Homes Inc.

Name: Peter Kelleher  
Title: President & CEO

2/26/14  
Date

Contractor Initials PK  
Date 2/26/14



**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.

*PK*

2/26/14



**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: Harbor Homes Inc.

*[Handwritten Signature]*

Name: Peter Kellerher  
Title: President & CEO

State Agency Name:  
NH DHHS

2/26/14  
Date

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

5/27/14  
Date



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

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

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

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

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

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

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

Contractor Name: Harbor Homes Inc .

Name: Peter Kelleher  
Title: President & CEO

2/26/14  
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: 13-1864357
- 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:

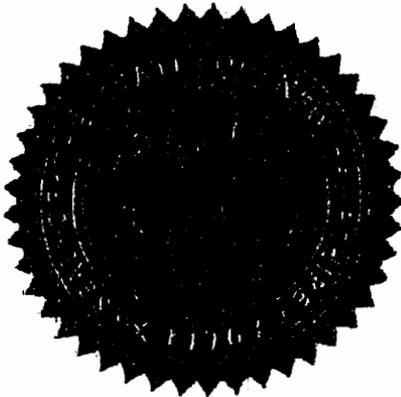
- 4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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 HARBOR HOMES, INC. is a New Hampshire nonprofit corporation formed February 15, 1980. 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 1<sup>st</sup> day of April A.D. 2013

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

William M. Gardner  
Secretary of State

# CERTIFICATE OF VOTE

I, Laurie Goguen, 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 Harbor Homes, Inc.  
(Agency Name)

2. The following is a true copy of two resolution duly adopted at a meeting of the Board of Directors of the Agency duly held on Feb. 26, 2014:  
(Date)

**RESOLVED:** That the President + CEO  
(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 26<sup>th</sup> day of February, 2014.  
(Date Contract Signed)

4. Peter Nelleher is the duly elected President + CEO  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Laurie Goguen  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 26<sup>th</sup> day of Feb., 2014.

By Laurie Goguen  
(Name of Elected Officer of the Agency)

Laurel Lefavor  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

LAUREL A. LEFAVOR, Notary Public  
My Commission Expires September 22, 2015

Commission Expires: \_\_\_\_\_



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
4/21/2014

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).

PRODUCER FIAI/Cross Insurance 1100 Elm Street  Manchester NH 03101	CONTACT NAME: Tara Dean, CIC
	PHONE (A/C No. Ext): (603) 669-3218 FAX (A/C No.): (603) 645-4331 E-MAIL ADDRESS: tdean@crossagency.com
INSURED Harbor Homes, Inc.  45 High Street Nashua NH 03060	INSURER(S) AFFORDING COVERAGE
	INSURER A: Citizens Ins Co of America NAIC # 31534
	INSURER B: Hanover Ins Co.
	INSURER C:
	INSURER D:
	INSURER E:

COVERAGES CERTIFICATE NUMBER: CL1371889450 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 WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			ZBV970714700	7/1/2013	7/1/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			AHV970600300	7/1/2013	7/1/2014	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
	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED <input checked="" type="checkbox"/> RETENTION \$ 10,000	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE			UHV970913300	7/1/2013	7/1/2014
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability			ZBV970714700 excl Harbor Homes clinic	7/1/2013	7/1/2014	1,000,000 Ea Wrongful Act 3,000,000 Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required) Refer to policy for exclusionary endorsements and special provisions.

CERTIFICATE HOLDER  NH DHHS 129 Pleasant Street Concord, NH 03301	CANCELLATION  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  Tara Dean, CIC/TXD <i>Tara C. Dean</i>

Client#: 496014

HARBOHOM

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/21/2014

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).

PRODUCER: USI Insurance Services LLC, PO Box 6360, Manchester, NH 03108-6360, 603 625-1100. CONTACT NAME, PHONE (A/C, No, Ext): 603 625-1100, FAX (A/C, No):, E-MAIL ADDRESS, INSURER(S) AFFORDING COVERAGE, NAIC #: QBE Insurance Corporation, 39217. INSURED: Harbor Homes, Inc., 45 High Street, Nashua, NH 03064. INSURER B, C, D, E, F.

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSR, SUBR INSR, WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Includes sections for GENERAL LIABILITY, AUTOMOBILE LIABILITY, UMBRELLA LIAB, EXCESS LIAB, and WORKERS COMPENSATION AND EMPLOYERS' LIABILITY.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
\*\* Supplemental Name \*\*
Harbor Homes II, Inc.
Harbor Homes III, Inc.
Welcoming Light, Inc.
Healthy At Home, Inc.
(See Attached Descriptions)

CERTIFICATE HOLDER: NH DHHS, 129 Pleasant Street, Concord, NH 03301. CANCELLATION: 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: E. Gould Jr.

# Mission Statements

## **Harbor Homes, Inc.:**

The mission of Harbor Homes, Inc. is to create and provide quality residential and supportive services for persons (and their families) challenged by mental illness and homelessness.

## **Welcoming Light Inc.:**

To provide residential and support services to elderly and disabled individuals in a manner that is compassionate, flexible, and emphasizes independence

## **Milford Regional Counseling Services, Inc.:**

To provide affordable counseling services to individuals and families

## **Greater Nashua Council on Alcoholism, Inc.**

**"To empower the chemically dependent person to take responsibility toward recovery through professional counseling in a caring environment"**

## **Healthy at Home, Inc.:**

To enhance the lives of people with illness or injury through a cooperative relationship with the community, professional medical service providers, and organizations that serve people in need of healthcare



MELANSON HEATH & COMPANY, PC

CERTIFIED PUBLIC ACCOUNTANTS  
MANAGEMENT ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Harbor Homes, Inc.

We have audited the accompanying statement of financial position of Harbor Homes, Inc., a (nonprofit organization) as of June 30, 2012, and the related statements of activities, functional expenses, 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.

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 the 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Harbor Homes, 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.

In accordance with *Government Auditing Standards*, we also have issued our report dated January 8, 2013 on our consideration of the Organization'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2012 on our consideration of the Project'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Melanson, Heath + Company P.C.*  
Nashua, New Hampshire  
September 10, 2012

HARBOR HOMES, INC.

Statement of Financial Position

June 30, 2012

	<u>HUD I</u> <u>Program</u>	<u>HUD VI</u> <u>Program</u>	<u>Program</u> <u>Operations</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
Current Assets:				
Cash and cash equivalents	\$ 10,581	\$ 99	\$ 778,900	\$ 789,580
Accounts receivable, net of allowance for uncollectible accounts	2,274	8,151	735,916	746,341
Promises to give	-	-	25,000	25,000
Due from HUD Programs	-	-	349	349
Due from related organizations	-	-	115,338	115,338
Prepaid expenses	-	-	4,839	4,839
Total Current Assets	<u>12,855</u>	<u>8,250</u>	<u>1,660,342</u>	<u>1,681,447</u>
Property and Equipment, net of accumulated depreciation	78,478	307,862	13,093,058	13,479,398
Non-current Assets:				
Restricted deposits and funded reserves	89,404	60,855	125,868	276,127
Due from HUD Programs	-	-	64,302	64,302
Due from related organizations	-	-	340,861	340,861
Beneficial interest	-	-	116,175	116,175
Total Non-current Assets	<u>89,404</u>	<u>60,855</u>	<u>647,206</u>	<u>797,465</u>
Total Assets	<u>\$ 180,737</u>	<u>\$ 376,967</u>	<u>\$ 15,400,606</u>	<u>\$ 15,958,310</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>				
Current Liabilities:				
Accounts payable	\$ 2,179	\$ 455	\$ 287,678	\$ 290,312
Accrued and other liabilities	1,450	6,031	370,714	378,195
Due to program operations	349	-	-	349
Due to related organizations	-	-	98,707	98,707
Line of credit	-	-	809,999	809,999
Current portion of mortgages payable	<u>11,689</u>	<u>3,931</u>	<u>187,232</u>	<u>202,852</u>
Total Current Liabilities	<u>15,667</u>	<u>10,417</u>	<u>1,754,330</u>	<u>1,780,414</u>
Long Term Liabilities:				
Due to program operations	-	64,302	-	64,302
Due to related organizations	-	-	75,000	75,000
Security deposits	2,125	798	37,642	40,565
Mortgages payable, tax credits	-	-	184,497	184,497
Mortgages payable, net of current portion	176,441	238,496	5,156,420	5,571,357
Mortgages payable, deferred	-	-	4,706,134	4,706,134
Total Long Term Liabilities	<u>178,566</u>	<u>303,596</u>	<u>10,159,693</u>	<u>10,641,855</u>
Total Liabilities	194,233	314,013	11,914,023	12,422,269
Unrestricted Net Assets (Deficit):				
HUD programs	(13,496)	62,954	-	49,458
Program operations	-	-	3,462,173	3,462,173
Temporarily Restricted Net Assets	-	-	24,410	24,410
Total Net Assets (Deficit)	<u>(13,496)</u>	<u>62,954</u>	<u>3,486,583</u>	<u>3,536,041</u>
Total Liabilities and Net Assets	<u>\$ 180,737</u>	<u>\$ 376,967</u>	<u>\$ 15,400,606</u>	<u>\$ 15,958,310</u>

See accompanying notes to the financial statements.

HARBOR HOMES, INC.

Statement of Activities

For the Year Ended June 30, 2012

	Unrestricted Net Assets			Temporarily Restricted Net Assets	Total
	HUD I Program	HUD VI Program	Program Operations		
<b>Public Support and Revenue:</b>					
<b>Public Support:</b>					
Federal grants	\$ -	\$ -	\$ 2,455,999	\$ -	\$ 2,455,999
State, local, and other grants	-	-	429,466	-	429,466
Donations in-kind	-	-	179,906	-	179,906
Donations	-	-	86,202	9,500	95,702
Net assets released from restriction	-	-	5,291	(5,291)	-
Total Public Support	-	-	3,156,864	4,209	3,161,073
<b>Revenue:</b>					
Department of Housing and Urban Development	85,521	6,737	2,441,785	-	2,534,043
Veterans Administrative grants	-	-	978,269	-	978,269
Medicaid - Federal and State	-	-	825,432	-	825,432
<b>Client fees:</b>					
Rent and service charges, net	26,702	1,600	293,382	-	321,684
Food and common area fees	-	-	67,200	-	67,200
Outside rent	-	-	170,600	-	170,600
Miscellaneous	-	85,883	8,119	-	94,002
Employment projects	-	-	66,621	-	66,621
Sliding fee and free care	-	-	20,531	-	20,531
Medicare revenue	-	-	5,036	-	5,036
Fundraising revenue	-	-	13,124	-	13,124
Gain on disposal of fixed assets	-	-	7,500	-	7,500
Management fees	-	-	2,805	-	2,805
Interest	96	-	265	-	361
Unrealized gain/(loss)	-	-	(966)	-	(966)
Bad debts	-	-	(49,404)	-	(49,404)
Total Revenue	112,319	94,220	4,850,299	-	5,056,838
Total Public Support and Revenue	112,319	94,220	8,007,163	4,209	8,217,911
<b>Expenses:</b>					
Program	86,600	29,935	7,081,082	-	7,197,617
Administration	13,573	1,331	1,047,065	-	1,061,969
Fundraising	-	-	183,057	-	183,057
Total Expenses	100,173	31,266	8,311,204	-	8,442,643
Change in net assets	12,146	62,954	(304,041)	4,209	(224,732)
Net Assets (Deficit), Beginning of Year	(25,642)	-	3,766,214	20,201	3,760,773
Net Assets (Deficit), End of Year	\$ (13,496)	\$ 62,954	\$ 3,462,173	\$ 24,410	\$ 3,536,041

See accompanying notes to the financial statements.

HARBOR HOMES, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2012

	<u>Program</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Expenses:				
Accounting fees	\$ -	\$ 34,433	\$ -	\$ 34,433
Advertising and printing	6,456	187	4,958	11,601
Client services and assistance	29,962	9	-	29,971
Client transportation	19,814	32	683	20,529
Conference and conventions	18,701	19,393	161	38,255
Contract labor	61,709	13,868	-	75,577
Employee benefits	499,946	151,283	20,859	672,088
Enabling services	3,380	-	-	3,380
Equipment rental	1,351	4,127	-	5,478
Food	59,553	-	-	59,553
Garbage and trash removal	11,876	2,641	-	14,517
Grants	262,435	-	-	262,435
Information technology	139,300	10,161	-	149,461
Interest expense - mortgage	305,005	33,110	-	338,115
Interest expense - other	468	31,032	-	31,500
Journals and publications	800	241	-	1,041
Legal fees	11,087	78,509	-	89,596
Medical and clothing	186,773	200	-	186,973
Membership dues	28,077	-	935	29,012
Office supplies	41,000	6,845	2,021	49,866
Operating and maintenance	137,338	11,757	50	149,145
Operational supplies	55,396	3,908	-	59,304
Other expenditures	8,924	15,026	-	23,950
Payroll taxes	221,773	48,654	12,244	282,671
Postage/shipping	2,755	4,428	371	7,554
Professional fees	94,867	979	-	95,846
Property and liability insurance	69,593	7,340	-	76,933
Property taxes	14,108	-	-	14,108
Rent expense	1,700,280	-	-	1,700,280
Salary and wages	2,393,010	450,660	134,462	2,978,132
Snow removal	1,086	-	-	1,086
Staff development	7,351	-	-	7,351
Staff expense	6,024	2,763	184	8,971
Staff transportation	17,219	12,057	1,133	30,409
Telephone/communications	71,962	10,731	3,519	86,212
Utilities	225,268	18,427	1,477	245,172
Vehicle expenses	22,597	735	-	23,332
Total Expenses Before Depreciation	<u>6,737,244</u>	<u>973,536</u>	<u>183,057</u>	<u>7,893,837</u>
Depreciation	<u>460,373</u>	<u>88,433</u>	<u>-</u>	<u>548,806</u>
Total Expenses	<u>\$ 7,197,617</u>	<u>\$ 1,061,969</u>	<u>\$ 183,057</u>	<u>\$ 8,442,643</u>

See accompanying notes to the financial statements.

HARBOR HOMES, INC.

Statement of Cash Flows

For the Year Ended June 30, 2012

Cash Flows From Operating Activities:	
Change in net assets	\$ (224,732)
Adjustments to reconcile change in net assets to net cash from operating activities:	
Depreciation	548,806
Loss on beneficial interest	1,580
(Increase) Decrease In:	
Accounts receivable	131,853
Prepaid expenses	38,271
Increase (Decrease) In:	
Accounts payable	68,632
Accrued and other liabilities	(58,004)
Deferred revenue	(1,819)
Net Cash Provided by Operating Activities	<u>504,587</u>
Cash Flows From Investing Activities:	
Restricted deposits and funded reserves	3,123
Security deposits	1,346
Purchase of fixed assets	<u>(102,539)</u>
Net Cash Used by Investing Activities	<u>(98,070)</u>
Cash Flows From Financing Activities:	
Proceeds from line of credit	100,000
Proceeds from long term borrowings	184,868
Payments on long term borrowings	(275,356)
Net change in due to/from related organizations	<u>(181,828)</u>
Net Cash Used by Financing Activities	<u>(172,316)</u>
Net Increase	234,201
Cash and Cash Equivalents, Beginning of Year	<u>555,379</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 789,580</u></u>
Supplemental disclosures of cash flow information:	
Interest paid	<u><u>\$ 411,978</u></u>
Non-cash financing activities	<u><u>\$ 1,167,932</u></u>

See accompanying notes to the financial statements.

**HARBOR HOMES, INC. AND AFFILIATES BOARD OF DIRECTORS**

(Harbor Homes, Inc., HH Ownership, Inc., Welcoming Light, Inc., Healthy At Home, Inc., Milford Regional Counseling Services, Inc. Greater Nashua Council on Alcoholism, Inc., Southern NH HIV Task Force)

David Aponovich - [REDACTED]

**Treasurer**  
(Chair, Finance Committee)  
(Facilities Committee)  
(Executive Committee)

(2nd term +)

Alphonse Haettenschwiler - (6/15) (Finance Committee)  
(HCC Oversight Committee, Ch

Vincent Chamberlain - (6/15)

**Vice Chair**  
(Chair Resource/Development/  
Planning Committee)  
(HCC Oversight Committee)

Robert Kelliher - [REDACTED] (Chair, Facilities Committee)  
(Governance Committee)

Pastor Geoff DeFranca - [REDACTED]  
Community Chapel

(Resource/Development/  
Planning Committee)

Lynn King - [REDACTED] (Resource/Development/  
Planning Committee)  
(Chair, Governance Committee)

Laurie Des Rochers - (6-15)

(Facilities Committee)  
(Resource/Development/  
Planning Committee)

Captain James Lima - (6/15) (Governance Committee)  
(Facilities Committee)

Robert Fischer - [REDACTED]

**Chair of the Board**  
(Resource/Development/  
Planning Committee)  
(HCC Oversight Committee)

Naomi Moody - [REDACTED] (Committee Assignment-Pending)

Laurie Goguen - [REDACTED]

**Secretary**  
(Governance Committee)  
(HCC Oversight Committee)  
(Executive Committee)

Dan Sallet - [REDACTED] (Finance Committee)

Nathan Goodwin - [REDACTED]

Trent Smith - [REDACTED] (Chair, Executive Committee)

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PROFESSIONAL EXPERIENCE

- 2006-Present **President & CEO, Southern NH HIV Task Force**
- 2002-Present **President & CEO, GNCA, Inc. Nashua, NH**
- 1997-Present **President & CEO, Healthy At Home, Inc., Nashua, NH**
- 1995-Present **President & CEO, Milford Regional Counseling Services, Inc., Milford, NH**
- 1995-Present **President & CEO, Welcoming Light, Inc., Nashua, NH**
- 1982-Present **President & CEO, Harbor Homes, Inc., Nashua, NH**  
Currently employed as chief executive officer of six nonprofit corporations (Partnership for Successful Living) creating and providing residential and supportive services, mental health care, primary/preventive health care, substance use disorder treatment and prevention services, supported employment and workforce development, professional training, and in-home health care to individuals and families who are homeless, living with disabilities, and/or are underserved/members of vulnerable populations. Responsible for initiation, development, and oversight of more than 50 programs comprising a \$13,000,000 operating budget; proposal development resulting in more than \$6,000,000 in grants annually; oversight of 250+ management and direct care professionals.
- 2003-2006 **Consultant**  
Providing consultation and technical assistance throughout the State to aid service and mental health organizations
- 1980 - 1982 **Real Estate Broker, LeVaux Realty, Cambridge, MA**  
Successful sales and property management specialist.
- 1979 - 1980 **Clinical Coordinator, Task Oriented Communities, Waltham, MA**  
Established and provided comprehensive rehabilitation services to approximately 70 mentally ill/ mentally retarded clients. Hired, directly supervised, and trained a full-time staff of 20 residential coordinators. Developed community residences for the above clients in three Boston suburbs. Provided emergency consultation on a 24-hour basis to staff dealing with crisis management in six group homes and one sheltered workshop. Administrative responsibilities included some financial management, quality assurance, and other accountability to state authorities.
- 1978 - 1979 **Faculty, Middlesex Community College, Bedford, MA**  
Instructor for an introductory group psychotherapy course offered through the Social Work Department.
- 1977 - 1979 **Senior Social Worker/Assistant Director, Massachusetts Tuberculosis Treatment Center II, a unit of Middlesex County Hospital, Waltham, MA**  
Functioned as second in command and chief clinical supervisor for eight interdisciplinary team members, and implemented a six-month residential program for individuals afflicted with recurring tuberculosis and alcoholism. Provided group and individual therapy, relaxation training.
- 1976 **Social Worker, Massachusetts Institute of Technology, Out-Patient Psychiatry, Cambridge, MA**  
Employed in full-time summer position providing out patient counseling to individuals and groups of the MIT community.
- 1971 - 1976 **Program Counselor/Supervisor, Massachusetts Institute of Technology, MIT/Wellesley College Upward Bound Program, Cambridge and Wellesley, MA**  
Major responsibilities consisted of psycho educational counseling of Upward Bound students, supervision of tutoring staff, teaching, conducting evaluative research for program policy development.

## EDUCATIONAL EXPERIENCE

- 1975 - 1977 Simmons College School of Social Work, Boston, MA  
Cambridge-Somerville Community Mental Health Program, MSW
- 1971 - 1975 Clark University, Worcester, MA. Received Bachelor of Arts Degree in Psychology

## LICENSES AND CERTIFICATIONS

- 1979 Licensed Real Estate Broker – Massachusetts
- 1989 Academy of Certified Social Workers – NASW
- 1990 Licensed Independent Clinical Social Worker - Massachusetts
- 1994 State of New Hampshire Certified Clinical Social Worker, MA LICSW

## PLACEMENTS

- 1976 - 1977 Cambridge Hospital, In-Patient Psychiatry, Cambridge, MA  
Individual, group, and family counseling to hospitalized patients.
- 1975 - 1976 Massachusetts Institute of Technology, Social Service Department, Cambridge, MA  
Similar to above.

## FIELD SUPERVISION

- 1983 - 1984 Antioch/New England Graduate School, Department of Professional Psychology, Keene, NH
- 1983 - 1984 Rivier College, Department of Psychology, Nashua, NH
- 1990 – 1991 Rivier College, Department of Psychology, Nashua, NH
- 1978 - 1979 Middlesex Community College, Social Work Associates Program, Bedford, MA

## AWARDS

- High School Valedictorian Award
- National Institute of Mental Health Traineeship in Social Work
- University of New Hampshire Community Development 2003 Community Leader of the Year
- NAMI NH 2007 Annual Award for Systems Change
- Peter Medoff AIDS Housing Award 2007
- The Walter J. Dunfey Corporate Fund Award for Excellence in Non Profit Management 2009
- Business Excellence Award 2010

## MEMBERSHIPS

Former Chair, Governor's State Interagency Council on Homelessness/New Hampshire Policy Academy  
Former Chair, Greater Nashua Continuum of Care  
National Association of Social Workers  
Board Member, Greater Nashua Housing & Development Foundation, Inc.  
Board Member, New Futures, Concord, NH  
Former Member, Rotary Club, Nashua, NH

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**SKILLS / ABILITIES / ACHIEVEMENTS PROFILE**

**Administration:** Seasoned professional with progressive experience in diverse healthcare and educational environments, including operations, budget control, marketing, quality assurance, risk management, utilization review, facility design and management, human resources, and strategic planning.

**Management:** Self-starter with strong planning, controlling, organizing and leadership skills. Effectively manages resources and ensures compliance with established policies and procedures. Skilled in identifying and troubleshooting problem areas and implementing solutions. Developed comprehensive Quality Management program. Restructured billing, triage and customer service systems resulting in improved productivity and efficiency. Extensive managed care experience.

**Human Resources:** Skilled in recruiting, interviewing and selecting top personnel. Effective trainer, develops staff abilities to full potential. Motivates and retains employees using the mentor approach. Managed and supervised training and development of 100 personnel. Knowledgeable regarding multicultural issues. Effectively trained and prepared counseling professionals.

**Communication:** Articulate speaker and effective negotiator. Writes with strength, clarity and style. Natural ability to work with others. Consistently develops good rapport with staff, professionals, staff managers and community. Works well as part of a team or independently. Wrote and published several training and procedural manuals.

**PROFESSIONAL EXPERIENCE**

**VICE PRESIDENT OF OPERATIONS**

**2005-present**

Harbor Homes, Inc.

Senior management position overseeing residential and administrative staff of approximately 250 employees and coordinating a continuum of service delivery for the mentally ill and homeless and other populations. Develops and updates program plans, assures monitoring of implementation and develops/implements corrective actions as indicated. Provides education/consultation to staff, other agencies or community groups. Provides direct or indirect supervision to a clinical staff of 40 approximately Program Managers and MIMS workers. Assures quality/appropriateness of critical aspects of care through ongoing monitoring.

**DIRECTOR OF COMMUNITY SUPPORT SERVICES DEPARTMENT**

**2003 – 2005**

Community Council of Nashua

Nashua, NH

Develops and updates program plans, assures monitoring of implementation and develops/implements corrective actions as indicated. Provides education/consultation to staff, other agencies or community groups. Provides supervision to a clinical staff of approximately 40 therapists, case managers and MIMS workers. Develops Regional Planning of adult services. Assures quality/appropriateness of critical aspects of care through ongoing monitoring.

**DIRECTOR OF OUTCOMES & SYSTEM IMPROVEMENT**

**1999-2003**

Community Council of Nashua

Nashua, NH

Developed and maintains a Quality Management Program complying with NCQA and JCAHO standards. Monitored and supervised utilization review, evaluating the medical necessity, case management and continuation of care. Developed effective medical records protocols. Directs training and development function for the agency. Coordinated efforts resulting in highly successful JCAHO survey. Coordinates Customer Service and complaints process.

**ADJUNCT FACULTY**

**1990-2005**

Rivier College

Nashua, NH

Graduate Counseling Program – Instruct graduate counseling students in a variety of courses to include Group Therapy, Counseling Techniques, Substance Abuse Counseling,, Clinical Assessment, Marriage & Family Therapy, and Prescriptive Behavioral Management Techniques. Have facilitated several Independent Study courses in a variety of topics.

**PRIVATE PRACTICE**

**1999-Present**

Nashua, NH

Maintains private practice of approximately 40 clients. Coordinates care with primary care physicians and others. Coordinates treatment with managed care companies.

**DIRECTOR OF REGIONAL BEHAVIORAL HEALTH QM**

1997-1999

**The Hitchcock Clinic**

Bedford, NH

Developed and maintained a Quality Management Program complying with NCQA standards for four Behavioral Health sites. Developed and implemented program expansion. Identified staffing requirements and facilitated subsequent downsizing to ensure cost effectiveness. Liaison between the Clinic and insurance plans. Monitored and supervised utilization review for the Southern Region, evaluating the medical necessity, case management and continuation of care. Recommended by insurance reviewers to other organizations for consultation services in order to assist these agencies in their compliance processes. Developed effective medical records protocols.

**COORDINATOR OF MULTICULTURAL COUNSELING PROGRAM**

1998-1999

**Rivier College**

Nashua, NH

Coordinates the Bilingual/Multicultural Counseling Program in both guidance counseling and mental health fields. Recruits and advises professional students from local multicultural agencies. Developing a diversity-training program for use in area schools and businesses to enhance multicultural awareness. Instructor in Graduate Counseling Program.

**CLINICAL DIRECTOR**

1990-1997

**The Hitchcock Clinic**

Nashua, NH

Developed and implemented program policies and procedures. Managed FTE and budgetary control while providing effective leadership to the staff. Improved out-referral system, while reducing out-referral expenditures. Developed cooperative collaboration measures with insurers' UM Departments. Supervised a staff of thirty employees. Senior member of the Regional Management Team, and also a member of the Nashua Medical Group Board of Governors.

**PROGRAM DIRECTOR**

1988-1990

**Partial Hospitalization Program, Brookside Hospital**

Nashua, NH

Developed program components, structure, policies and procedures. Implemented FTE and budgetary control and supervised treatment staff. Initiated referral network and maintained marketing and referral relationships within the Greater Nashua community. Facilitated groups, provided case management and individual counseling including initial assessments. Monitored case management and utilization review processes with insurers.

**PROGRAM DIRECTOR – SUBSTANCE ABUSE CLINIC**

1985-1988

**Department of the Army**

West Germany

Developed comprehensive preventive substance abuse program. Coordinated efforts with schools, civic organizations, civilian agencies and military organizations in order to integrate preventive education efforts. Supervised clinical and support staff of two treatment clinics. Maintained referral relationships with commanders.

**ARMY COMMUNITY SERVICE DIRECTOR**

1983-1985

**Department of the Army**

West Germany

Developed comprehensive community support agency. Responsible for staffing and budgetary concerns. Composed informational publications, prepared financial and statistical reports and submitted budget requests to the U. S. government for agency funding. Responsible for FAP (Family Advocacy Program).

**EDUCATION****MASTERS OF BUSINESS ADMINISTRATION DEGREE  
IN HEALTHCARE ADMINISTRATION - 2001**

Rivier College, Nashua

**MASTERS OF SCIENCE IN EDUCATION (COUNSELING) - 1986**

University of Southern California

**BACHELORS IN EDUCATION (SPECIAL EDUCATION) - 1974**

Westfield State College, Westfield, MA

**LICENSES AND CERTIFICATIONS****LICENSED CLINICAL MENTAL HEALTH COUNSELOR**

New Hampshire License #100 – 1998

**MASTERS ADDICTION COUNSELOR CERTIFICATION**

1997

# Ana Pancine

Objective	To obtain a position within an organization that offers me the opportunity to apply my experiences and academic expertise in the Financial field, and that provides me a chance to enhance my career knowledge.
Experience	<p><b>November 2007 – Present</b>                      <b>Harbor Homes Inc.</b>                      <b>Nashua, NH</b></p> <p><b>Financial Specialist</b></p> <ul style="list-style-type: none"> <li>• Prepare budgets, internal and external reports for several State &amp; Federal projects.</li> <li>• Prepare all budgets for all Federal, State &amp; Local grant application.</li> <li>• Responsible for preparing, reviewing and presenting monthly financials for Senior Management and Board of Directors.</li> <li>• Responsible for all Mthly/Qrtly Federal, State &amp; Local Financial Reports.</li> <li>• Provide budget/financial guidance to all program managers.</li> <li>• Assist Controller position with month-end closings.</li> <li>• Main contact and organizer for independent year-end audit.</li> <li>• Responsible for tracking and ensure all financial reports deadlines are met.</li> </ul>
	<p><b>December 2006 – November 2007</b>                      <b>Hewlett-Packard</b>                      <b>Nashua, NH</b></p> <p><b>Service Resource Coordinator</b>                      <i>December 2006 - Presently</i></p> <ul style="list-style-type: none"> <li>• Accountable for all metric reports for the PER Event team in a monthly basis.</li> <li>• Responsible for revenue booking for two districts.</li> <li>• Accountable to update, present and distribute all reports related to the department.</li> <li>• Provide quality reports for upper management to review the progress of the team.</li> <li>• Responsible for all the billings for Latin America.</li> </ul> <hr/> <p><b>August 2001 – December 2006</b>                      <b>Electronic Data Systems(EDS)</b>                      <b>Nashua, NH</b></p> <p><b>Americas Business Analyst</b>                      <i>February 2004 – December 2006</i></p> <ul style="list-style-type: none"> <li>• Manage ten cost centers with annual expenses of \$9m and revenue of \$18m, forecast on a quarterly basis, generate expense and revenue accruals, and establish budgetary guidelines for team members.</li> <li>• Variance reporting monthly for +/-1 % of forecasted to report to senior management.</li> <li>• Compile, reconcile, and obtain approval from customer for account metrics on a monthly basis.</li> <li>• Maintain global reporting of 200 employees with specific emphasis on geographic alignment, individual line counts, and organizational charts for account utilization and resource mapping</li> <li>• Approve time card for temporary employees, main contact for temporary agencies and responsible for hiring/releasing of temporary employees.</li> <li>• Main contact for all customers located in the Latin America territory.</li> <li>• Provided Financial Support for account closing.</li> </ul> <hr/> <p><b>Quality Controller/ System Support Administrator</b>                      <i>June 2003 – February 2005</i></p> <ul style="list-style-type: none"> <li>• Main contact between administrators and system support to prioritize technical errors.</li> <li>• Responsible for weekly, monthly and quarterly quality review reporting.</li> <li>• Responsible for weekly and monthly geography reports.</li> <li>• Maintain all employee related spreadsheets updated.</li> <li>• Manage quality review reports to ensure policies and procedures are being followed.</li> <li>• Mentoring new hires in their assigned positions.</li> <li>• Communicating with manager for tools necessary for team.</li> <li>• Categorize and notify managers of any performance issues.</li> <li>• Provide support for team members with problem solving.</li> </ul> <hr/> <p><b>Per Event Administrator</b>                      <i>August 2001 – June 2003</i></p> <ul style="list-style-type: none"> <li>• Responsible for billing revenue.</li> <li>• General office filing and organization.</li> <li>• Data Entry.</li> <li>• Assisting customer needs.</li> <li>• Solving any customer issues.</li> <li>• Revenue booking and customer assistance for Latin America/Caribbean territory.</li> <li>• Assistant and service provided for all customer located in the Latin America/Caribbean/Europe territory.</li> </ul>

<b>Skills</b>	<ul style="list-style-type: none"> <li>• Windows 98/2000/XP/7</li> <li>• SIFT – Financial Database</li> <li>• Microsoft Office</li> <li>• Fundware/F9</li> </ul>	<ul style="list-style-type: none"> <li>• PEARS/CHAMPWFM</li> <li>• NCAS/SAP</li> <li>• SAGE - MIP</li> <li>• Fluent in Portuguese</li> </ul>
<b>Education</b>	<p><b>Hesser College</b></p> <ul style="list-style-type: none"> <li>• Bachelor of Science, Business Administration – Oct 2005</li> <li>• Trained Medical Translator – Portuguese</li> </ul> <p><b>Southern NH University</b></p> <ul style="list-style-type: none"> <li>• Pursuing MBA and Financial/International Business Certification.</li> </ul>	

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# Brian Boyer

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## OBJECTIVE

*Actively seeking a Program Director position utilizing experience and skills in delivering excellent work ethic and leadership, optimizing growth and management efficiency.*

Highly motivated and dedicated individual, with dynamic leadership, training and program management career, delivering quality based growth and management procedures. Consistently achieving strong record of outperforming budget quotas, developing new business, and strengthening community relationships, with advanced knowledge of relationships, and energized by new challenges. Expert training, presentation, negotiation, and communication skills, with keen abilities in planning, goal setting, strategy implementation, and follow-up.

*Expert Program Management ▫ Association Development ▫ High-Impact Marketing  
▫ Training Liaison ▫ Community Involvement ▫ Risk Management*

## QUALIFICATIONS

- Well-rounded and diligent job executer; focus and energetic, able to establish rapport with, and elicit loyalty from, superiors, colleagues, and subordinates
- Extensive experience in the human Services industry, community outreach and business development.
- Proven success in initiating, promoting, and maintaining strong interpersonal relations with the ability to transact in courteous, professional, and tactful manner; thrive in both independent and group work environments
- Detail-oriented, efficient, and organized professional, with extensive experience in management in highly stressful and fast-paced environments, with emerging and multiple responsibilities
- Experienced trainer in the areas of effective communication, relationship building, team building, child development, child abuse prevention, and behavior management strategies
- Certified instructor in conflict resolution, crisis intervention, effective coaching, and American Red Cross First Aid/CPR.

## PROFESSIONAL EXPERIENCE

Harbor Homes Inc, ■ NASHUA, NH

**PROGRAM MANAGER**

**Aug 2007-Present**

- Responsible for supervising therapeutic behavioral service providers and over seeing permanent housing program.
- Coordinate all apartment inspections to insure Hud compliance and safety of consumers.
- Monitors implementation of all service plans and services for consumers.
- Manage facility and all related budgetary concerns.

YMCA of Greater Nashua ■ NASHUA, NH

**SENIOR COMMUNITY OUTREACH DIRECTOR**

**Oct 2000-Aug 2007**

- Primary responsibility to increase membership and program participation through increasing Business relationships, and community collaborations including the development of new and increasing existing financial support
- Under the management of the Associate Executive Director, responsible for developing, supporting and managing over 100 staff in all areas of programming
- Scheduled, coordinated, monitored and assessed all association trainings.

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# Brian Boyer

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- Created, marketed, budgeted, and evaluated new and existing programs and development initiatives
- Generated a new department with \$150,000 annual income and assisted other departments by tripling the registrations of targeted membership in the first two years
- Defined needs of the community through extensive networking and collaborating with community leaders including government agencies, non-profits, community groups, and task forces
- Produced hundreds of business and personal relationships in the community resulting to an affluent balance of the budget
- Exceeded goals in the area of fund raising, and served as a leader for the Nashua YMCA in grant writing and development and strategic planning

Community Council of Nashua, N. H., Inc. ■ NASHUA, NH

FACILITATOR / SENIOR CASE MANAGER / TRAINER

Oct 1995-Present

- 
- Work as part-time educator, trainer, and facilitator providing effective approach to working with youth and families.
  - Provided training to staff and community members in the areas of conflict resolution, effective communication, and effective program development strategies
  - Served on community task forces and collaborated with community businesses and agencies to create more comprehensive community programs
  - Provide intensive Case Management and Mental Illness Management and support to children and their families
  - Served on the quality assurance and risk management teams
  - Coordinated with other members of the Intensive Community-Based Support Systems Team, therapists, psychiatrists, families, and community members regarding problem solving, designing treatment plans, and mental illness management

Nashua Youth Council, Inc. ■ NASHUA, NH

YOUTH ATTENDER PROGRAM COUNSELOR

Mar 1996-Nov 1996

- 
- Functioned as a Counselor in an area program for runaway youths designed to reunite clients with parents
  - Created rapport with clients to evaluate needs; provided support to senior counselors
  - Presented suitable referrals in attempt to eliminate need for court intervention and minimize recidivism
  - Accomplished and finished required paper work for program coordinator

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## EDUCATION

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**Master's Level Coursework in Family Counseling**

Rivier College, Nashua, NH: 2000

**Bachelor of Arts in Sociology**

University of New Hampshire, Durham, NH: 1994

**Harbor Homes Inc.**

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Peter Kelleher	President & CEO	\$115,856	2%	\$2,317
Carol Furlong	VP of Operations	\$93,496	2%	\$1,870
Ana Pancine	Finance Specialist	\$60,000	5%	\$3,000
Brian Boyer	Program Manager	\$50,000	10%	\$5,000

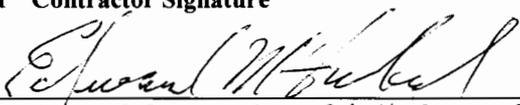
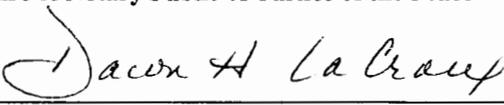
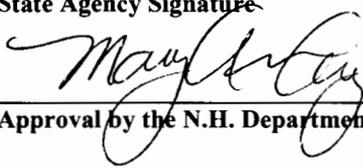
Subject: Continuum of Care Program

**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> Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health		<b>1.4 Contractor Address</b> 111 Church Street Laconia, NH 03246	
<b>1.5 Contractor Phone Number</b> (603) 524-1100	<b>1.6 Account Number</b> 010-042-7927-102-0731	<b>1.7 Completion Date</b> June 30, 2015	<b>1.8 Price Limitation</b> \$91,051.00
<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> Edward McFarland BOARD MEMBER	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of <u>Belknap</u> March 25, 2014 On <u>25</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> Dawn H. LaCroix - Notary			
<b>1.14 State Agency Signature</b> 		<b>1.15 Name and Title of State Agency Signatory</b> Mary Ann Cocchi 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: 4-17-14			
<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.

*EJH*  
3/25/2014

**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

Contractor Initials: *EM*  
Date: *5/19/14*

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

**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 fourteen (14) 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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3/26/2014



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.

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Exhibit A

- 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 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.

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3/25/2014



Exhibit A

- 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.
  - 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

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Exhibit A

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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).

- 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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3/25/14



Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**Continuum of Care Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Continuum of Care 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: Continuum of Care Program

Total Amount Continuum of Care Program;

July 1, 2014 – June 30, 2015: not to exceed \$91,051.00

Funds allocation under this agreement for Continuum of Care Program;

Supportive Services: \$18,308.00

Operating Cost: \$70,409.00

Administrative costs: \$2,334.00

Total program amount: \$91,051.00

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. REPORTS**

As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

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3/25/14



Exhibit B

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

- 3.1. 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.
- 3.2. 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 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.
- 3.3. 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.

4. USE OF GRANT FUNDS

- 4.1. 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.
- 4.2. 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.

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3/25/14



Exhibit B

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- 4.3. 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.
5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM
- 5.1. 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.
- 5.2. 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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3/25/14



### 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.



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



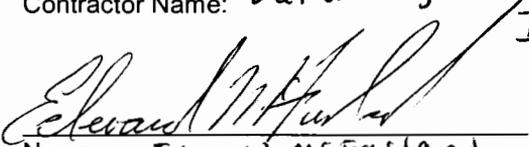
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
    - 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.

3/25/2014  
Date

Contractor Name: Lakes Region Mental Health Center Inc, d/b/a Genesis Behavioral Health

  
Name: Edward McFarland  
Title: BOARD MEMBER



**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.

3/25/2014  
Date

Contractor Name: Lake Region Mental Health Center, Inc. DBA Genesis Behavioral Health  
  
Name: Edward McFarland  
Title: BOARD MEMBER



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

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

**INSTRUCTIONS FOR CERTIFICATION**

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

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

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

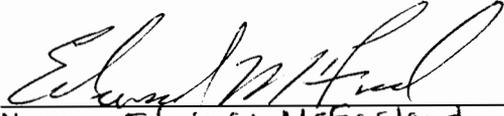
#### PRIMARY COVERED TRANSACTIONS

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

#### LOWER TIER COVERED TRANSACTIONS

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

3/25/2014  
Date

Contractor Name: Lakes Region Mental Health center, Inc. DBA Genesis Behavioral Health  
  
Name: Edward McFarland  
Title: BOARD MEMBER



**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: Lakes Region Mental Health Center, Inc. DBA Genesis Behavioral Health

3/25/2014  
Date

*Edward McFarland*  
Name: Edward McFarland  
Title: BOARD MEMBER

Contractor Initials *EM*  
Date 3/25/14



**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: Lakes Region Mental Health Center, Inc.  
DBA Genesis Behavioral Health

3/25/14  
Date

Edward McFarland  
Name: Edward McFarland  
Title: BOARD MEMBER

Contractor Initials EM  
Date 3/25/14



**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.

*[Handwritten Signature]*  
3/25/14



### 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.

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*3/25/14*



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.

*[Handwritten Signature]*  
*[Handwritten Date: 3/25/14]*



**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.

3/25/2014  
Date

Contractor Name: Lakes Region Mental Health Center,  
Inc. DBA Genesis Behavioral Health

Edward McFarland  
Name: Edward McFarland  
Title: Board Member

State Agency Name: NH DHHS

4/4/14  
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: *Lakes Region Mental Health Center,  
Inc. DBA Genesis Behavioral Health*

*Edward McFarland*  
Name: *Edward McFarland*  
Title: *Board Member*

*3/25/2014*  
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: 101410652
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: _____

EM  
3/25/14

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 GENESIS BEHAVIORAL HEALTH is a New Hampshire trade name registered on May 26, 2000 and that THE LAKES REGION MENTAL HEALTH CENTER, INC presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having 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 9<sup>th</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, Susan L. Stearns, do hereby certify that:

1. I am a duly elected Officer of Lakes Region Mental Health Center, Inc DBA Genesis Behavioral Health.
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 March 25, 2014:

**RESOLVED:** That the Board Member, Edward McFarland

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 25 day of March, 2014.

4. Edward McFarland is the duly elected Board Member of the Agency.

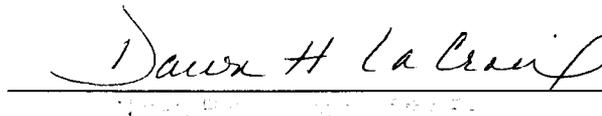
  
Susan L. Stearns  
Secretary - Finance Director of Ops

STATE OF NEW HAMPSHIRE

County of Belknap

The forgoing instrument was acknowledged before me this 25 day of MARCH, 2014.

By Susan L. Stearns  
Secretary - Finance Director of Ops

  
Dawn H. LaCroix  
Notary Public

Commission Expires:



**CERTIFICATE OF LIABILITY INSURANCE**

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> USI Insurance Services LLC PO Box 6360 Manchester, NH 03108-6360 603 625-1100		<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): 603 625-1100      FAX (A/C, No): E-MAIL ADDRESS:																						
<b>INSURED</b> Lakes Region Mental Health Center, Inc. dba Genesis Behavioral Health 111 Church Street Laconia, NH 03246		<table border="1"> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A :</td> <td>Ace American Insurance Company</td> <td>22667</td> </tr> <tr> <td>INSURER B :</td> <td>AIM Mutual Insurance Company</td> <td>33758</td> </tr> <tr> <td>INSURER C :</td> <td></td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> <td></td> </tr> </table>		INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A :	Ace American Insurance Company	22667	INSURER B :	AIM Mutual Insurance Company	33758	INSURER C :			INSURER D :			INSURER E :			INSURER F :		
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INSURER F :																								

**COVERAGES      CERTIFICATE NUMBER:      REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			SVRD37803601003	06/26/2013	06/26/2014	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$250,000 MED EXP (Any one person) \$25,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			CALH08618574	06/26/2013	06/26/2014	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10000			XOOG25516540003	06/26/2013	06/26/2014	EACH OCCURRENCE \$4,000,000 AGGREGATE \$4,000,000 \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			ECC60040002452013A	05/28/2013	05/28/2014	<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	<b>Professional</b>			OGLG2551663A	06/26/2013	06/26/2014	\$5,000,000 Ea. occur. \$7,000,000 Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 This certificate covers all operations usual and customary to the Insured's business.

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



*The mission of Genesis Behavioral Health is to provide direct services that enhance the emotional and mental health of our communities.*  
*(Revised June 2009)*

### **Our Vision**

**Genesis Behavioral Health is the leading health care provider recognized for its excellence in delivering accessible, quality mental health care and support in our communities.**

### **Our Values**

- |                          |  |
|--------------------------|--|
| <b><u>RESPECT</u></b>    | <b>We conduct our business and provide services with respect and professionalism.</b>                            |
| <b><u>ADVOCATE</u></b>   | <b>We advocate for those we serve through enhanced collaborations, community relations and political action.</b> |
| <b><u>INTEGRITY</u></b>  | <b>We work with integrity and transparency, setting a moral compass for the agency.</b>                          |
| <b><u>STEWARDS</u></b>   | <b>We are effective stewards of our resources for our clients and our agency's health.</b>                       |
| <b><u>EXCELLENCE</u></b> | <b>We are committed to excellence in all programming and services.</b>   |

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
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June 30, 2012

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**Kittell Branagan & Sargent**

*Certified Public Accountants*

Vermont License # 167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
of Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate

We have audited the accompanying consolidating statement of financial position of Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health (a nonprofit organization) and its affiliate Mid State Mental Health Foundation, Inc. as of June 30, 2012, and the related consolidating statements of activities and cash flows for the year then ended. These consolidating financial statements are the responsibility of the Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health (a nonprofit organization) and its affiliate Mid State Mental Health Foundation, Inc.'s management. Our responsibility is to express an opinion on these consolidating 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 consolidating financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidating 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.

In our opinion, the consolidating financial statements referred to above present fairly, in all material respects, the financial position of Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health and its affiliate Mid State Mental Health Foundation, Inc. as of June 30, 2012, and the respective changes in its financial position, and, where applicable, cash flows thereof for the year 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 August 30, 2012 on our consideration of Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health and Affiliate'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.

To the Board of Directors  
of Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
Page 2

Our audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. The supplementary information on pages 11 through 14 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 audit 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.

*Kittell Branigan & Syrett*

St. Albans, Vermont  
August 30, 2012

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
June 30, 2012

ASSETS

	<u>LRMH</u>	<u>Mid State Foundation</u>	<u>Consolidating Entries</u>	<u>Consolidated Total</u>
<b>CURRENT ASSETS</b>				
Cash	\$ 7,637	\$ 236,275	\$ -	\$ 243,912
Investments	334,468	569,915	-	904,383
Accounts receivable (net of \$337,000 allowance)	683,053	-	-	683,053
Prepaid expenses and other current assets	33,415	-	-	33,415
Due from affiliated organizations	<u>806,190</u>	<u>-</u>	<u>(806,190)</u>	<u>-</u>
<b>TOTAL CURRENT ASSETS</b>	<u>1,864,763</u>	<u>806,190</u>	<u>(806,190)</u>	<u>1,864,763</u>
<b>PROPERTY AND EQUIPMENT - NET</b>	<u>1,469,190</u>	<u>-</u>	<u>-</u>	<u>1,469,190</u>
<b>OTHER ASSETS</b>				
Restricted cash	<u>47,452</u>	<u>-</u>	<u>-</u>	<u>47,452</u>
<b>TOTAL ASSETS</b>	<u>\$ 3,381,405</u>	<u>\$ 806,190</u>	<u>\$ (806,190)</u>	<u>\$ 3,381,405</u>

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 123,148	\$ -	\$ -	\$ 123,148
Current portion—long-term debt	42,236	-	-	42,236
Due to related organization	-	806,190	(806,190)	-
Deferred income	18,025	-	-	18,025
Accrued vacation	209,970	-	-	209,970
Accrued expenses	<u>195,101</u>	<u>-</u>	<u>-</u>	<u>195,101</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>588,480</u>	<u>806,190</u>	<u>(806,190)</u>	<u>588,480</u>
<b>LONG-TERM DEBT, less current portion</b>	<u>551,209</u>	<u>-</u>	<u>-</u>	<u>551,209</u>
<b>TOTAL LIABILITIES</b>	<u>1,139,689</u>	<u>806,190</u>	<u>(806,190)</u>	<u>1,139,689</u>
<b>NET ASSETS</b>				
Temporarily restricted	52,673	-	-	52,673
Unrestricted	<u>2,189,043</u>	<u>-</u>	<u>-</u>	<u>2,189,043</u>
<b>TOTAL NET ASSETS</b>	<u>2,241,716</u>	<u>-</u>	<u>-</u>	<u>2,241,716</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 3,381,405</u>	<u>\$ 806,190</u>	<u>\$ (806,190)</u>	<u>\$ 3,381,405</u>

See Notes to Financial Statements

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
For the Year Ended June 30, 2012

	LRMH			Mid-State Foundation	Consolidating Entries	Consolidated Total
	Unrestricted Funds	Temporarily Restricted Funds	All Funds			
<b>PUBLIC SUPPORT AND REVENUES</b>						
Public support -						
Federal	\$ 161,122	\$ -	\$ 161,122	\$ -	\$ -	\$ 161,122
State of New Hampshire - DBH	8,000	-	8,000	-	-	8,000
Other public support	<u>1,085,284</u>	<u>49,982</u>	<u>1,135,266</u>	-	<u>(822,692)</u>	<u>312,574</u>
Total Public Support	<u>1,254,406</u>	<u>49,982</u>	<u>1,304,388</u>	-	<u>(822,692)</u>	<u>481,696</u>
Revenues -						
Program service fees	7,308,967	-	7,308,967	-	-	7,308,967
Rental income	68,794	-	68,794	-	-	68,794
Investment income (loss)	(1,054)	-	(1,054)	24,542	-	23,488
Other revenue	13,039	-	13,039	-	-	13,039
Net assets released from restriction	<u>10,988</u>	<u>(10,988)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>7,400,734</u>	<u>(10,988)</u>	<u>7,389,746</u>	<u>24,542</u>	<u>-</u>	<u>7,414,288</u>
<b>TOTAL PUBLIC SUPPORT AND REVENUES</b>	<u>8,655,140</u>	<u>38,994</u>	<u>8,694,134</u>	<u>24,542</u>	<u>(822,692)</u>	<u>7,895,984</u>
<b>EXPENSES</b>						
BBH funded program services -						
Children Services	2,270,886	-	2,270,886	-	-	2,270,886
Intake	206,304	-	206,304	-	-	206,304
Multi-service	3,364,812	-	3,364,812	-	-	3,364,812
Emergency Services	554,244	-	554,244	-	-	554,244
Housing Services	192,282	-	192,282	-	-	192,282
Non-Eligible	786,473	-	786,473	-	-	786,473
Non-BBH funded program services	<u>547,526</u>	<u>-</u>	<u>547,526</u>	<u>824,641</u>	<u>(822,692)</u>	<u>549,475</u>
TOTAL EXPENSES	<u>7,922,527</u>	<u>-</u>	<u>7,922,527</u>	<u>824,641</u>	<u>(822,692)</u>	<u>7,924,476</u>
INCREASE (DECREASE) IN NET ASSETS	732,613	38,994	771,607	(800,099)	-	(28,492)
NET ASSETS, beginning	<u>1,456,430</u>	<u>13,679</u>	<u>1,470,109</u>	<u>800,099</u>	<u>-</u>	<u>2,270,208</u>
NET ASSETS, ending	<u>\$ 2,189,043</u>	<u>\$ 52,673</u>	<u>\$ 2,241,716</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,241,716</u>

See Notes to Financial Statements

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
CONSOLIDATING STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2012

	LRMH	Mid State Foundation	Consolidating Entries	Consolidated Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Increase (decrease) in net assets	\$ 771,607	\$ (800,099)	\$ -	\$ (28,492)
Adjustments to reconcile to net cash provided by operations:				
Depreciation	154,219	-	-	154,219
Unrealized (gain) loss on investments	8,606	(8,589)	-	17
(Increase) decrease in:				
Accounts receivable	(1,505)	-	-	(1,505)
Prepaid expenses	4,775	50	-	4,825
Due from affiliated organizations	(801,940)	-	801,940	-
Restricted Cash	(2)	-	-	(2)
Increase (decrease) in:				
Accounts payable & accrued liabilities	(83,827)	-	-	(83,827)
Deferred income	(11,580)	-	-	(11,580)
Due to related organizations	-	801,940	(801,940)	-
	<u>40,353</u>	<u>(6,698)</u>	<u>-</u>	<u>33,655</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchases of property and equipment	(223,051)	-	-	(223,051)
Purchase of investments	(7,103)	(9,768)	-	(16,871)
	<u>(230,154)</u>	<u>(9,768)</u>	<u>-</u>	<u>(239,922)</u>
<b>NET CASH USED BY INVESTING ACTIVITIES</b>				
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Principal payments on long-term debt	(37,691)	-	-	(37,691)
	<u>(227,492)</u>	<u>(16,466)</u>	<u>-</u>	<u>(243,958)</u>
<b>NET DECREASE IN CASH</b>				
CASH AT BEGINNING OF YEAR	<u>235,129</u>	<u>252,741</u>	<u>-</u>	<u>487,870</u>
CASH AT END OF YEAR	<u>\$ 7,637</u>	<u>\$ 236,275</u>	<u>\$ -</u>	<u>\$ 243,912</u>
<b>SUPPLEMENTAL DISCLOSURE</b>				
Cash Payments for Interest	<u>\$ 29,140</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,140</u>
Debt Incurred for the Purchase of Property and Equipment	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000</u>

See Notes to Financial Statements

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
NOTES TO CONSOLIDATING FINANCIAL STATEMENTS  
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Lakes Region Mental Health Center, Inc. (the Center) d/b/a Genesis Behavioral Health is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs; it is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Center qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Mid State Mental Health Foundation, Inc. is a not-for-profit corporation organized September 21, 2006 under New Hampshire law. The Center is exempt under 501(c)(3) of the Internal Revenue Code. Effective June 30, 2012 the board of Mid State Mental Health Foundation, Inc. voted to immediately dissolve the corporation and transfer all assets to the Center.

Basis of Presentation

The consolidating financial statements include the accounts of Lakes Region Mental Health Center, Inc. (the Center) d/b/a Genesis Behavioral Health and its affiliate, Mid State Mental Health Foundation, Inc. All inter-company transactions and accounts have been eliminated in combination. This presentation is required by the structure of the board of directors of Mid State Mental Health Foundation whose by-laws require the majority of the board must be comprised of the Center's board members.

Estimates

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

Income Taxes

Consideration has been given to uncertain tax positions. The federal income tax returns (Form 990) for the years ended June 30, 2009, remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

Depreciation

The cost of property, equipment and leasehold improvements is depreciated over the estimated useful life of the assets using the straight line method. Estimated useful lives range from 3 to 40 years.

State Grants

The Center receives a number of grants from and has entered into various contracts with the State of New Hampshire related to the delivery of mental health services.

Vacation Pay and Fringe Benefits

Vacation pay is accrued and charged to the programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on the programs.

Revenue

Revenue from federal, state and other sources is recognized in the period earned.

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
NOTES TO CONSOLIDATING FINANCIAL STATEMENTS  
June 30, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Third Party Contractual Arrangements

A significant portion of patient revenue is derived from services to patients insured by third-party payors. The center receives reimbursement from Medicare, Medicaid, Blue Cross, and other third-party insurers at defined rates for services rendered to patients covered by these programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when recorded. A provision for estimated contractual allowances is provided on outstanding patient receivables at the balance sheet date.

Temporarily Restricted Funds

Specific purpose funds are used to differentiate resources, the use of which is restricted by donors, from resources of general funds on which the donors place no restriction or that arise as a result of the operations of the Center for its stated purposes. Specific purpose contributions and other donor-restricted resources are recorded as additions to temporarily restricted net assets at the time they are received and as released from restrictions when expended for the purpose for which they were given. The earnings from these funds will be used to fund operations. For the year ending June 30, 2012 \$10,988 was released from restrictions.

Accounts Receivable

Accounts receivable are recorded based on amounts billed for services provided. The allowance for doubtful accounts in the Center's estimate of the amount of probable losses in the existing accounts receivable based on historic trends and the composition of the accounts receivable aging as of June 30, 2012.

Advertising

Advertising costs are expensed as incurred. Total costs were \$40,014 at June 30, 2012.

NOTE 2 PROPERTY AND EQUIPMENT

Property and equipment, at cost, consists of the following:

Land, buildings and improvements	\$ 2,367,872
Computer equipment	744,452
Furniture, fixtures and equipment	1,513,062
Vehicles	<u>76,688</u>
	4,702,074
Accumulated depreciation	<u>(3,232,884)</u>
 NET BOOK VALUE	 <u>\$ 1,469,190</u>

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
NOTES TO CONSOLIDATING FINANCIAL STATEMENTS  
June 30, 2012

NOTE 3      ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE – TRADE

Due from clients	\$ 261,956
Receivable from insurance companies	88,237
Medicaid receivables	485,313
Medicare receivables	<u>96,449</u>
	931,955
Allowance for doubtful accounts	<u>(337,000)</u>
Total Receivable - Trade	<u>594,955</u>

ACCOUNTS RECEIVABLE – OTHER

Housing Rent	10,241
LCRS	2,863
HUD	12,790
Grafton County	5,750
Belknap County	8,550
Mount Prospect Academy	5,200
Town Appropriations	34,500
NFI North, Inc.	1,800
Health First	1,200
Other Grants	<u>5,204</u>
Total Receivable - Other	<u>88,098</u>

**TOTAL ACCOUNTS RECEIVABLE**      \$ 683,053

NOTE 4      LINE OF CREDIT

As of June 30, 2012, the Center had available a line of credit with an upper limit of \$1,400,000 with a local area bank. At that date, \$- had been borrowed against the line of credit. These funds are available at a variable rate of interest, with a floor no less than 5.5% per annum. This line of credit expires November 30, 2012, and is secured by all business assets.

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
NOTES TO CONSOLIDATING FINANCIAL STATEMENTS  
June 30, 2012

NOTE 5            COMMITMENTS

The corporation leases real estate and equipment under various operating leases. Minimum future rental payments under non cancelable operating leases as of June 30, 2012 for each of the next four years and in the aggregate are:

June 30,	Amount
2013	\$ 211,927
2014	202,417
2015	148,867
2016	73,936
2017	1,375

Total rent expense for the year ended June 30, 2012, including rent expense for leases with a remaining term of one year or less was \$195,608.

The Center entered into a subscription agreement with a software vendor and is obligated to pay \$5,950 per month through May 31, 2016 in exchange for software subscription services. The amount is included in the above obligations.

NOTE 6            EMPLOYEE BENEFIT PLAN

The Center has the option to make contributions to a defined contribution 403(b) plan on behalf of its employees. This program covers substantially all full-time employees. During the year ended June 30, 2012, no such contributions were made.

NOTE 7            RESTRICTED CASH

The Center maintains restricted depository accounts. At the balance sheet date the amounts are as follows:

Rural Development *	\$ 47,452
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\* Balance will accumulate per loan agreement to \$47,448 at a required monthly deposit of \$395. As of June 30, 2012 this required total had been accumulated.

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
NOTES TO CONSOLIDATING FINANCIAL STATEMENTS  
June 30, 2012

NOTE 8 LONG-TERM DEBT

As of June 30, 2012, long-term debt consisted of the following:

5% mortgage note payable - Rural Development due in monthly aggregate installments of \$3,357 (including principal and interest) secured by land and buildings through May, 2027.	\$ 423,776
5% mortgage note payable - Rural Development due in monthly installments of \$597 (including principal and interest) secured by land and buildings through December, 2030.	85,983
1% note payable - NH Health and Education Facilities due in monthly installments of \$1,709 (including principal and interest) secured by equipment through September, 2016.	<u>83,686</u>
	593,445
Less: Current Portion	<u>(42,236)</u>
	<u>\$ 551,209</u>

Expected maturities for the next five years are as follows:

Year Ending June 30,	
2013	\$ 42,236
2014	43,585
2015	44,994
2016	46,264
2017	31,060
Thereafter	<u>385,306</u>
	<u>\$ 593,445</u>

NOTE 9 CONTINGENT LIABILITIES

The Center receives money under various State and Federal grants. Under the terms of these grants, the Center is required to use the money within the grant period for purposes specified in the grant proposal and is subject to compliance reviews and audits by the grantor agencies. It is the opinion of management that any liability, resulting from future grantor agency audits of completed grant contracts, would not be material in relation to the overall financial statements.

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
NOTES TO CONSOLIDATING FINANCIAL STATEMENTS  
June 30, 2012

NOTE 10 INVESTMENTS

Investments consist of amounts invested in various Vanguard Equity and Bond Funds. At June 30, 2012, the status of these funds were as follows:

	LRMH			Mid-State Foundation		
	Cost	Unrealized Gain (Loss)	Market	Cost	Unrealized Gain (Loss)	Market
Large Blend	\$ 65,882	\$ (862)	\$ 65,020	\$ 166,857	\$ 17,844	\$ 184,701
Diversified Emerging						
Market	19,976	(3,048)	16,928	-	-	-
World Stock	63,276	(11,875)	51,401	-	-	-
Health	27,658	7,022	34,680	76,025	16,396	92,421
Large Growth	54,378	(94)	54,284	73,080	3,166	76,246
Mid-Cap Value	60,220	9,031	69,251	131,043	(11,749)	119,294
Short-Term Bond	41,267	443	41,710	93,729	3,520	97,249
Cash	1,194	-	1,194	4	-	4
	<u>\$ 333,851</u>	<u>\$ 617</u>	<u>\$ 334,468</u>	<u>\$ 540,738</u>	<u>\$ 29,177</u>	<u>\$ 569,915</u>

The related unrealized gain (losses) have been included in the investment income line on the accompanying statement of activities. Investment income (loss) is as follows:

	LRMH	Mid State Foundation	Total
Interest and Dividends	\$ 7,552	\$ 15,953	\$ 23,505
Unrealized Gains (Losses)	<u>(8,606)</u>	<u>8,589</u>	<u>(17)</u>
	<u>\$ (1,054)</u>	<u>\$ 24,542</u>	<u>\$ 23,488</u>

NOTE 11 FAIR VALUE MEASUREMENTS

Professional accounting standards require a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under these professional accounting standards are described below:

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
NOTES TO CONSOLIDATING FINANCIAL STATEMENTS  
June 30, 2012

NOTE 11 FAIR VALUE MEASUREMENTS (continued)

Basis of Fair Value Measurement

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

All investments are categorized as Level 1 and recorded at fair value, as of June 30, 2012. As required by professional accounting standards, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

NOTE 12 SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Center has evaluated subsequent events through August 30, 2012, which is the date the financial statement was available to be issued. All events requiring recognition as of June 30, 2012, have been incorporated into the financial statements herein.

**SUPPLEMENTARY INFORMATION**

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
**ANALYSIS OF ACCOUNTS RECEIVABLE**  
For the Year Ended June 30, 2012

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Accounts Receivable End of Year
CLIENT FEES	\$ 334,742	\$ 1,132,189	\$ (958,402)	\$ 246,573	\$ 261,956
BLUE CROSS / BLUE SHIELD	24,985	319,714	(91,275)	224,304	29,120
MEDICAID	427,083	6,837,711	(989,798)	5,789,683	485,313
MEDICARE	63,554	451,463	(280,731)	137,837	96,449
OTHER INSURANCE	62,993	389,259	(192,816)	200,319	59,117
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(355,000)</u>	-	-	-	<u>(337,000)</u>
TOTAL	<u>\$ 558,357</u>	<u>\$ 9,130,336</u>	<u>\$ (2,513,022)</u>	<u>\$ 6,598,716</u>	<u>\$ 594,955</u>

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
**ANALYSIS OF BBH REVENUES, RECEIPTS AND RECEIVABLES**  
For the Year Ended June 30, 2012

	Receivable (Deferred Income) From BBH Beginning of Year	BBH Revenues Per Audited Financial Statements	Receipts for Year	Receivable (Deferred Income) From BBH End of Year
CONTRACT YEAR, June 30, 2012	<u>\$ -</u>	<u>\$ 8,000</u>	<u>\$ (8,000)</u>	<u>\$ -</u>

Analysis of Receipts Date of Receipt Deposit Date	<u>Amount</u>
10/13/11	\$ 4,565
10/21/11	392
10/25/11	780
11/02/11	2,041
11/16/11	3,575
11/28/11	2,070
01/26/12	13,699
01/26/12	2,617
05/22/12	6,000
05/30/12	15,010
06/11/12	1,251
Less: Federal Monies	<u>(44,000)</u>
	<u>\$ 8,000</u>

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
**STATEMENT OF FUNCTIONAL PUBLIC SUPPORT AND REVENUES**  
For the Year Ended June 30, 2012

	<u>Total Agency</u>	<u>Admin.</u>	<u>Total Programs</u>	<u>Children</u>
<b>Program Service Fees:</b>				
Net Client Fee	\$ 173,787	\$ -	\$ 173,787	\$ 2,547
Blue Cross/Blue Shield	228,439	-	228,439	29,082
Medicaid	5,847,913	-	5,847,913	2,819,566
Medicare	170,732	-	170,732	-
Other Insurance	196,443	-	196,443	1,314
<b>Program Sales:</b>				
Service	691,653	-	691,653	-
<b>Public Support - Other:</b>				
United Way	364	364	-	-
Local/County Government	147,188	-	147,188	-
Donations/Contributions	860,267	40,576	819,691	4,867
Bureau Development	21,625	-	21,625	-
Other Public Support	54,233	11,777	42,456	17,600
DCYF	1,607	-	1,607	1,607
<b>Federal Funding:</b>				
HUD Grant	133,861	-	133,861	-
Other Federal Grants	27,261	-	27,261	9,958
Rental Income	68,794	-	68,794	-
Investement Income (loss)	(1,054)	(1,056)	2	1
<b>DBH &amp; DS:</b>				
Community Mental Health	8,000	-	8,000	1,570
Other Revenues	13,039	4,394	8,645	1,094
Net Assets Released From Restriction	10,988	10,988	-	-
	<u>8,655,140</u>	<u>67,043</u>	<u>8,588,097</u>	<u>2,889,206</u>
Administration	-	(67,043)	67,043	22,553
<b>TOTAL PUBLIC SUPPORT AND REVENUES</b>	<u>\$ 8,655,140</u>	<u>\$ -</u>	<u>\$ 8,655,140</u>	<u>\$ 2,911,759</u>

Multi-Service	Intake	Emergency Services	Housing Services		Non Eligible	Non BBH Funded Programs
			Apts. S.L. McGrath	Apts. S.L. Summer		
\$ 20,788	\$ 30,217	\$ 22,413	\$ -	\$ -	\$ 97,822	\$ -
36,268	33,998	20,408	-	-	108,683	-
2,742,731	105,839	99,707	-	-	80,070	-
114,856	6,676	(86)	-	-	49,286	-
30,175	20,143	19,324	-	-	125,487	-
850	-	-	-	-	19,558	671,245
-	-	-	-	-	-	-
-	-	90,488	-	-	56,700	-
6,363	205	1,013	-	-	1,053	806,190
21,625	-	-	-	-	-	-
14,829	485	4,970	-	-	4,414	158
-	-	-	-	-	-	-
-	-	-	36,601	97,260	-	-
14,773	181	1,089	-	-	1,247	13
-	-	-	37,426	31,368	-	-
1	-	-	-	-	-	-
6,430	-	-	-	-	-	-
5,535	9	272	-	10	975	750
-	-	-	-	-	-	-
3,015,224	197,753	259,598	74,027	128,638	545,295	1,478,356
23,539	1,544	2,027	578	1,004	4,257	11,541
<u>\$ 3,038,763</u>	<u>\$ 199,297</u>	<u>\$ 261,625</u>	<u>\$ 74,605</u>	<u>\$ 129,642</u>	<u>\$ 549,552</u>	<u>\$ 1,489,897</u>

Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended June 30, 2012

	Total Agency	Administration	Total Programs	Children
<b>Personnel Costs:</b>				
Salary and wages	\$ 5,120,848	\$ 524,562	\$ 4,596,286	\$ 1,334,908
Employee benefits	969,949	121,542	848,407	246,177
Payroll Taxes	360,333	37,152	323,181	95,325
Substitute Staff	147,490	-	147,490	8,392
Client Evaluation/Services	3,879	-	3,879	3,879
<b>PROFESSIONAL FEES AND CONSULTANTS:</b>				
Accounting/audit fees	28,335	28,335	-	-
Legal fees	12,971	-	12,971	4,506
Other professional fees	18,348	15,342	3,006	-
<b>Staff Devel. &amp; Training:</b>				
Journals & publications	3,286	147	3,139	666
In-Service training	7,207	-	7,207	2,458
Conferences & conventions	12,022	839	11,183	2,239
Other staff development	20,811	2,686	18,125	(6,355)
<b>Occupancy costs:</b>				
Rent	84,909	2,544	82,365	28,964
Mortgage (Interest)	26,852	2,954	23,898	8,152
Heating Costs	25,156	786	24,370	2,754
Other Utilities	69,983	4,145	65,838	16,643
Maintenance & repairs	89,977	325	89,652	25,662
<b>Consumable Supplies:</b>				
Office	29,583	143	29,440	9,901
Building/household	16,902	-	16,902	4,461
Medical	229	-	229	-
Other	123,845	9,779	114,066	36,634
Depreciation-Equipment	82,539	6,529	76,010	22,689
Depreciation-Building	71,680	4,678	67,002	13,677
Equipment rental	13,058	698	12,360	4,263
Equipment maintenance	21,909	317	21,592	7,360
Advertising	40,015	7,525	32,490	9,732
Printing	605	605	-	-
Telephone/communications	208,589	8,747	199,842	64,995
Postage/shipping	20,055	157	19,898	6,976
<b>Transportation:</b>				
Staff	152,649	1,511	151,138	47,919
Clients	4,285	-	4,285	644
<b>Assist to Individuals:</b>				
Client services	37,357	-	37,357	21,353
<b>Insurance:</b>				
Malpractice/bonding	22,806	7,661	15,145	5,043
Vehicles	2,566	71	2,495	364
Comp. Property/liability	17,438	1,148	16,290	4,068
Membership Dues	15,761	860	14,901	70
Other Expenditures	36,012	21,981	14,031	2,455
Interest Expense	2,288	2,288	-	-
	<u>7,922,527</u>	<u>816,057</u>	<u>7,106,470</u>	<u>2,036,974</u>
Admin. Allocation	-	(816,057)	816,057	233,912
<b>TOTAL PROGRAM EXPENSES</b>	<u>\$ 7,922,527</u>	<u>\$ -</u>	<u>\$ 7,922,527</u>	<u>\$ 2,270,886</u>

Multi-Service	Intake	Emergency Services	Housing Services		Non-Eligible	Non BBH Funded Programs
			Apts. S.L. McGrath	Apts. S.L. Summer		
\$ 1,878,261	\$ 137,179	\$ 342,999	\$ 17,393	\$ 40,264	\$ 482,202	\$ 363,080
363,210	21,839	68,777	3,465	8,022	76,031	60,886
133,823	9,992	24,866	1,253	2,902	33,252	21,768
92,814	2,673	3,217	-	-	32,658	7,736
-	-	-	-	-	-	-
-	-	-	-	-	-	-
6,211	195	948	-	-	1,094	17
-	-	-	-	-	-	3,006
1,969	32	120	-	-	347	5
3,475	119	449	-	-	660	46
4,798	16	116	-	100	1,097	2,817
19,847	134	685	-	-	88	3,726
38,554	1,580	846	-	-	12,392	29
11,949	295	1,875	-	-	1,625	2
4,126	100	642	8,846	7,314	586	2
23,715	664	2,994	9,292	8,336	4,194	-
36,529	1,049	4,773	5,079	10,056	6,472	32
14,473	398	1,894	-	200	2,542	32
6,245	195	806	136	3,770	1,246	43
229	-	-	-	-	-	-
52,215	1,571	7,382	-	-	9,541	6,723
36,269	1,623	3,989	1,351	4,172	5,896	21
19,655	1,019	2,724	8,923	17,781	3,206	17
6,051	181	678	-	-	1,187	-
10,513	300	1,452	-	120	1,815	32
18,345	373	1,675	-	-	2,264	101
-	-	-	-	-	-	-
92,349	2,614	17,916	300	1,506	17,643	2,519
9,418	340	695	-	-	2,430	39
96,057	204	2,483	-	1,791	2,653	31
3,318	27	139	-	-	157	-
16,004	-	-	-	-	-	-
5,132	68	689	-	-	513	3,700
1,624	15	65	163	163	99	2
5,873	157	826	2,229	2,202	932	3
99	3	14	-	-	18	14,697
5,071	99	420	4,186	1,161	623	16
-	-	-	-	-	-	-
3,018,221	185,054	497,154	62,616	109,860	705,463	491,128
346,591	21,250	57,090	7,190	12,616	81,010	56,398
<u>\$ 3,364,812</u>	<u>\$ 206,304</u>	<u>\$ 554,244</u>	<u>\$ 69,806</u>	<u>\$ 122,476</u>	<u>\$ 786,473</u>	<u>\$ 547,526</u>



Kittell Branagan & Sargent

Certified Public Accountants

Vermont License # 167

Report 1

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 Trustees of  
Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate

We have audited the consolidating financial statements of Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health (a nonprofit organization) and its affiliate as of and for the year ended June 30, 2012, and have issued our report thereon dated August 30, 2012. 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

In planning and performing our audit, we considered Lakes Region Mental Health Center, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lakes Region Mental Health Center, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Lakes Region Mental Health Center, Inc.'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.

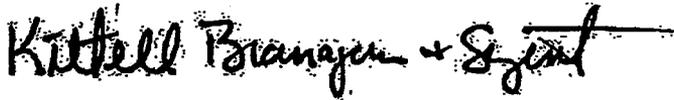
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material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

To the Board of Trustees of  
Lakes Region Mental Health Center, Inc.  
d/b/a Genesis Behavioral Health and Affiliate  
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lakes Region Mental Health Center, Inc.'s consolidating financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, others within the organization 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.



St. Albans, Vermont  
August 30, 2012

Lakes Region Mental Health Center, Inc. (d/b/a Genesis Behavioral Health)  
 Board of Directors Listing  
 23-Oct-13

President	Susan Stearns		Northfield	NH				3, October 2016	Executive (Chair), Development (Chair), Advocacy
Vice President	Deborah Pendergast		Gilford	NH				1, October 2014	OL Executive
Treasurer	Jim Hundrieser		New Hampton	NH				1, October 2015	Finance (Chair), Executive
Secretary	Cinde Warrington		Concord	NH				2, October 2014	Executive, Governance (Chair) Strategic Alliance
Member at Large	Lori Bostig		Gilford	NH				1, October 2015	Governance
Member at Large	Jack Elzroth		Gilford	NH				2, October 2014	Governance
Member at Large	Trudy Fletcher		Belmont	NH				1, October 2015	Development
Member at Large	Miller Lovett		Meredith	NH				2, October 2015	Finance
Member at Large	Ed McFarland		Laconia	NH				3, October 2016	Executive, Finance, Facilities
Member at Large	Liz Merry		Laconia	NH				2, October 2016	Executive, Finance, Facilities
Member at Large	Carol Pierce		Laconia	NH				2, October 2016	Advocacy (Chair), Governance
Member at Large	Jennifer Sereni		Sanbornton	NH				1, October 2015	OL
Member at Large	Cinda Shepard		Gilford	NH				1, October 2015	Development
Member at Large	Mathew Soza		Gilford	NH				1, October 2015	TBD
Member at Large	Kim Sperry		Laconia	NH				1, October 2014	Development, Finance, OL, Facilities, Governance, Advocacy
Member at Large	Jannine Sutcliffe		Meredith	NH				1, October 2016	TBD
Member at Large	Keiley White, MD		Holderness	NH				1, October 2014	Development
Honorary Member	Esther Peters		Gilford	NH				2, October 2015	OL (Chair), Executive
Honorary Member	Esther Peters		Laconia	NH				N/A	

## Margaret M. Pritchard

**Objective:** Administer programs which assist disabled people in obtaining or maintaining quality independent life

**Experience:** Current          Genesis Behavioral Health          Laconia, NH  
**Executive Director**

2004-2007          Community Partners          Dover, NH  
**Chief Operating Officer, Behavioral Health & Developmental Services of  
Strafford County, Inc.**

- Oversee day-to-day operations of this non-profit company
- Establish and monitor revenue projections for approximately 17 million dollars worth of business
- Supervise all clinical directors of programs
- Participate in all board meetings and prepares monthly reports for presentation to the board
- Implemented and maintains a cohesive corporate identity between two previously separate corporations
- Serves on Division committees as needed
- Acting CEO on an as-needed basis
- Advocates politically for the corporation

2001-2004          Community Partners          Dover, NH  
**Chief Operating Officer, Behavioral Health Division**

- Responsible for incorporating 7 million dollar cmhc operations into an existing developmental services agency as a result of the closing of Strafford Guidance Center

2000-2001          Genesis Behavioral Health          Laconia, NH  
**Director, Clinical Operations**

- Established multidisciplinary teams and set standards of care
- Monitored various contractor agreements
- Established revenue projections for 5.2 million dollar operations
- Served on both internal and external organization committees

1994-2000          Riverbend CMHC          Concord, NH  
**Director, Community Support Program**

- Hire, fire and supervise middle managers and direct care staff (approx. 100 staff)
- Established productivity expectations consistent with budget target (approx. 4 million dollars)
- Monitored and implemented quality assurance standards to satisfy regulators including NH DBH, Medicaid, Medicare, NHHFA, etc
- Developed policies and procedures
- Established and ensured a full range of services for people with psychiatric disabilities

1992-1994 The Mental Health Center Manchester, NH

**Director, Emergency Services**

- Managed the 24-hour psychiatric assessments and emergency care
- Supervised, recruited and trained personnel internal and external to the department
- Liaison to local police, hospitals, homeless shelters and refugee center

**Emergency Service Clinician**

- Provided crisis intervention, assessments and emergency care to people in acute distress

1987-1989 Community Council Nashua, NH

**Director, Community Education**

- Developed and implemented agency-wide staff development plan
- Submitted grants and responded to RFPs for special projects that assisted the agency in promoting education and prevention services

1986-1989 NE Non-profit Housing Manchester, NH

**Social Worker**

- Property management and general contractor for CDBH/"Mod Rehab" housing projects
- Screened individuals and families for housing assistance through Section 8 and other subsidy programs
- Co-authored HUD grant for 2.5 million dollars for "Women in Transition"
- Conducted housing inspections and worked with code department and local authority to assure compliance standards

1986 Region IV Agency Concord, NH

**Case Manager**

- Developed and monitored treatment plans for 25 developmentally disabled adults

1982-1985 The Mental Health Center Manchester, NH

**Manager: Criscare Care Unit/SRO/Respite Care/Shared Apartment Program**

- Supervised and trained direct care staff in implementing treatment related to independent living skills and community-based living
- Screened and assessed clients for appropriate services and placement
- Liaison with local housing authority and police

**Residential Staff**

- Wrote and implemented residential service plans for 40 psychiatrically disabled adults.

**Education:** 1998-2000 New England College Henniker, NH

- MS Community Mental Health Counseling

1977-1981 SUNY Brockport Brockport, NH

- BS Social Work

**Interests:** 1989-Present

- Granite State Critical Incident Street Management Team-Coordinator



Lakes Region Mental Health Center, Inc. dba GENESIS Behavioral Health  
 Project Number: NH01B600011 / Project Name: Mc GRATH Street  
 HUD Contract FY2008 re: BOSCOB 2006

\*\*\* FULL SALARY AMOUNT for each of the above ( 3. Current resumes of Executive Director and other Key Personnel )  
 along with PERCENTAGE of EACH SALARY to BE PAID from THIS AWARD

ONE-YEAR CONTRACT  
 TOTAL AWARD AMOUNT: \$91,051 ( \$88,717 + Adm. (50%) \$2,334 )  
 STATE FISCAL YEAR 2015

\*\*\* There is no more a line named Salaries  
 and fringe benefits

	ANNUAL SALARY as per 04/01/2014	HUD -Project Budget *** Salaries	Award \$ 91,051.00
EXECUTIVE DIRECTOR ( Resume )	\$ 110,000	\$ -	0%
Residential Coordinator (Resume)	\$ 44,500	\$ -	0%

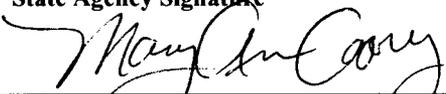
Subject: Continuum of Care Program

**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> Seacoast Mental Health Center		<b>1.4 Contractor Address</b> 1145 Sagamore Avenue Portsmouth, NH 03801	
<b>1.5 Contractor Phone Number</b> (603) 431-6703	<b>1.6 Account Number</b> 010-042-7927-102-0731	<b>1.7 Completion Date</b> June 30, 2015	<b>1.8 Price Limitation</b> \$13,918.00
<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 Pendleton, President, BOD	
<b>1.13 Acknowledgement:</b> State of <u>NH</u> , County of <u>ROCKINGHAM</u> On <u>3/18/2014</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] <u>Lorraine Mansfield</u> <span style="float: right;">Commission expires: <u>2/28/19</u></span>			
<b>1.13.2 Name and Title of Notary or Justice of the Peace</b> <u>Lorraine Mansfield, Justice of the Peace</u>			
<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: <u>Rosmary Kiel</u> On: <u>4-17-14</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.

Contractor Initials:   
Date: 3/10/14

**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

Contractor Initials:   
Date: 3/18/2014





Exhibit A

SCOPE OF SERVICES

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 six (6) 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.



Exhibit A

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 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.



Exhibit A

- 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.
  - 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



Exhibit A

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).

- 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.



**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**Continuum of Care Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Continuum of Care 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: Continuum of Care Program

Total Amount Continuum of Care Program;

July 1, 2014 – June 30, 2015: not to exceed \$13,918.00

Funds allocation under this agreement for Continuum of Care Program;

Operating Cost: \$13,561.00

Administrative Costs: \$357.00

Total program amount: \$13,918.00

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. REPORTS**

As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:

- 2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.
- 2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

JD  
3/18/14



Exhibit B

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3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

- 3.1. 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.
- 3.2. 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 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.
- 3.3. 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.

4. USE OF GRANT FUNDS

- 4.1. 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.
- 4.2. 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.



**Exhibit B**

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- 4.3. 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.
5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM
- 5.1. 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.
- 5.2. 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.

*[Handwritten Signature]*  
3/18/14



**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.

*[Handwritten Signature]*

*3/18/14*



**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

*[Handwritten Signature]*  
3/18/04



- 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.

3/18/14  
Date

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC  
  
Name: John Penclleton  
Title: President, BOD



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

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

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

3/18/14  
Date

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC  
  
Name: John Pendleton  
Title: President, BoD



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

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

**INSTRUCTIONS FOR CERTIFICATION**

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

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3/18/14



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

**LOWER TIER COVERED TRANSACTIONS**

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

Contractor Name: *SEACOAST MENTAL HEALTH CENTER, INC*

Name: *Joan Pendleton*  
Title: *PRESIDENT, BOB*

3/18/14  
Date

Contractor Initials *JP*  
Date 3/18/14



**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.

3/18/14  
Date

Contractor Name: SEACOAST MENTAL  
HEALTH CENTER, INC  
  
Name: John Pendleton  
Title: President, BOD



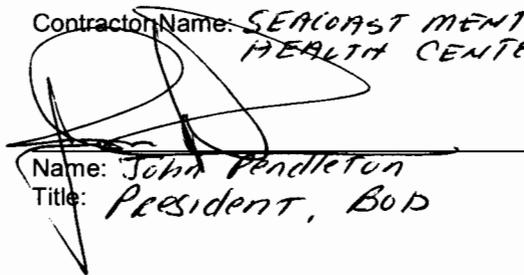
**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

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.

3/18/14  
Date

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC  
  
Name: John Pendleton  
Title: President, BOB



**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.

3/18/14  
Date

4/4/14  
Date

Contractor Name: SEACOAST MENTAL HEALTH CENTER, INC

  
Name: John Pennington  
Title: PRESIDENT, BUD

State Agency Name:  
NH DHHS

  
Name: Mary Ann Cooley  
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: *SEACOAST MENTAL HEALTH CENTER, INC*

  
Name: *John Pendleton*  
Title: *president, BOI*

3/18/14  
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: 188996185
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                      WHT YES

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

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

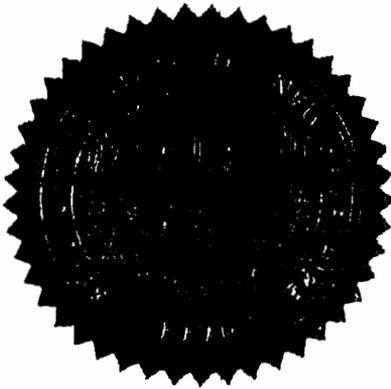
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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 SEACOAST MENTAL HEALTH CENTER, INC. is a New Hampshire nonprofit corporation formed January 21, 1963. 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 5<sup>th</sup> day of June A.D. 2013

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

William M. Gardner  
Secretary of State

# CERTIFICATE OF VOTE

I, PAUL SORLI, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of SEACOAST MENTAL HEALTH CENTER, 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 3/18/2014 :  
(Date)

**RESOLVED:** That the PRESIDENT, BOARD OF DIRECTORS  
(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 18 day of MARCH, 2014.  
(Date Contract Signed)

4. John Pendleton is the duly elected President, BOD  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Paul Sorli  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of ROCKINGHAM

The forgoing instrument was acknowledged before me this 18 day of March, 2014.

By PAUL SORLI  
(Name of Elected Officer of the Agency)

Louise Mansfield  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: 2/28/19



## **Seacoast Mental Health Center, Inc.**

### **Mission Statement**

SEACOAST MENTAL HEALTH CENTER, INC. is a private, not-for-profit, comprehensive mental health facility serving the eastern half of Rockingham County, New Hampshire. The mission of the Center is to provide a broad, comprehensive array of high quality, effective and accessible mental health services to residents of the Seacoast area. Some of these services seek to promote positive mental well-being and prevent occurrences of mental illness. Some of these services endeavor to address problematic emotional functioning, treating those directly or indirectly affected by mental illness. Other services strive to care for and improve the quality of lives of those with severe or persistent mental illness.

Seacoast Mental Health Center, Inc.

FINANCIAL STATEMENTS

June 30, 2012

Seacoast Mental Health Center, Inc.  
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June 30, 2012

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**Kittell Branagan & Sargent**

*Certified Public Accountants*

Vermont License # 167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
of Seacoast Mental Health Center, Inc.

We have audited the accompanying statement of financial position of Seacoast Mental Health Center, 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.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Seacoast Mental Health Center, 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.

Our audit was made for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on page 8 through 11 is presented for the 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 audit 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.

St. Albans, Vermont  
August 21, 2012

Seacoast Mental Health Center, Ir  
STATEMENT OF FINANCIAL POSITION  
June 30, 2012

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 318,523
Accounts receivable (net of \$485,000 allowance)	818,934
Prepaid expenses	<u>83,269</u>

TOTAL CURRENT ASSETS 1,220,726

PROPERTY AND EQUIPMENT - NET 29,984

TOTAL ASSETS \$ 1,250,710

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Due to affiliate	\$ 413,244
Accounts payable	98,589
Deferred income	14,950
Accrued vacation	121,434
Accrued expenses	<u>99,247</u>

TOTAL CURRENT LIABILITIES 747,464

NET ASSETS

Unrestricted Net Assets 503,246

TOTAL LIABILITIES AND NET ASSETS \$ 1,250,710

See Notes to Financial Statements

Seacoast Mental Health Center, Inc.  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
For the Year Ended June 30, 2012

PUBLIC SUPPORT AND REVENUES

Public support -	
Federal	\$ 199,100
State of New Hampshire - BBH	42,050
Other public support	550,823
Total Public Support	791,973
Revenues -	
Program service fees	8,105,319
Rental income	78,457
Interest Income	2,077
Other revenue	106,948
Total Revenues	8,292,801

TOTAL PUBLIC SUPPORT AND REVENUES	9,084,774
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EXPENSES

BBH funded program services -	
Children services	2,089,457
Therapy Mentoring	630,438
Elder services	649,407
Intake services	126,434
Crisis response	724,055
Job store	229,883
Portsmouth CSP Team	1,078,535
CSP-ITT	635,915
Exeter CSP Team	1,282,249
Fairweather Lodge	637,775
Springbrook	33,507
Drug Court	111,131
Non-DMH funded program services	915,876

TOTAL EXPENSES	9,144,662
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DEFICIENCY OF PUBLIC SUPPORT AND REVENUE UNDER EXPENSES FROM OPERATIONS	(59,888)
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NET ASSETS, beginning	563,134
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NET ASSETS, ending	\$ 503,246
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See Notes to Financial Statements

Seacoast Mental Health Center, Inc  
STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2012

CASH FLOWS FROM OPERATING ACTIVITIES	
Decrease in net assets	\$ (59,888)
Adjustments to reconcile to net cash provided by operations:	
Depreciation	18,332
(Increase) decrease in:	
Accounts receivable - trade	(68,736)
Prepaid expenses	(5,233)
Restricted Cash	3,446
Increase (decrease) in:	
Accounts payable & accrued liabilities	(5,062)
Deferred income	<u>(12,606)</u>
NET CASH USED BY OPERATING ACTIVITIES	<u>(129,747)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	<u>(25,618)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Related party repayments, net	<u>302,371</u>
NET INCREASE IN CASH	147,006
CASH AT BEGINNING OF YEAR	<u>171,517</u>
CASH AT END OF YEAR	<u>\$ 318,523</u>
SUPPLEMENTAL DISCLOSURES	
Cash Payments for Interest	<u>\$ 5,818</u>

See Notes to Financial Statements

Seacoast Mental Health Center, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2012

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Seacoast Mental Health Center, Inc. (the Center) is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs; it is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code. In addition, the organization qualifies for the charitable contribution deduction under Section 170 (b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Income Taxes

Consideration has been given to uncertain tax positions. The federal income tax returns for the years ended after June 30, 2009, remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

Estimates

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

Related Organizations

The Center leases property and equipment from Seacoast Mental Health Center Resource Group, Inc. - a related non-profit corporation formed in 1985 for the benefit of Seacoast Mental Health Center, Inc. Seacoast Mental Health Center Resource Group was formed to support the operations of Seacoast Mental Health Center, Inc. by managing and renting property and raising other funds on its behalf.

Depreciation

The cost of property, equipment and leasehold improvements is depreciated over the estimated useful life of the assets using the straight line method. Assets deemed to have a useful life greater than three years are deemed capital in nature. Estimated useful lives range from 3 to 30 years.

State Grants

The Center receives a number of grants from and has entered into various contracts with the State of New Hampshire related to the delivery of mental health services.

Vacation Pay and Fringe Benefits

Vacation pay is accrued and charged to the programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on the programs.

Seacoast Mental Health Center, Inc  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2012

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue

Revenue from federal, state and other sources is recognized in the period earned.

Accounts Receivable

Accounts receivable are recorded based on amounts billed for services provided. The allowance for doubtful accounts is the Center's estimate of the amount of probable losses in the existing accounts receivable based on historic trends and the composition of the accounts receivable aging as of June 30, 2012.

Third Party Contractual Arrangements

A significant portion of patient revenue is derived from services to patients insured by third-party payors. The corporation receives reimbursement from Medicare, Medicaid and Blue Cross at defined rates for services rendered to patients covered by these programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received. A provision for estimated contractual allowances is provided on outstanding patient receivables at the balance sheet date.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Center considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

NOTE 2      PROPERTY AND EQUIPMENT

Property and equipment, at cost, consists of the following:

Computer equipment	\$ 338,694
Furniture, fixtures and equipment	<u>999,071</u>
	1,337,765
Accumulated Depreciation	<u>(1,307,781)</u>
Net Book Value	<u><u>\$ 29,984</u></u>

Seacoast Mental Health Center, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2012

NOTE 3 ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE - TRADE

Due from clients	\$ 365,446
Insurance companies	259,466
Medicaid receivable	441,018
Medicare receivable	<u>213,817</u>
	1,279,747
Allowance for doubtful accounts	<u>(485,000)</u>
	<u>794,747</u>

ACCOUNTS RECEIVABLE - OTHER

BDAS	3,375
CDBG Grant	1,250
Department of Justice	14,705
Employee	912
Exeter Hospital	1,642
Lamprey Healthcare	250
UNH	<u>2,053</u>
	<u>24,187</u>

TOTAL ACCOUNTS RECEIVABLE	<u><u>\$ 818,934</u></u>
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NOTE 4 DEFERRED INCOME

BBH	<u><u>\$ 14,950</u></u>
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NOTE 5 LINE OF CREDIT

As of June 30, 2012, the Center had available a line of credit with an upper limit of \$500,000. At that date, \$-0- had been borrowed against the line of credit. These funds are available with an interest rate of The Wall Street Journal Prime Rate, floating. This line of credit expires on April 12, 2013.

NOTE 6 RELATED PARTY TRANSACTIONS

During the year ended June 30, 2012, the Center collected \$72,000 from Seacoast Mental Health Center Resource Group, Inc. (Resource Group) in management fees for administrative services.

Seacoast Mental Health Center, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2012

NOTE 6 RELATED PARTY TRANSACTIONS (continued)

For the year ended June 30, 2012, the Center had legal costs of \$18,843 with a law firm in which a board member is a partner.

Included in Due to Affiliate is \$412,000 in principal and \$1,244 in related interest owed from a line of credit issued to the Center from Resource Group with a limit of \$447,079. Interest is charged at prime plus 1%. As of June 30, 2012 the interest rate was 4.25%. During the year ended June 30, 2012 \$6,188 was paid in interest related to this line of credit.

The Center guarantees mortgages totaling \$838,478 for the Resource Group as of June 30, 2012.

Operating Leases

During the year ended June 30, 2012, the Center rented properties and equipment from the Resource Group. Total rent paid for the year for property and equipment was \$320,772 and \$61,041, respectively. The Center is obligated to the Resource Group under cancelable leases to continue to rent these facilities and equipment at an annual rate of approximately \$383,840 through June 2017.

NOTE 7 EMPLOYEE BENEFIT PLAN

The Center has the option to make contributions to a tax-sheltered annuity on behalf of its employees. This program covers substantially all full-time employees. During the year ended June 30, 2012, no such contributions were made.

NOTE 8 COMMITMENTS

The Center has entered into a subscription agreement with a software vendor and is obligated to pay \$5,950 per month through May 31, 2016 in exchange for software subscription services.

NOTE 9 SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Center has evaluated subsequent events through August 21, 2012, which is the date these basic financial statements were available to be issued. All subsequent events requiring recognition as of June 30, 2012, have been incorporated into these basic financial statements herein.

SUPPLEMENTARY INFORMATION

Seacoast Mental Health Center, Inc  
ANALYSIS OF ACCOUNTS RECEIVABLE  
For the Year Ended June 30, 2012

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Accounts Receivable End of Year
CLIENT FEES	\$ 421,792	\$ 1,235,238	\$ (933,882)	\$ (357,702)	\$ 365,446
BLUE CROSS / BLUE SHIELD	11,536	124,124	(26,949)	(87,121)	21,590
MEDICAID	487,610	7,751,497	(1,448,843)	(6,349,246)	441,018
MEDICARE	99,541	974,566	(509,361)	(350,929)	213,817
OTHER INSURANCE	159,050	1,460,344	(521,416)	(860,102)	237,876
ALLOWANCE FOR UNCOLLECTIBLES	<u>(450,000)</u>	-	-	-	<u>(485,000)</u>
TOTAL	<u>\$ 729,529</u>	<u>\$ 11,545,769</u>	<u>\$ (3,440,451)</u>	<u>\$ (8,005,100)</u>	<u>\$ 794,747</u>

Seacoast Mental Health Center, Inc.  
**ANALYSIS OF BBH REVENUES AND RECEIVABLES**  
 For the Year Ended June 30, 2012

	Receivable (Deferred Income) From BBH Beginning of Year	BBH Revenues Per Audited Financial Statements	Receipts for Year	Receivable (Deferred Income) From BBH End of Year
CONTRACT YEAR, June 30, 2012	\$ <u>          -</u>	\$ <u>  42,050</u>	\$ <u> (57,000)</u>	\$ <u> (14,950)</u>

Analysis of Receipts Date of Receipt go ove	Amount
07/26/11	\$ 9,562
08/29/11	4,781
09/28/11	4,781
10/18/11	300
10/31/11	4,781
11/30/11	4,781
12/13/11	1,799
12/29/11	4,781
01/24/12	15,239
02/02/12	4,781
02/24/12	4,781
03/29/12	4,781
05/01/12	4,781
06/01/12	22,201
06/01/12	4,781
Less: Federal Monies	<u>          (39,911)</u>
	<u>          \$ 57,000</u>

Seacoast Mental Health Center, Inc.  
 STATEMENT OF FUNCTIONAL PUBLIC SUPPORT AND REVENUES  
 For the Year Ended June 30, 2012

	Total Agency	Admin.	Total Programs	Children	Therapy Mentoring	Elder
<b>Program Service Fees:</b>						
Net Client Fee	\$ 301,356	\$ -	\$ 301,356	\$ 116,474	\$ 7,420	\$ 33,493
Blue Cross/Blue Shield	97,176	-	97,176	12,023	-	20,258
Medicaid	6,302,654	-	6,302,654	2,080,671	950,598	222,531
Medicare	465,205	-	465,205	-	-	103,432
Other Insurance	938,928	-	938,928	277,499	37,807	47,686
<b>Public Support - Other:</b>						
United Way	10,150	-	10,150	-	-	-
Local/County Government	55,585	-	55,585	-	-	-
Donations/Contributions	41,079	19,904	21,175	-	-	425
Other Public Support	380,843	-	380,843	27,051	14,759	56,270
DPHS	63,000	-	63,000	-	-	63,000
DCYF	166	-	166	166	-	-
<b>Federal Funding:</b>						
Block Grants	5,000	-	5,000	-	-	-
HUD Grant	13,817	-	13,817	-	-	-
Other Federal Grants	152,911	-	152,911	-	-	37,824
PATH	27,372	-	27,372	-	-	-
<b>BBH</b>						
Community Mental Health	42,050	-	42,050	6,916	-	30,610
Rental Income	78,457	3,685	74,772	-	-	-
Other Revenues	106,948	75,749	31,199	806	109	19,992
Interest Income	2,077	2,077	-	-	-	-
	<u>9,084,774</u>	<u>101,415</u>	<u>8,983,359</u>	<u>2,521,606</u>	<u>1,010,693</u>	<u>635,521</u>
Administration	-	(101,415)	101,415	28,566	11,450	7,199
<b>TOTAL PUBLIC SUPPORT AND REVENUES</b>	<u>\$ 9,084,774</u>	<u>\$ -</u>	<u>\$ 9,084,774</u>	<u>\$ 2,550,172</u>	<u>\$ 1,022,143</u>	<u>\$ 642,720</u>

Intake	Crisis Response	Job Store	Portsmouth CSP Team	CSP-ITT	Exeter CSP Team	Fairweather Lodge	Springbrook	Drug Court	Other Non/BBH
\$ (1,115)	\$ (6,256)	\$ (960)	\$ 26,694	\$ 2,494	\$ 43,236	\$ (3,463)	\$ -	\$ 3,035	\$ 80,304
(79)	5,232	-	13,897	3,584	11,691	-	-	-	30,570
1,010	65,796	153,336	837,591	558,828	948,380	316,157	-	-	167,756
99	17,564	436	126,075	22,888	114,285	-	-	-	80,426
2,246	61,758	-	44,139	8,564	153,280	-	-	-	305,949
-	-	-	-	10,150	-	-	-	-	-
-	-	-	13,413	-	8,509	-	-	-	33,663
-	1,000	-	1,100	-	-	-	-	-	18,650
11	156,673	4,021	3,454	1,843	4,132	973	-	-	111,656
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	1,667	1,667	-	-	-	-	1,666
-	-	-	-	-	-	-	13,817	-	-
-	-	19,952	-	-	-	-	-	95,135	-
-	-	-	-	27,372	-	-	-	-	-
-	-	-	1,611	1,004	1,909	-	-	-	-
-	-	-	-	-	-	58,148	16,624	-	-
78	94	51	276	404	232	5,339	2,900	112	806
-	-	-	-	-	-	-	-	-	-
2,250	301,861	176,836	1,069,917	638,798	1,285,654	377,154	33,341	98,282	831,446
25	3,420	2,003	12,120	7,237	14,564	4,273	378	1,113	9,067
<u>\$ 2,275</u>	<u>\$ 305,281</u>	<u>\$ 178,839</u>	<u>\$ 1,082,037</u>	<u>\$ 646,035</u>	<u>\$ 1,300,218</u>	<u>\$ 381,427</u>	<u>\$ 33,719</u>	<u>\$ 99,395</u>	<u>\$ 840,513</u>

Seacoast Mental Health Center, Inc.  
 STATEMENT OF PROGRAM SERVICE EXPENSES  
 For the Year Ended June 30, 2012

	Total Agency	Admin.	Total Programs	Children	Therapy Mentoring	Elder	Intake
<b>Personnel Costs:</b>							
Salary and wages	\$ 6,327,660	\$ 609,057	\$ 5,718,603	\$ 1,319,106	\$ 382,383	\$ 362,537	\$ 67,747
Payroll Taxes	492,343	45,901	446,442	100,161	31,339	29,277	5,459
Employee benefits	783,104	86,042	697,062	176,341	44,934	31,515	9,668
<b>Professional Fees:</b>							
Accounting/audit fees	24,597	20,881	3,716	895	216	209	154
Legal fees	19,300	19,300	-	-	-	-	-
Other professional fees	208,736	19,043	189,693	20,278	9,166	95,930	3,436
<b>Staff Devel. &amp; Training:</b>							
Journals & publications	2,725	443	2,282	1,536	15	14	11
Conferences & conventions	10,782	1,641	9,141	1,748	99	548	-
Other staff development	5,474	1,656	3,818	369	2,646	115	39
<b>Occupancy costs:</b>							
Rent	320,772	28,809	291,963	69,261	11,870	14,319	10,023
Other Utilities	91,344	7,434	83,910	17,816	3,059	3,690	2,574
Maintenance & repairs	81,206	7,760	73,446	17,223	3,060	3,686	2,304
Taxes	8,114	-	8,114	-	-	-	-
<b>Consumable Supplies:</b>							
Office	16,601	1,622	14,979	3,863	731	781	529
Building/household	16,003	1,873	14,130	2,592	459	536	372
Food	47,149	1,931	45,218	3,126	724	983	472
Medical	13,001	120	12,881	345	80	78	60
Other	34,046	2,143	31,903	6,167	1,437	1,397	1,106
Depreciation	18,332	1,620	16,712	3,839	928	893	645
Equipment rental	40,050	3,148	36,902	8,759	2,032	1,998	1,490
Equipment maintenance	1,914	23	1,891	191	240	15	11
Advertising	8,568	457	8,111	1,239	298	784	210
Printing	12,286	2,082	10,204	3,065	519	500	368
Telephone/communications	124,820	11,993	112,827	24,694	4,614	5,573	3,223
Postage/shipping	15,522	1,185	14,337	3,566	795	782	620
<b>Transportation:</b>							
Staff	231,789	11,627	220,162	50,549	58,436	13,056	22
Clients	10,081	-	10,081	2,556	-	-	-
<b>Assist to Individuals:</b>							
Client services	2,022	-	2,022	706	270	36	-
<b>Insurance:</b>							
Malpractice/bonding	41,078	-	41,078	10,657	-	10,385	-
Vehicles	3,570	200	3,370	714	-	-	-
Comp. Property/liability	85,824	6,554	79,270	18,100	4,380	4,225	3,105
Membership Dues	34,577	14,910	19,667	8,469	122	342	92
Other Expenditures	5,084	750	4,334	1,735	2,288	-	-
Interest Expense	6,188	6,188	-	-	-	-	-
	<u>9,144,662</u>	<u>916,393</u>	<u>8,228,269</u>	<u>1,879,666</u>	<u>567,140</u>	<u>584,204</u>	<u>113,740</u>
Admin. Allocation	-	(916,393)	916,393	209,791	63,298	65,203	12,694
<b>TOTAL PROGRAM EXPENSES</b>	<u>\$ 9,144,662</u>	<u>\$ -</u>	<u>\$ 9,144,662</u>	<u>\$ 2,089,457</u>	<u>\$ 630,438</u>	<u>\$ 649,407</u>	<u>\$ 126,434</u>

Crisis Response	Job Store	Portsmouth CSP Team	CSP-ITT	Exeter CSP Team	Fairweather Lodge	Springbrook	Drug Court	Non-BBH
\$ 518,439	\$ 123,045	\$ 675,198	\$ 394,623	\$ 835,764	\$ 349,502	\$ 1,625	\$ 82,275	\$ 606,359
39,864	9,691	51,922	31,361	64,780	28,126	89	6,924	47,449
26,099	23,755	106,261	55,477	121,576	57,710	102	1,102	42,522
185	99	541	301	455	256	-	-	405
-	-	-	-	-	-	-	-	-
4,169	4,807	13,053	6,737	10,181	5,691	-	-	16,245
13	7	37	21	31	295	-	194	108
447	1,750	-	190	-	-	-	3,314	1,045
50	29	144	79	115	64	-	-	168
14,699	11,594	35,774	18,879	29,487	45,107	-	-	30,950
3,790	2,987	9,225	4,865	7,573	14,719	5,640	-	7,972
3,854	2,965	9,402	4,872	6,755	9,783	1,683	-	7,859
-	-	-	-	-	-	8,114	-	-
769	473	1,710	972	1,672	775	-	136	2,568
548	427	1,344	709	1,094	4,142	-	2	1,905
645	517	2,046	1,122	1,513	25,714	-	-	8,356
69	39	201	112	177	94	-	4,208	7,418
1,235	7,110	3,578	2,009	3,151	1,723	-	50	2,940
788	425	2,307	1,288	1,942	1,075	682	-	1,900
1,784	1,013	5,133	2,858	4,414	3,495	-	-	3,926
13	7	166	21	32	1,167	-	-	28
977	491	1,287	703	909	349	-	-	864
442	445	1,294	722	1,089	613	-	-	1,147
21,362	4,448	14,528	7,649	9,424	5,576	-	-	11,736
689	400	1,999	1,134	1,858	921	-	-	1,573
5,505	8,056	14,862	26,161	34,941	4,369	-	1,667	2,538
24	-	2,586	-	-	4,915	-	-	-
-	-	552	208	-	155	-	95	-
1,016	-	2,407	2,466	5,100	-	-	-	9,047
-	-	590	230	-	1,836	-	-	-
3,734	2,010	10,934	6,096	9,201	5,181	4,108	-	8,196
148	212	864	201	262	387	8,100	6	462
-	-	301	-	10	-	-	-	-
-	-	-	-	-	-	-	-	-
651,357	206,802	970,246	572,066	1,153,506	573,740	30,143	99,973	825,686
72,698	23,081	108,289	63,849	128,743	64,035	3,364	11,158	90,190
<u>\$ 724,055</u>	<u>\$ 229,883</u>	<u>\$ 1,078,535</u>	<u>\$ 635,915</u>	<u>\$ 1,282,249</u>	<u>\$ 637,775</u>	<u>\$ 33,507</u>	<u>\$ 111,131</u>	<u>\$ 915,876</u>

## Seacoast Mental Health Center, Inc.

### Board of Directors Listing

<i>First</i>	<i>Last</i>	<i>Employer/Affiliation</i>	<i>Term Begin</i>	<i>Term End</i>	<i>Officer</i>	<i>Committees</i>
						Audit/Finance Board Governance/Nomination Development Facilities
John	Pendleton	Attorney, Dwyer, Donovan & Pendleton, P.A.	Feb-06	Feb-15	President	Audit/Finance Chair - Board Governance/Nomination Development
Carole	Bunting	Retired	Nov-07	Nov-16	Vice President	Facilities
Jason	Coleman	Financial Systems Analyst, United States Air Force	Feb-03	Feb-15	Treasurer	Chair - Audit/Finance Board Governance/Nomination Development Facilities
Paul	Sorli	Proprietor, Portsmouth Gas Light Company	Feb-00	Feb-15	Secretary	Audit/Finance Chair - Facilities
Timothy	Black	Police Officer/Attorney	Jan-12	Jan-15	N/A	Development
Susan	Craig	Ph.D. - Consultant/Author Assistant City Attorney City of Portsmouth	Jan-13	Jan-16	N/A	None
Kathleen	Dwyer	Operations Officer, United States Air Force	Aug-13	Aug-16		
Timothy	Graff	Pediatrician, Hampton Pediatric Associates	Feb-03	Feb-15		Finance
Kimberly	Hyer		Apr-97	Jun-14	N/A	Facilities
Lindsay	Josephs	Retired	Jan-13	Jan-16	N/A	None
Monica	Kieser	Attorney	Jan-12	Jan-15	N/A	Audit/Finance
Ed	Miller	Financial Advisor	Apr-12	Apr-15	N/A	Audit/Finance
Nike	Speltz	Retired	Apr-04	Apr-16		Audit/Finance Development
Robert	Stomiersky	Consultant	Aug-94	Aug-16	N/A	Facilities

**Geraldine A. Couture**

**Professional Experience**

**Seacoast Mental Health Center, Inc., Portsmouth, NH**  
**Executive Director, April 2002**

**Seacoast Mental Health Center, Inc., Portsmouth, NH**  
**Associate Director, March 1993 – April 2002**

**Interim Director of Child Adolescent and Family Services, November 2000 –**  
**Compliance Officer**

Oversee fiscal and administrative functions of large community mental health center.  
Coordinate development and monitoring of annual budget and state contract.  
Facilitate ongoing development of team model Child, Adolescent and Family Services  
Department including direct supervision of management staff, regional planning and inter-  
agency collaboration.

Chair: Compliance Committee.

Member: Personnel, Staff Growth and Development and Quality Improvement Committees

**Strafford Guidance Center, Inc., Dover, NH**

**Business Manager, December 1991 - March 1993**

Assistant Business Manager, January 1991 - December 1991

Accounts Receivable Manager, August 1987 - January 1991

Actively oversee daily operations of Accounts Receivable Department in a community mental  
health center.

Participate in development and monitoring of annual budget and contract with the New  
Hampshire Division of Mental Health.

Rochester Site Office Manger, December 1986 - August 1987

Responsible for all daily operations of satellite office.

Administrative Assistant, June 1986 - December 1986

Provided administrative support services to the Director of the Community Support  
Program.

**Fradco Holdings, Inc., Greensburg, PA**

**President, June 1984 - April 1986**

Administered all functions of company dealing in coal, timber and natural gas holdings.

**Educational Experience**

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

Master of Health Administration, May 2001.

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

Bachelor of Science, College of Life Sciences and Agriculture, Family and Consumer Studies,  
May 1984

**Honors and Awards**

Federal Traineeship in Health Management and Policy, Academic Year 2000-2001

**Membership**

National Association of Reimbursement Officers, Past President

Linda S. Every

**EMPLOYMENT:**

**2002-Present:** Associate Director, Seacoast Mental Health Center, Inc. 1145 Sagamore Ave, Portsmouth, NH 03801. Responsible for fiscal and administrative functions; Oversee development of annual budget and contract; Monitor and ensure proper financial controls are in place. Supervision of Management Staff. Member: Personnel, Compliance, and Quality Improvement Committees.

**1993-2002:** Business Office Manager, Seacoast Mental Health Center, Inc. 1145 Sagamore Avenue, Portsmouth, NH 03801. Responsible for all the accounting functions, non-client Accounts Receivable, Accounts Payable, Payroll and Purchasing. Duties include supervision and annual appraisal of accounting staff; preparation and analysis of financial statements; grants management; cash management; and coordinating the annual financial audit; prepare financial reports for various funding sources; Write and review policies and procedures as they pertain to the business functions. Ensure proper accounting controls are in place.

**1989-1993:** Promoted to Business Office Manager, Seacoast Mental Health Center Inc., 1145 Sagamore Ave., Portsmouth, NH 03801. Responsible for Accounts Payable, Payroll, Purchasing, non-client Accounts Receivable. Assisted with preparation of financial statements, and year end audit. Participated in the selection of new computer system, both hardware and software, and the implementation of that system. Provided backup up for the computer department.

**1986-1989:** Accountant, Seacoast Mental Health Center, Inc. 1145 Sagamore Ave., Portsmouth, NH 03801, Responsible for processing semimonthly Payroll and Accounts payable. Prepared daily deposits, maintained fixed assets, posted all non-client cash receipts. Streamlined the accounts payable process. Assisted with month end close.

**1985-1986:** Accountant, G&M Construction Corporation. 205 Lafayette Rd., North Hampton, NH. Responsible for processing Accounts Payable, Accounts Receivable, Payroll, Job Costing and Equipment Charges. Verified accuracy of financial information.

**1984-1985:** Accounts Payable/Payroll Clerk, Griffin Construction Company Inc., PO Box 149 Portsmouth, NH. Responsible for verifying and processing all incoming invoices, processed weekly-computerized payroll for 60 employees. Assisted in preparing audit work papers.

**EDUCATION:**

Bachelors Degree, June 1989, in Business administration. New Hampshire College, Greenleaf Ave.

Portsmouth, NH 03801.

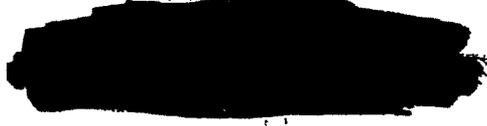
Associate Degree, August 1983, in Accounting and Business Management, McIntosh College,  
Cataract Ave. Dover, NH 03820.

**MEMBERSHIPS:**

Member Institute of Management Accountants.

**REFERENCES:** Available on request

**PATRICIA A. DRISCOLL, LICSW**



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**WORK HISTORY**

*Jun 2008  
to  
Present*

**Senior Clinician**  
*Amesbury Psychological Center, Inc.  
24 Morrill Place Amesbury, MA 01913*

Provide outpatient mental health and substance abuse treatment to adolescents and adults with a range of severity of symptoms; assist the Center Director with clinical and administrative duties.

- Function as the Multi-Disciplinary Treatment Team Chairperson with duties including: development and monitoring of internal audit and quality assurance systems; oversee all preparation for external audits; ensure compliance with all regulatory requirements
- Supervise other masters level clinicians
- Assist the Center Director with administrative duties including facilitation of group supervision meeting; coverage in his absence; attendance at off-site conferences/trainings; in-house training of clinical staff; interview and orient new clinical staff
- Function is the Chairperson of the Multi-Disciplinary Treatment Team: developed and oversee internal Quality Assurance review process; ensure compliance with all regulatory requirements; lead all audit preparation activities
- Take the lead in continuous quality improvement activities including evaluating and revising clinical documents; agency policies/procedures and leadership role in a state wide project to standardize clinical documentation; chosen to pilot project to develop full electronic health record

*Sep 2004  
to  
May 2008*

**Director of Merrimack Valley Services**  
*Bridgewell, Inc.  
Lynnfield, MA*

As a member of the Executive Leadership Team of a large, innovative agency providing a variety of services to adults with mental health issues and developmental disabilities, oversaw all operations of the services in the Merrimack Valley. Services included residential, outpatient, day treatment, supportive living and homeless services.

- Supervised Senior and Middle Management staff responsible to run a total of 20 programs, employing 250 staff
- Managed an annual operating budget of \$12M; negotiated contracts with State Department of Mental Health and Developmental Services
- Responsible for compliance with all internal and external regulatory requirements; participated in quality assurance activities
- Collaborated with State Department of Mental Health and Developmental Services to ensure quality services/treatment for individuals

May 1989 *Master of Social Work*

Sep 1983 **Hobart and William Smith Colleges**  
to  
Geneva, New York 14456  
May 1987 *BA in Psychology*

**MEMBERSHIPS**

National Association of Social Workers

**REFERENCES**

Will be furnished upon request.

**CONTRACTOR NAME**

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Geradine Couture	Executive Director	\$140,675	0	0
Linda Every	Associate Director	\$ 83,987	0	0
Patty Driscoll	Adult Services Director	\$ 73,542	2%	\$1,470

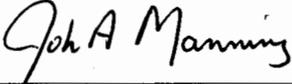
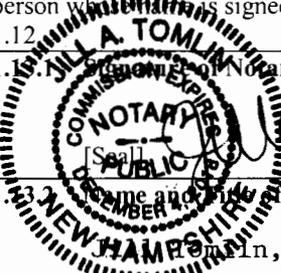
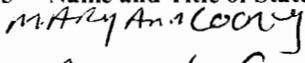
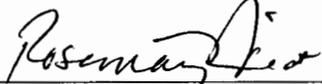
Subject: Continuum of Care Program - Supportive Housing Program

**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 P.O. Box 603 Keene, NH 03431-0603	
<b>1.5 Contractor Phone Number</b> (603) 352-7512	<b>1.6 Account Number</b> 010-042-7927-102-0731	<b>1.7 Completion Date</b> December 31, 2014	<b>1.8 Price Limitation</b> \$109,730.00
<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>2/26/14</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 Notary Public or Justice of the Peace</b>  			
<b>1.15 Name and Title of State Agency Signatory</b>  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>4-2-14</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.**

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

Contractor Initials: Jm  
Date: 2/26/14





Exhibit A

**SCOPE OF SERVICES**

**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 fourteen (14) 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.

*Jm*  
2/26/14



Exhibit A

- 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 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.



Exhibit A

- 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.
  - 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



Exhibit A

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).

- 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.

*Jm*  
2/26/14



Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**Continuum of Care Program**

The following financial conditions apply to the scope of services as detailed in Exhibit A – Continuum of Care 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: Continuum of Care Program

Total Amount Continuum of Care Program;

January 1, 2014 – December 31, 2014: not to exceed \$109,730.00

Funds allocation under this agreement for Continuum of Care Program;

Supportive Services: \$22,360.00

Leasing or Rental Assistance: \$83,844.00

Administrative Costs: \$3,526.00

Total Program Amount: \$109,730.00

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. REPORTS**

As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:

2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with the regulations that implement OMB Circular A-133. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State.

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

*Jm*  
2/26/14



Exhibit B

3. PROJECT COSTS: PAYMENT SCHEDULE; REVIEW BY THE STATE

- 3.1. 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.
- 3.2. 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 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.
- 3.3. 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.

4. USE OF GRANT FUNDS

- 4.1. 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.
- 4.2. 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.

*Jm*  
2/26/14

**New Hampshire Department of Health and Human Services  
Continuum of Care Program – Supportive Housing Programs**



**Exhibit B**

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- 4.3. 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.
5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM
  - 5.1. 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.
  - 5.2. 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.

*JM*  
2/26/14



**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.



**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.

2/26/14  
Date

John A. Manning  
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

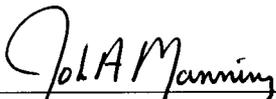
The undersigned certifies, to the best of his or her knowledge and belief, that:

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

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

Contractor Name: Southwestern Community Services, Inc.

2/26/14  
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 Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**INSTRUCTIONS FOR CERTIFICATION**

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

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

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

**PRIMARY COVERED TRANSACTIONS**

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

**LOWER TIER COVERED TRANSACTIONS**

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

Contractor Name: Southwestern Community Services, Inc.

2/26/14  
Date

John A. Manning  
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.

2/26/14  
Date

John A. Manning  
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.

2/26/14  
Date

John A. Manning  
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.

2/26/14  
Date

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

State Agency Name:  
NH DHHS

3/27/14  
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.

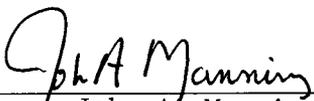
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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: Southwestern Community Services, Inc.

2/26/14  
Date

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



**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?

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:

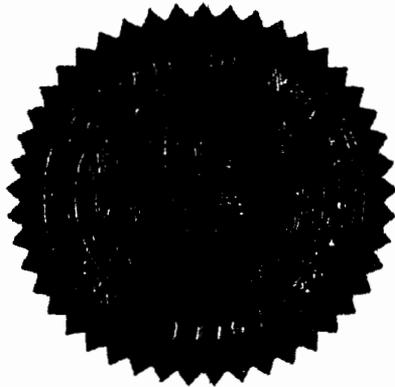
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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 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 5<sup>th</sup> day of June A.D. 2013

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

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 two resolution duly adopted at a meeting of the Board of Directors of the Agency  
duly held on 4/27/12 :  
(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 26th day of February, 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)

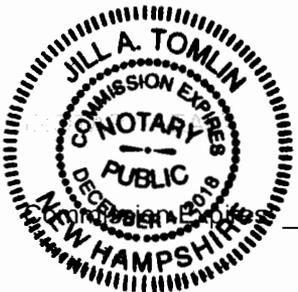
STATE OF NEW HAMPSHIRE

County of Cheshire

The forgoing instrument was acknowledged before me this 19th day of February, 20 14 ,

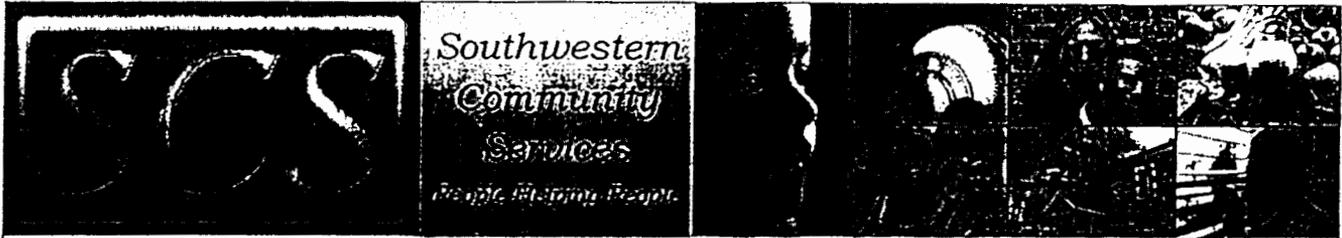
By Elaine M. Amer  
(Name of Elected Officer of the Agency)

Juanita M. [Signature]  
(Notary Public/Justice of the Peace)



12-418





**About Us**

- [About Us](#)
- [Our History](#)
- [Board of Directors](#)
- [Senior Team](#)
- [Program Directors](#)
- [Employment](#)
- [Contact Us](#)
- [Directions](#)

**Southwestern Community Services**

Southwestern Community Services (SCS), one of New Hampshire's five community action agencies, has served the needs of Cheshire and Sullivan county citizens for more than 48 years. Our history began in 1965 when President Lyndon Johnson commenced waging his war on poverty. As the battles continue, so do our efforts as advocates for those in need. Southwestern Community Services is a tax-exempt organization under section 501(c)3 of the Internal Revenue Code.

**Our vision:** SCS seeks to create and support a climate within the communities of southwestern New Hampshire wherein poverty is never accepted as a chronic or permanent condition of any person's life.

**Our mission:** 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 in close collaboration with local communities, SCS will provide leadership and support to develop resources, programs, and services to further aid this population.

Some of our programs have undergone changes over the years, evolving and expanding as we strive to stay in touch and keep pace with the real needs of the people. Additionally, because the needs of the people are constantly changing, when it becomes necessary, we search out, or sometimes develop, new programs that will best serve those needs.

Leadership at SCS is provided by the Senior Team and our Program Directors. Each plays a vital role in assuring that the agency runs smoothly and as efficiently as possible.

The SCS Board of Directors is comprised of 18 individuals from Sullivan and Cheshire counties who represent a broad spectrum of the population, including consumers, from throughout our service area.

SCS has a definite impact on the economy of the communities served in both counties. To learn more about how SCS affects your community, we invite you to review the SCS Economic Impact Report of the most current year, and to review the economic impact on your specific town.

Our funding base is diverse, ranging from federal to state and local governments, as well as private foundations and corporations.

SCS is a United Way partner agency of both the Mondadnock United Way and the Sullivan County United Way.

SCS is an Equal Opportunity Employer



A United Way Agency

**Cheshire County**

63 Community Way  
 PO Box 603  
 Keene, NH 03431  
 Phone: 603.352.7512  
 Toll Free: 800.529.0005  
 Fax: 603.352.3618  
 TTY-NH Relay: 800.735.2964

**Sullivan County**

96-102 Main Street  
 PO Box 1338  
 Claremont, NH 03743  
 Phone: 603.542.9528  
 Toll Free: 800.529.0005  
 Fax: 603.542.3140  
 TTY-NH Relay: 800.735.2964



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**Southwestern Community Services, Inc.**

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

**May 31, 2012**

**Ron L. Beaulieu & Company**

**CERTIFIED PUBLIC ACCOUNTANTS**

**SOUTHWESTERN COMMUNITY SERVICES, INC.**

**MAY 31, 2012**

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

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

41 Bates Street  
Portland, Maine 04103

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

**INDEPENDENT AUDITORS' REPORT**

February 28, 2013

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, 2012 and 2011, 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 the 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, 2012 and 2011, 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 February 28, 2013, 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,**

	<b>2012</b>	<b>2011</b>
<b>CURRENT ASSETS</b>		
Cash	\$ 455,760	\$ 122,596
Accounts receivable (net)	215,810	295,233
Accounts receivable (net) - related	530,717	834,930
Contracts receivable (net)	429,916	749,346
Notes receivable, current portion (net) - related	5,838	4,200
Prepaid expenses	15,292	1,705
Total current assets	1,653,333	2,008,010
<b>FIXED ASSETS</b>		
Real estate	11,252,170	8,460,141
Vehicles and equipment	872,379	992,324
Furniture and fixtures	20,361	149,798
Total fixed assets	12,144,910	9,602,263
Less - accumulated depreciation	(3,659,159)	(2,081,030)
Net fixed assets	8,485,751	7,521,233
<b>OTHER ASSETS</b>		
Notes receivable, less current portion (net) - related	142,409	169,819
Investments	100,700	100,500
Due from related limited partnerships	263,205	661,578
Cash escrow funds	116,982	125,375
Security deposits	14,367	-
Other assets	660	729
Total other assets	638,323	1,058,001
<b>TOTAL ASSETS</b>	<b>\$ 10,777,407</b>	<b>\$ 10,587,244</b>
<b>CURRENT LIABILITIES</b>		
Accounts payable	442,450	616,626
Accrued payroll	9,207	205,235
Accrued compensated absences	140,884	152,426
Other current liabilities	27,651	2,862
Deferred revenue	510,609	761,965
Line of credit	299,953	249,953
Current portion of long-term debt	200,573	89,725
Total current liabilities	1,631,327	2,078,792
<b>LONG-TERM DEBT, less current portion</b>	5,995,875	5,410,013
<b>TOTAL LIABILITIES</b>	7,627,202	7,488,805
<b>NET ASSETS</b>		
Unrestricted	3,150,205	3,098,439
<b>TOTAL NET ASSETS</b>	3,150,205	3,098,439
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 10,777,407</b>	<b>\$ 10,587,244</b>

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

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

	<u>2012</u>	<u>2011</u>
<b>REVENUES:</b>		
Government contracts	\$ 13,445,554	\$ 10,941,864
Program service fees	2,196,888	1,821,779
Rental income	628,044	221,123
Developer income	531,250	568,024
Support	324,103	535,698
Fundraising	98,437	111,853
Interest income	1,464	191
Gain (loss) on disposal of fixed assets	(5,625)	122,118
Realized investment gain (loss)	-	342,500
Gain (loss) on increase in LP investment	(201,358)	-
Forgiveness of debt	550,000	-
Miscellaneous	215,910	442,911
In-kind contributions	673,276	487,812
<b>TOTAL REVENUES</b>	<u>18,457,943</u>	<u>15,595,873</u>
<b>EXPENSES:</b>		
Program services:		
Home energy programs	5,239,772	5,033,553
Education and nutrition	2,564,317	2,237,613
Special needs	721,838	762,970
Housing and homeless services	7,839,357	4,358,755
Economic development services	327,437	446,633
Other programs	310,628	585,636
Total program services	<u>17,003,349</u>	<u>13,425,160</u>
Support services:		
Management and general	1,402,828	1,755,166
Total support services	<u>1,402,828</u>	<u>1,755,166</u>
<b>TOTAL EXPENSES</b>	<u>18,406,177</u>	<u>15,180,326</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	51,766	415,547
<b>NET ASSETS - JUNE 1</b>	<u>3,098,439</u>	<u>2,682,892</u>
<b>NET ASSETS - MAY 31</b>	<u>\$ 3,150,205</u>	<u>\$ 3,098,439</u>

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

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**COMBINED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED MAY 31, 2012**

	Program Services			
	Home Energy Programs	Education and Nutrition	Special Needs	Housing and Homeless Services
Payroll	\$ 581,337	\$ 962,599	\$ 402,221	\$ 1,314,441
Payroll taxes	53,459	110,843	39,149	112,473
Payroll benefits	151,105	348,619	131,131	301,326
Retirement	40,584	63,297	11,510	83,984
Advertising	494	3,018	-	5,680
Bank charges	-	-	-	3,480
Computer cost	10,780	-	3,910	19,859
Contractual	1,032,729	4,045	8,862	3,428,709
Depreciation	7,902	27,108	3,520	266,627
Dues/registrations	-	87	525	2,256
Duplicating	377	-	784	4,631
Insurance	10,507	10,708	5,055	121,603
Interest	-	-	681	196,085
Management fees	-	-	-	52,429
Meeting & conference	7,036	-	70	12,810
Miscellaneous expense	1,884	1,311	2,672	47,603
Equipment purchases	1,172	3,219	-	13,129
Office expense	14,666	7,141	2,728	22,685
Postage	11,586	2,017	113	8,204
Professional	-	-	-	67,119
Staff development & training	13,327	15,513	4,818	9,563
Subscriptions	-	-	-	350
Telephone	13,120	-	3,938	47,739
Fax	-	-	44	153
Travel	2,972	21,684	1,914	19,523
Vehicle	11,646	7,606	11,175	59,371
Rent	13,658	-	34,904	25,571
Space costs	-	67,624	149	605,061
Direct client assistance	3,258,373	-	-	45,066
Other direct program costs	1,058	234,602	51,965	941,827
In-kind expenses	-	673,276	-	-
<b>TOTAL EXPENSES</b>	<b>\$ 5,239,772</b>	<b>\$ 2,564,317</b>	<b>\$ 721,838</b>	<b>\$ 7,839,357</b>

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

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**COMBINED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED MAY 31, 2012**

	Program Services		Support Services	Total Expenses
	Economic Development Programs	Other Programs	Management and General	
Payroll	\$ 198,567	\$ 60,612	\$ 697,170	\$ 4,216,947
Payroll taxes	19,324	3,572	66,211	405,031
Payroll benefits	60,347	28,170	5,124	1,025,822
Retirement	7,692	1,937	64,271	273,275
Advertising	-	-	636	9,828
Bank charges	-	-	-	3,480
Computer cost	1,105	-	37,011	72,665
Contractual	-	91,631	97,568	4,663,544
Depreciation	-	-	199,219	504,376
Dues/registration	-	8,649	2,645	14,162
Duplicating	515	-	-	6,307
Insurance	773	4,156	4,809	157,611
Interest	-	-	9,949	206,715
Management fees	-	-	-	52,429
Meeting & conference	-	15,640	31,142	66,698
Miscellaneous expense	464	5,868	51,420	111,222
Equipment purchases	-	-	-	17,520
Office expense	5,356	615	1,568	54,759
Postage	324	19	8,001	30,264
Professional	-	-	46,131	113,250
Staff development & training	(100)	437	14,582	58,140
Subscriptions	426	-	1,955	2,731
Telephone	7,246	1,910	6,209	80,162
Fax	-	-	-	197
Travel	9,026	1,767	2,251	59,137
Vehicle	-	50,031	71	139,900
Rent	1,747	24,000	-	99,880
Space costs	266	8,702	940	682,742
Direct client assistance	13,954	668	-	3,318,061
Other direct program costs	405	2,244	53,945	1,286,046
In-kind expenses	-	-	-	673,276
<b>TOTAL EXPENSES</b>	<b>\$ 327,437</b>	<b>\$ 310,628</b>	<b>\$ 1,402,828</b>	<b>\$ 18,406,177</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	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
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
Rent	2,588	-	15,341	9,113
Space costs	-	61,684	-	253,897
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>\$ 5,033,553</b>	<b>\$ 2,237,613</b>	<b>\$ 762,970</b>	<b>\$ 4,358,755</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 Services	Total Expenses
	Economic Development Programs	Other Programs	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
Dues/registrations	-	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 expense	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
Rent	1,294	10,243	-	38,579
Space costs	836	7,477	1,154	325,048
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 expenditures	-	-	-	487,812
<b>TOTAL EXPENSES</b>	<b>\$ 446,633</b>	<b>\$ 585,636</b>	<b>\$ 1,755,166</b>	<b>\$ 15,180,326</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>2012</u>	<u>2011</u>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 51,766	\$ 415,547
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	504,376	339,519
(Gain) / loss on sale of fixed assets	5,625	(122,118)
(Gain) / loss on sale of investments	-	(342,500)
(Gain) / loss on increase in LP investment	201,358	-
(Gain) / loss on forgiveness of debt	(550,000)	-
Change in operating assets and liabilities:		
(Increase) decrease in accounts receivable	79,423	138,013
(Increase) decrease in accounts receivable - related	304,213	-
(Increase) decrease in contracts receivable	319,430	29,787
(Increase) decrease in prepaid rent	(13,587)	(1,105)
(Increase) decrease in due from related limited partnerships	25,123	3,125
(Increase) decrease in escrow funds	8,393	11,864
(Increase) decrease in security deposits	(14,367)	-
(Increase) decrease in other assets	69	88,806
Increase (decrease) in accounts payable	(174,176)	(401,053)
Increase (decrease) in contracts payable	-	(260,121)
Increase (decrease) in accrued payroll	(196,028)	7,330
Increase (decrease) in accrued compensated absences	(11,542)	-
Increase (decrease) in other current liabilities	24,789	(11,971)
Increase (decrease) in deferred revenue	(251,356)	(35,738)
Increase (decrease) in line of credit	50,000	20
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>363,509</u>	<u>(140,595)</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(77,242)	(252,841)
Proceeds from sale of fixed assets	144,375	540,128
(Increase) decrease in notes receivable	772	177
Proceeds from sale of investments	-	142,000
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>67,905</u>	<u>429,464</u>
<b>FINANCING ACTIVITIES</b>		
Proceeds from long-term debt	-	86,254
Payments on long-term debt	(98,250)	(338,584)
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<u>(98,250)</u>	<u>(252,330)</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	333,164	36,539
<b>CASH AND CASH EQUIVALENTS - JUNE 1</b>	<u>122,596</u>	<u>86,057</u>
<b>CASH AND CASH EQUIVALENTS - MAY 31</b>	<u>\$ 455,760</u>	<u>\$ 122,596</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid during the year for:		
Interest	<u>\$ 196,886</u>	<u>\$ 297,899</u>

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

**SOUTHWESTERN COMMUNITY SERVICES, INC.  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2012 AND 2011**

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

Organization

Southwestern Community Services, Inc. (the Corporation) 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., SCS Housing, Inc., Drewsville Carriage House Associates, LP, North Walpole Village Housing Associates, LP, and Troy Common Associates, LP. The Corporation is committed to providing respectful support service and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty. The primary source of revenues is derived from governmental contracts.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. The financial statements include the accounts of Southwestern Community Services, Inc., SCS Management Corp., SCS Housing, Inc. The three corporations are combined because Southwestern Community Services, Inc. controls more than 50% of the voting power. All significant intercompany items and transactions have been eliminated from the basic financial statements.

For the year ended May 31, 2012, Drewsville Carriage House Associates, LP, North Walpole Village Housing Associates, LP, and Troy Common Associates, LP have been consolidated with the Corporation because the Corporation owns 100% of the voting power. All significant intercompany items and transactions have been eliminated from the basic financial statements.

Fixed Assets

Fixed assets acquired by the Corporation are capitalized at cost or, if donated, at the approximate value at the date of donation. It is the policy of the Corporation to capitalize all fixed assets over \$5,000.

Depreciation

Fixed assets are depreciated over their estimated useful lives on a straight-line or accelerated method.

SOUTHWESTERN COMMUNITY SERVICES, INC.  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2012 AND 2011

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

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.

Cash Equivalents

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 accounts receivable allowance for doubtful accounts is based upon an analysis of the aged accounts receivable listing.

The accounts receivable - related allowance for doubtful accounts is based upon an analysis of the aged accounts receivable listing.

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 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, 2012 AND 2011**

**NOTE 2 - RISKS AND UNCERTAINTIES**

Nature of Operations

The Corporation is operated in a heavily regulated environment. The operations of the Corporation 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

Southwestern Community Services, Inc., maintains its cash balances in various financial institutions. The balances are insured by the Federal Deposit Insurance Corporation and the balances may exceed the insured limit. It is the opinion of management that the solvency of the referenced financial institution is of no particular concern at this time.

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.

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.

Significant Estimates

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

**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, 2012 and 2011.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2012 AND 2011**

**NOTE 4 - NOTES RECEIVABLE**

Notes receivable are stated at the amount that is expected to be collected at year-end. Interest income is recorded on the accrual basis.

The allowance for loan loss has been estimated at \$0 and \$0 as of May 31, 2012 and 2011, 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 closing price reported on the active market where the individual securities are traded.

*Level 2 Fair Value Measurements*

The fair values of investments are based on the market approach using quoted prices reported on the active market for similar assets, or they are based on the market approach using quoted prices reported on a market that is not active for identical or similar assets.

*Level 3 Fair Value Measurements*

The fair value of certain investments which are not actively traded and significant other observable inputs are not available. In this case, management decides what the best valuation technique to use is.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2012 AND 2011**

**NOTE 5 – INVESTMENTS (CONTINUED)**

The investments of the Corporation consisted of the following as of May 31,:

			<u>May 31, 2012</u>		
<u>Description</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Quoted prices in active markets for identical assets (Level 1)</u>	<u>Significant other observable inputs (Level 2)</u>	<u>Significant unobservable inputs (Level 3)</u>
Limited partnerships	100,700	100,700	-	-	100,700
Total	<u>\$ 100,700</u>	<u>\$ 100,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,700</u>

			<u>May 31, 2011</u>		
<u>Description</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Quoted prices in active markets for identical assets (Level 1)</u>	<u>Significant other observable inputs (Level 2)</u>	<u>Significant unobservable inputs (Level 3)</u>
Limited partnerships	100,500	100,500	-	-	100,500
Total	<u>\$ 100,500</u>	<u>\$ 100,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,500</u>

The activities of the Corporation's investments account are summarized as follows:

	<u>2012</u>	<u>2011</u>
Fair Value - June 1	\$ 100,500	\$ 242,500
Investment income	-	-
Investment fees	-	-
Additions	200	-
Distributions	-	(484,500)
Realized gains (losses)	-	342,500
Unrealized gains (losses)	-	-
Fair Value - May 31	<u>\$ 100,700</u>	<u>\$ 100,500</u>

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2012 AND 2011**

**NOTE 6 - LINE OF CREDIT**

An available \$250,000 revolving line of credit existed at years ending May 31, 2012 and 2011. Interest was charged at 4.25% and the outstanding balance at years end was \$249,953 and \$249,953, respectively.

An available \$50,000 revolving line of credit existed at year ended May 31, 2012. Interest was charged at 4.00% and the outstanding balance at year end was \$50,000.

**NOTE 7 - LONG-TERM DEBT**

Long-term debt consisted of the following as of May 31,:

	<b>2012</b>	<b>2011</b>
1.00% mortgage payable to NH Housing Finance Authority, secured by real estate, payable in monthly installments of \$891 including interest through 2032.	\$ 207,370	\$ 215,941
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
3.25% note payable to bank, secured by real estate, payable in monthly installments of \$959 including interest through March 2021.	87,215	95,467
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
8.00% note payable to bank, secured by equipment, payable in monthly installments of \$1,423 including interest through 2012.	-	1,536
8.00% note payable to bank, secured by equipment, payable in monthly installments of \$1,423 including interest through 2012.	-	1,536

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2012 AND 2011**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

	<u>2012</u>	<u>2011</u>
9.40% note payable to bank, secured by vehicle, payable in monthly installments of \$366 including interest through 2012.	\$ -	\$ 1,421
9.95% note payable to bank, secured by vehicle, payable in monthly installments of \$572 including interest through 2012.	-	2,370
10.70% note payable to bank, secured by vehicle, payable in monthly installments of \$393 including interest through 2012.	-	2,619
7.25% mortgage payable to bank, secured by real estate, payable in monthly installments of \$2,246 including interest through 2017.	241,373	249,998
10.00% note payable to bank, secured by vehicle, payable in monthly installments of \$407 including interest through 2013.	1,970	6,747
0.00% note payable to bank secured by vehicle, payable in monthly installments of \$590 through 2013.	2,359	9,435
0.00% note payable to bank secured by vehicle, payable in monthly installments of \$421 through 2013.	1,682	7,150
4.375% note payable to Rural Housing Service, secured by real estate, payable in monthly installments of \$11,050 including interest through 2049.	2,427,889	2,453,654
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.	4,773	7,682

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2012 AND 2011**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

	<b>2012</b>	<b>2011</b>
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.	\$ 476,950	\$ 485,332
6.99% note payable to bank secured by vehicle, payable in monthly installments of \$560 through 2014.	14,898	20,403
5.95% note payable to bank, secured by real estate, payable in monthly installments of \$934 including interest through 2031.	126,562	130,000
1.00% note payable to Town of Walpole, New Hampshire, secured by real estate, accrued interest and principal are due on August 2026.	367,600	-
6.00% note payable to bank, secured by real estate, payable in monthly installments of \$1,351 including interest through April 2016 with a balloon payment of \$123,000.	152,175	-
1.00% note payable to Town of Walpole, New Hampshire, secured by real estate, accrued interest and principal are due on December 2025.	375,911	-
7.00% note payable to bank, secured by real estate, payable in monthly installments of \$807 including interest through December 2025.	88,148	-
1.00% note payable to Town of Troy, New Hampshire, secured by real estate, accrued interest and principal are due on November 2025.	361,126	-
	<b>\$ 6,196,448</b>	<b>\$ 5,499,738</b>
Current portion	200,573	89,725
Long-term portion	5,995,875	5,410,013
	<b>\$ 6,196,448</b>	<b>\$ 5,499,738</b>

**SOUTHWESTERN COMMUNITY SERVICES, INC.  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2012 AND 2011**

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

Principal maturities of long-term debt in each of the next five years, are as follows:

2013	\$	200,573
2014		89,686
2015		88,013
2016		210,425
2017		267,859

**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.

**NOTE 9 - OPERATING LEASES**

The following is a summary of the outstanding operating leases payable:

The Corporation leases four 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
416	March 2015
341	April 2015

Future minimum monthly payments under the leases are as follows:

2013	\$ 15,096
2014	9,084
2015	2,612
2016	-
2017	-

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2012 AND 2011**

**NOTE 10 - CONTINGENCY**

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 twelve partnerships liabilities in the amount of \$28,114,726. Partnership real estate with a cost basis of approximately \$55,625,008 provides collateral on these loans.

**NOTE 11 - RELATED PARTY TRANSACTIONS**

During the year ended May 31, 2012, SCS Housing, Inc. managed twelve limited partnerships and had a Brother-Sister relationship with those limited partnerships. Fees charged by SCS Housing, Inc. totaled \$300,827.

During the year ended May 31, 2011, SCS Housing, Inc. managed fifteen limited partnerships and had a Brother-Sister relationship with those limited partnerships. Fees charged by SCS Housing, Inc. totaled \$268,354.

**NOTE 12 - 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, 2012 and 2011, was \$273,275 and \$328,085, respectively. The plan is a tax-sheltered annuity which is funded by employee contributions and a Corporation match of the employee's contributions.

**NOTE 13 - INCOME TAXES**

The Corporation and SCS Management Corp. qualified 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.

SCS Housing, Inc. is a C Corporation and is subject to income tax. Management does not believe this entity will have taxable income and therefore there is no tax provision.

Drewsville Carriage House Associates, LP, North Walpole Village Housing Associates, LP, and Troy Common Associates, LP are partnerships and do not pay taxes on their income. Rather, the partners will pay the taxes on the partnership net income.

The corporations and partnerships are no longer subject to examinations by compliance authorities for years before 2009.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2012 AND 2011**

**NOTE 14 - RESTATEMENT**

For the year ended May 31, 2011, the elimination of internal rents was not recorded. The restatement decreased rental income by \$449,283 and decreased rent expense by \$449,283.

For the year ended May 31, 2011, the current portion of long-term debt was overstated. The restatement decreased the current portion by \$108,000 and increased the long-term portion by \$108,000.

**NOTE 15 - MANAGEMENT REVIEW**

Management has reviewed subsequent events as of February 28, 2013, the date the financial statements were available to be issued. At that time, there were no material subsequent events.

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

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**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**

February 28, 2013

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

We have audited the financial statements of Southwestern Community Services, Inc. as of and for the year ended May 31, 2012, and have issued our report thereon dated February 28, 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 Southwestern Community Services, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Southwestern Community Services, Inc.'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 Southwestern Community Services, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

*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. We consider the deficiencies described in the accompanying schedule of findings and responses to be material weaknesses. (2012-1)

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. We consider the deficiencies described in the accompany schedule of findings and responses to be significant deficiencies. (2012-2, 2012-3, 2012-4)

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southwestern Community Services, Inc.'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*.

Southwestern Community Services, Inc.'s responses to the findings identified in our audit are described in accompanying schedule of findings and responses. We did not audit Southwestern Community Services, Inc.'s responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Board of Directors, management, others within the entity, and legislative or regulatory bodies and is not intended to be and should not be used by anyone other than these specified parties.

*Ron L. Beaulieu & Co.*

Certified Public Accountants

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**YEAR ENDED MAY 31, 2012**

2012-1 Deferred Revenues

*Condition:* Control systems did not prevent, or detect and correct a material misstatement that was identified by the auditor. Specifically, management improperly deferred donations revenue to the next reporting period.

*Criteria:* Per Generally Accepted Accounting Principles, FASB *Accounting Standards Codification* 958-605-25-2, Contributions Received, contributions received shall be recognized as revenues or gains in the period received.

*Cause:* Management does not have policy to have year end deferred revenue adjustments reviewed by the Fiscal Officer.

*Effect:* A material adjustment was posted by the auditor to increase revenues and decrease deferred revenues.

*Recommendation:* Implement a policy that requires the Fiscal Officer to review all deferred revenue posting at year end to ensure all are in accordance with GAAP.

*Response:* Southwestern Community Services, Inc has always used the deferral of income to better match income from unrestricted donations to the subsequent expenditure of these funds.

*Action Taken:* After a review of this policy with the auditor, future donations will be recognized as income in the period received. Furthermore, all deferrals of income will be reviewed by the Fiscal Director.

2012-2 Fiscal Policies and Procedures

*Condition:* The Corporation's current Fiscal Policies and Procedures Manual does not address four of the five components of internal control over financial reporting including; control activities, risk assessment, information and communication, and monitoring activities.

*Criteria:* The *Internal Control - Integrated Framework*, published by Committee of Sponsoring Organizations of the Treadway Commission (COSO), requires internal control communication of reporting objectives, control components, principles, and policies and procedures.

*Cause:* Management has not amended the Fiscal Policies and Procedures Manual since January 2004.

*Effect:* This condition creates higher risk of material misstatements, fraud, and non compliance with contracts.

*Recommendation:* Management should update the Fiscal Policies and Procedures Manual to include all five components of internal control, and obtain Board Approval for it.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**YEAR ENDED MAY 31, 2012**

*Response:* Southwestern Community Services, Inc is currently in the process of updating its Fiscal Procedures Manual. This update reflects the changes in control requirements that have been implanted in 2012.

*Action Taken:* It is expected to be finalized and submitted for Board approval within the next three months.

2012-3 Monitoring Activities – Internal

*Condition:* The Corporation has not selected, developed, or performed ongoing and/or separate internal evaluations to ascertain whether the components of internal control are present and functioning. Further, the Corporation has not evaluated nor communicated control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the board of directors, as appropriate.

*Criteria:* COSO requires monitoring of internal controls which is essential to ensuring that internal controls are operating effectively and as intended.

*Cause:* No documented policy.

*Effect:* This condition creates higher risk of material misstatements, fraud, and non compliance with contracts.

*Recommendation:* The Board should implement a policy that requires internal monitoring of internal control throughout the year and require formal written reporting of the results.

*Response:* Management believes that its internal control procedures are constantly reviewed, to insure proper controls are in place.

*Action Taken:* The Board of Directors has instituted an audit committee. As part of their mandate, the committee will require a reporting of these reviews in the future.

2012-4 Monitoring Activities - External

*Condition:* The Corporation does not have a policy requiring a periodic external independent evaluation of the design and/or effectiveness of the internal controls over financial reporting.

*Criteria:* COSO requires an independent evaluation of the design and/or effectiveness of internal control over financial reporting that will determine if modifications to the system are necessary.

*Cause:* No documented policy.

*Effect:* Lack of an independent evaluation weakens the monitoring control component of internal control and thereby reduces the assurance regarding the achievement of reporting objectives.

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**YEAR ENDED MAY 31, 2012**

*Recommendation:* The Board should implement a policy requiring a periodic independent evaluation of the internal controls' design and effectiveness, to be performed by an independent auditor.

*Response:* Management believes that its internal control procedures are constantly reviewed, to insure proper controls are in place.

*Action Taken:* Management will work with the Board of Directors to implement a policy which will provide periodic review of the internal controls' design and effectiveness by an outside party.

**Southwestern Community Services, Inc. Board of Directors - Composition – 2014 –**

**CHESHIRE COUNTY**

**SULLIVAN COUNTY**

**CONSTITUENT  
SECTOR**

**Beth Fox**

Vice Chair, NH CDBG  
Advisory Council

**David Hill**

Homeless Services Program  
Representative – Sullivan Cty

**Penny Despres**

New Hope New Horizons  
Program Representative

**Cathy Paradise**

Director Family School Connections  
Childcare Resource & Referral Program

**Daisy Heath**

Head Start Policy Council  
Parent Representative to Board

**Mary Lou Huffling**

Fall Mountain Emergency Food Shelf  
Alstead Friendly Meals

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**PRIVATE  
SECTOR**

**Elaine Amer, *Clerk/Treasurer***

Construction Trades  
Amer Electric

**John Rider**

Chairman of the Board of Directors  
New Hampshire Oil Heat Council

**Scott Croteau, *Vice Chairperson***

Banking Finance Community

**Lou Gendron**

President, Congress of Claremont  
Senior Citizens

**Kevin Watterson, *Chairperson***

Vice President,  
g. housen and co. inc.

**Anne Beattie**

ServiceLink of Sullivan County  
Advisory Committee

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**PUBLIC  
SECTOR**

**Leroy Austin**

Town of Winchester  
NH Code Enforcement

**David Edkins**

Administrator,  
Planning & Zoning  
Town of Charlestown

**Senator Molly Kelly**

Senate District 10

**Raymond Gagnon**

NH House of Representatives

**Peter (Sturdy) Thomas**

Selectperson  
Town of Dublin

**Vacant**

# 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

# 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.

## 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.

**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