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

Nicholas A. Toumpas
Commissioner

Mary Ann Cooney
Associate Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9196 1-800-852-3345 Ext. 9196
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May 22, 2014

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

SOLE SOURCE

100% General funds

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Human Services, Bureau of Homeless and Housing Services to enter into a **sole source** amendment of an existing agreement with Community Action Program Belknap-Merrimack Counties, Inc. (Vendor # 177203-B001), 2 Industrial Park Drive, Concord NH 03302 to provide State Grant In Aid Program, Homeless Housing Access Loan Fund Program and Homeless Outreach Intervention Program, and Housing Security Guarantee Program services in order to meet legally guaranteed security deposit defaults that exceed the current contract encumbrance by increasing the Housing Security Guarantee Program funding amount by \$200,000, which increases the original contract amount from \$546,928 to \$746,928, effective upon Governor and Executive Council approval, with no change to the original end date of June 30, 2015. The Governor and Executive Council approved the original agreement on November 20, 2013 (Item #36).

Funds are available in the following accounts in State Fiscal Years 2014, and 2015, with the ability to adjust encumbrances between State Fiscal Years through the Budget Office, without Governor and Executive Council approval, if needed and justified.

Please see attachment for fiscal details:

EXPLANATION

This request is a **sole source** amendment because it increases the original contract amount by more than ten percent (10%). This sole source amendment increases funding to the Housing Security Guarantee Program only. The original agreement included funding amounts for the Homeless Housing and Access Fund and Homeless Outreach Intervention Prevention programs, which remain unchanged. The Housing Security Guarantee Program is designed to help alleviate situations where individuals and households are threatened with immediate homelessness, is funded by the Housing Security Guarantee Program through New Hampshire State Grant In Aid funds.

A Request for Proposal for the State Grant-in-Aid funds was issued at the annual NH Homeless Provider and Homeless Education Liaison Conference on October 24, 2012. The Request for Proposal was also posted on the Department of Health and Human Services' website. Criteria for selection included: proposal includes all elements and is assembled as required; program design and need for project; performance measures and identified outcomes; coordination with community organizations and resources; involvement with Continuum of Care/Local Service Delivery Area; soundness of approach; cost proposal, budget and leveraging of resources; accurate and timely utilization of

Homeless Management Information System; staff experience and credentials; compliance with rules, statutes and life safety codes; increase in bed capacity; and increase in prevention/intervention or essential services. Each applying organization was required to submit a separate proposal for each program, which allowed for budgets and program models to be evaluated independently. Fifty (50) separate proposals that could be funded through State Grant-In-Aid, from 35 organizations, were evaluated and scored.

Providers under the Housing Security Guarantee Program guarantee security deposits to landlords on behalf of qualified tenants. These guarantees are made pledging the 'full faith and credit of the Department for the payment of the security deposit...' in the event of tenant defaults. This provider has expended amounts for tenant defaults that exceed the current contract encumbrance, and the Department is legally obligated under RSA 126-A and Administrative Rule He-M 1007 to reimburse these funds. Current default obligations to the provider for State Fiscal Year 2014 total \$102,456. The average annual amount reimbursed to this provider each year, as administrator of the New Hampshire Housing Security Guarantee Program, was \$120,949 from State Fiscal Year 2009 through State Fiscal Year 2013. Historical data indicates that similar funding will be required in State Fiscal Year 2015.

RSA 126-A:51 allows the Department to enter into a contract with a vendor for the administration of this program, which has been the Community Action Program Belknap-Merrimack Counties, Inc. since 1994, who also acts as the fiscal agent for this program. Housing Security Guarantee Loan Programs are functioning in all counties through five community action agencies and two community-based nonprofit homeless prevention/intervention service providers. The Housing Security Guarantee Program guarantees payment of security deposits to landlords in instances where low-income households cannot afford a security deposit. Typically, tenants make monthly payments to the administrative agency until the full amount of their security deposit is collected. That amount is then forwarded to the landlord. Even if the tenant defaults before the entire amount is paid, the administrative agency is still responsible for payment in the full amount to the landlord.

Similar to the State Grant-In-Aid Request for Proposal, this Request for Proposals was also issued at the annual NH Homeless Providers and Homeless Education Liaisons Conference on October 24, 2012. The Request for Proposals was also posted on the Department of Health and Human Services' website.

Security deposit vouchers are available to persons who are considered "very low income" according to the US Department of Housing and Urban Development. These are traditionally individuals that do not qualify for bank financing and face homelessness without this assistance. Repayment terms are scheduled according to the ability of individuals to repay. As a part of this program, participating individuals also receive budget counseling and other supportive services to assist them in maintaining independence. Repayment efforts are made by phone, by mail and personal contact. The high repayment rate of program participants is an indication of successful repayment arrangements by service providers.

The impressive results of this program are well documented. This program replaced cash assistance grants for security deposits to prevent homelessness with a voucher-based loan program for those at the lowest income scale. This means money that, in the past, would have been an outright grant to very low-income households is now being repaid by clients over time. From 1994 to 2013, \$7,015,258.74 in vouchers has been issued. Of this amount, 72% have resulted in successful tenancy.

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

Area served: Belknap and Merrimack Counties

Source of funds:

State Grant in Aid - 100% General Funds: \$200,000

Respectfully submitted,



Mary Ann Cooney
Associate Commissioner

Approved by: 

Nicholas A. Toumpas
Commissioner

Fiscal Details for
 Community Action Program Belknap-Merrimack Counties
 State Grant In-Aid Program, Homeless Housing and Access Loan Fund
 Program, Housing Security Guarantee Program and Homeless Outreach
 Intervention Program

**05-95-42-423010-7925 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS,
 HHS:HUMAN SERVICES, HOMELESS & HOUSING, HOMELESS HOUSING ACCESS FUND**

Fiscal Year	Appropriation	Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
2014	05-095-42-423010-7925	102-500731	Contracts for program services	\$8,375	\$0	\$8,375
2015	05-095-42-423010-7925	102-500731	Contracts for program services	\$8,375	\$0	\$8,375
			Sub-Total	\$16,750	\$0	\$16,750

**05-95-42-423010-7928 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS,
 HHS:HUMAN SERVICES, HOMELESS & HOUSING, EMERGENCY SHELTERS**

Fiscal Year	Appropriation	Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
2014	05-095-42-423010-7928	102-500731	Contracts for program services	\$221,984	\$100,000	\$321,984
2015	05-095-42-423010-7928	102-500731	Contracts for program services	\$221,984	\$100,000	\$321,984
			Sub-Total	\$443,968	\$200,000	\$643,968

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

Fiscal Year	Appropriation	Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
2014	05-095-42-423010-7927	102-500731	Contracts for program services	\$86,210	\$0	\$86,210
			Sub-Total	\$86,210	\$0	\$86,210
			Grand Total	\$546,928	\$200,000	\$746,928

A Request for Proposal for state funding was issued at the annual NH Homeless Provider and Homeless Education Liaison Conference on October 24, 2012. The Request for Proposal was also posted on the Department of Health and Human Services' website.

Shelter Programs	Evaluation Score	HMIS Utilization	Total Score
Laconia Area Community	98	9.8	107.8
Front Door Agency	95	10	105
Families in Transition - Concord	92.5	10	102.5
Helping Hands Outreach Ministries	92	8.6	100.6
Families in Transition - Family Place/Amherst	90.5	10	100.5
New Horizons for New Hampshire	90.5	9.5	100
Greater Nashua Council on Alcoholism (Keystone Hall)	90	9.8	99.8
Families in Transition - Lowell St	89.5	10	99.5
Families in Transition - Family Place/Spruce St	89.5	10	99.5
Bridge House	90.5	8.6	99.1
Nashua Soup Kitchen and Shelter, Inc	88.5	10	98.5
Child and Family Services of New Hampshire	88	10	98
The Way Home	88.5	9.4	97.9
Families in Transition - Family Willows/Millyard II	88	9.2	97.2
Families in Transition - Manchester Emergency	86.5	10	96.5
Marguerite's Place, Inc	86.5	10	96.5
Harbor Homes Inc	86.5	9.8	96.3
Salvation Army - Laconia (Carey House)	87	9.1	96.1
Cross Roads House, Inc	84.5	10	94.5
Greater Nashua Interfaith Hospitality Network	85.5	8	93.5
My Friend's Place	82.5	9.5	92
NH Coalition Against Domestic and Sexual Violence	83	8	91
Samaritans (Mary's Place)	81	9	90
Southwestern Community Services - Claremont	80.5	8.5	89
New Generations, Inc	79	9.6	88.6
Friends Program	78.5	10	88.5
First Congregational Church	81.5	6.5	88
Salvation Army - Concord (McKenna House)	78	10	88
Southwestern Community Services - Keene	80.5	7	87.5
Headrest, Inc	79	4.7	83.7
Veteran Homestead, Inc	75.5	8	83.5
Tri-County Community Action Program, Inc (Tyler Blaine)	75.5	7.5	83

Prevention Programs	Evaluation Score
AIDS Response Seacoast	103
Southwestern Community Services	99
The Way Home	99
NH Legal Assistance	98.5
Harbor Homes, Inc	98
St. John Neumann Church Outreach	98
Front Door Agency	97
Merrimack Valley Assistance Program	96.5
Belknap-Merrimack Community Action Program, Inc - New Start	96

Strafford County Community Action Committee, Inc	95
Belknap-Merrimack Community Action Program, Inc - Prevention	93
NH 211 (United Ways of New Hampshire) - Hotel	92.5
NH 211 (United Ways of New Hampshire) - Hotline	92
Child and Family Services of New Hampshire	91
Southern New Hampshire Services	89
Southern New Hampshire Services (Rockingham Program)	89
Tri-County Community Action Program, Inc	71
Veteran Homestead, Inc	61

Due to the quantity of proposals received, the reviewers were organized into twelve (12) teams, which met and presented their final evaluations and scores. The review committee teams included the following individuals:

- Natalie Allen, BA, MBA, Retired NH Department of Health and Human Services Employee – Over 30 years of social services most recently as a Community Relations Manager, served on the Local Service Delivery Areas of Concord and Laconia, and as a member of the Balance of State Continuum of Care
- Michael Bilson, BA, Program Planner I, Office of Consumer and Family Affairs, Bureau of Behavioral Health, Division of Community Based Care Services, NH Department of Health and Human Services
- John Capuco, Psy. D, Administrator, Bureau of Developmental Services, Division of Community Based Care Services, NH Department of Health and Human Services
- Christopher Cullinan, BA, MPA, Manager of Ryan White CARE Program, Division of Public Health, NH Department of Health and Human Services
- Sharon Drake, BS, Chief Executive Officer, Serenity Place (an NCADD Affiliate)
- Margaret Fogarty, MA, BA, Economic Justice Project Coordinator, American Friends Service Committee
- Ellen Fries, BA, Concord Coalition to End Homelessness
- Sherry Gould, Director, Wijokadoak, Inc
- Bill Guinther, BA, Program Policy Analyst at New Hampshire Housing Finance Authority (NHHFA)
- Janet Horne, Business Systems Analyst I, Bureau of Behavioral Health, Division of Community Based Care Services, NH Department of Health and Human Services
- David Keller, Former Minister at Concord's First Congregational Church
- Janine A Lesser, BS, MS, Child Care Program Specialist IV, TANF Policy Unit, Division of Family Assistance, NH Department of Health and Human Services
- Sandra Matheson, Director, State Office Victim/Witness Assistance, NH Attorney General's Office
- William McGonagle, Assistant Commissioner, NH Department of Corrections
- Niki Miller, MS, Senior Project Associate at Advocates for Human Potential, formerly Administrator of Women Offenders for NH Department of Corrections

- Karen Orsini, MSN, RN, Director of Quality Improvement, Bureau of Behavioral Health, Division of Community Based Care Services, NH Department of Health and Human Services
- Linda J Parker, BS, CPM, Program Specialist IV, Division of Community Based Care Services, NH Department of Health and Human Services
- Bernadette Pelczar, BA, MSW, Social Worker
- Kimberly Perez, PhD, Family HIV Program Manager, Dartmouth-Hitchcock
- Myriam Roeder, Adoption Manager, Division of Child, Youth and Families, NH Department of Health and Human Services
- Todd Ringelstein, Program Planning and Review Specialist, Division of Developmental Services, NH Department of Health and Human Services
- Michael Rogers, MHA, MT, MC, Assistant Administrator, Bureau of Drug and Alcohol Services, Division of Community Based Care Services, NH Department of Health and Human Services
- Marianne Savarese, BS, RN, Project Director of Health Care for the Homeless Program
- Barbara Thorngren, M.Ed, Collaborative Education Consultant for PeaceWorks New Hampshire, LLC
- Kristina Toth, BA, Administrator, Family Connections Center, NH Department of Corrections
- Sally Varney, BA, Program Planning and Review Specialist, Division of Community Based Care Services, NH Department of Health and Human Services
- Dave Villiotti, MS, Executive Director, Nashua Children's Home
- Donna Walker, BBA, MBA, Business Administrator IV, Bureau of Behavioral Health, Division of Community Based Care Services, NH Department of Health and Human Services
- Kathleen Walton, Masters in Human Service Administration, Human Service Director, Town of Salem

A funding distribution formula for State Grant-In-Aid was designed during March 2013, based on the most current projections of State Fiscal Years 2014 and 2015 funding available at that time. This total was approximately 4% more than the State Fiscal Years 2012 and 2013 total of State Grant-In-Aid funding. One prevention program, Veteran Homestead, Inc, received a score of 61, which was below the guideline score of 65; therefore, they were only awarded level funding for their program. One shelter program, Veteran Homestead, Inc, was not funded, especially when taking into consideration the placement of the proposal in the rankings of the shelter program scores, because the proposal was for a new shelter request and not a renewal shelter request.

A Request for Proposal for state funding was issued at the annual NH Homeless Provider and Homeless Education Liaison Conference on October 24, 2012. The Request for Proposal was also posted on the Department of Health and Human Services' website.

Homeless Housing Access Revolving Loan Fund Programs	Evaluation Score
The Way Home	98.5
Front Door Agency	97
Tri-County Community Action Program, Inc	96
Southern New Hampshire Services	94
Southwestern Community Services	84.5
Belknap-Merrimack Community Action Program, Inc	81

As a result of this RFP, six proposals were received, evaluated and scored. All proposals met or exceeded the minimum score required for funding.

Criteria for selection included: proposal includes all elements and is assembled as required; program design and need for project; performance measures and identified outcomes; staff experience and credentials; coordination with community organizations and resources; involvement with Continuum of Care/Local Service Delivery Area; soundness of approach; cost effectiveness and leveraging of resources; and compliance with rules and statutes.



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Housing Security Guarantee Program Contract**

This 1st Amendment to the Housing Security Guarantee Program contract (hereinafter referred to as "Amendment #1") dated this May 12th day of 2014, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and the Community Action Program Belknap-Merrimack Counties, Inc. (hereinafter referred to as "the Contractor"), a New Hampshire nonprofit corporation with a place of business at 2 Industrial Park Drive, Concord, New Hampshire 03302.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on November 20, 2013 (Item #36), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to Form P-37 General Provisions, Paragraph 18, Amendment, the State may amend the contract by written agreement of the parties upon approval of the Governor and Executive Council;

WHEREAS the parties agree to change the Contract price limitation; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

To amend as follows:

1. Form P-37, General Provisions, Item 1.8, Price Limitation, to read:
\$746,928.00
2. Exhibit B, Method and Conditions Precedent to Payment, State Grant In Aid Program, NH General Funds:, SFY 14, to read:
Not to exceed \$330,359.00
3. Exhibit B, Method and Conditions Precedent to Payment, State Grant In Aid Program, NH General Funds:, SFY 15, to read:
Not to exceed \$330,359.00
4. Exhibit B, Method and Conditions Precedent to Payment, State Grant In Aid Program, State Grant In Aid Program Budget detail, EXPENSE BUDGET for SFY14 and SFY15: is deleted and replaced with Amendment #1 – Table 1, State Grant In Aid Program Budget detail, EXPENSE BUDGET for SFY14 and SFY15.
5. Exhibit C-1, Additional Special Provisions is deleted and replaced with Amendment #1 Exhibit C-1, Additional Special Provisions.

A-G
5/13/14

New Hampshire Department of Health and Human Services, Amendment #1 to Contract
New Hampshire Housing Security Guarantee Program



This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

May 16, 2014
Date

State of New Hampshire
Department of Health and Human Services

Nicholas A. Toumpas
Nicholas A. Toumpas
Commissioner

May 13, 2014
Date

Community Action Program
Belknap-Merrimack Counties, Inc.

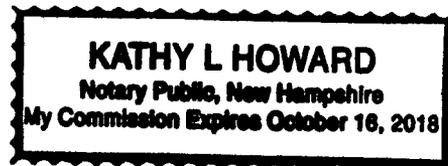
Ralph Littlefield
Name: Ralph Littlefield
Title: Executive Director

Acknowledgement:

State of New Hampshire, County of Merrimack on May 13, 2014, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Kathy L. Howard
Kathy L. Howard, Notary Public
Name and Title of Notary or Justice of the Peace



Re
5/13/14

New Hampshire Department of Health and Human Services, Amendment #1 to Contract
New Hampshire Housing Security Guarantee Program



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

OFFICE OF THE ATTORNEY GENERAL

5-23-14
Date

Rosemary Wiant
Name: *Rosemary Wiant*
Title: *Assistant Attorney General*

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

A-G
5/13/14

Amendment #1 – Table 1
 State Grant In Aid Program Budget detail
 EXPENSE BUDGET for SFY14 and SFY15:

EXPENSE ITEM	State GIA Funds	Match
Prevention/Intervention	\$103,950.00	\$103,950.00
<i>Rent with eviction notice, mortgage with foreclosure notice, utilities with disconnect notice, and other activities to prevent homelessness</i>		
Essential Services (New Start)	\$140,018.00	\$140,018.00
<i>Assistance in finding permanent housing, employment counseling, substance abuse counseling, assistance in accessing other community services and staff salaries and benefits</i>		
Operations	NA	NA
<i>Shelter operational costs such as rent, utilities, insurance, supplies and taxes</i>		
Homeless Housing and Access Revolving Loan Fund	\$16,750.00	NA
Housing Security Guarantee	\$260,000.00	NA
Data Analysis	\$140,000.00	NA
TOTALS	\$660,718.00	\$243,968.00
TOTAL GIA+Match	\$904,686.00	



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 4. **CONDITIONAL NATURE OF AGREEMENT.**
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language:
 - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
3. Subparagraph 14.1.1 of the General Provisions of this contract is deleted and the following subparagraph is added:
 - 14.1.1 comprehensive general liability against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence with additional general liability umbrella coverage of not less than \$5,000,000; and

Re

5/13/14

State of New Hampshire
Department of State

CERTIFICATE

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



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

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

William M. Gardner
Secretary of State

Community Action Program Belknap-Merrimack Counties, Inc.

CERTIFICATE OF VOTE

I, Dennis T. Martino, Secretary-Clerk of Community Action Program Belknap-Merrimack Counties, Inc. (hereinafter the "Corporation"), a New Hampshire corporation, hereby certify that: (1) I am the duly elected and acting Secretary-Clerk of the Corporation; (2) I maintain and have custody and am familiar with the minute books of the Corporation; (3) I am duly authorized to issue certificates with respect to the contents of such books; (4) that the Board of Directors of the Corporation have authorized, on 12/12/13, such authority to be in force and effect until 6/30/15 (contract termination date). (see attached)

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

Ralph Littlefield, Executive Director

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

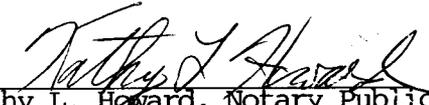
IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the corporation this 13th day of May, 2014.


Secretary-Clerk

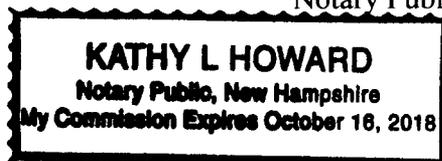
STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

On this 13th day of May, 2014, before me, Kathy L. Howard the undersigned Officer, personally appeared Dennis T. Martino who acknowledged her/himself to be the Secretary-Clerk of Community Action Program Belknap-Merrimack Counties, Inc., a corporation and that she/he as such Secretary-Clerk being authorized to do so, executed the foregoing instrument for the purposes therein contained.

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


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

Commission Expiration Date:



COMMUNITY ACTION PROGRAM
BELKNAP-MERRIMACK COUNTIES, INC.

CORPORATE RESOLUTION

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

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

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

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

May 13, 2014

Date



Dennis T. Martino
Secretary/Clerk

SEAL



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
5/28/2014

PRODUCER (603)669-3218 FAX: (603)645-4331
Cross Insurance
Laura Perrin
1100 Elm Street
Manchester NH 03101

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

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

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	Arch Insurance Company	
INSURER B:	QBE	
INSURER C:	Hanover Insurance Co	18058
INSURER D:	N.H.M.M. JUA	
INSURER E:		

COVERAGES

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

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	NCPKG02266000	6/17/2014	6/17/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC				
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	NCAUT0226600	6/17/2014	6/17/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				
A		EXCESS / UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	NCUMB02266000	6/17/2014	6/17/2015	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$ \$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below				
B			QWC3000372 (3a.) NH All officers included	6/17/2014	6/17/2015	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A		OTHER Directors & Officers	PHSD727025	4/1/2014	4/1/2015	\$1,000,000
C		Blanket Crime	BDV1649128	3/27/2014	3/27/2015	500,000
D		Professional	NBJUA11882	12/30/2013	12/30/2014	1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
Refer to policy for exclusionary endorsements and special provisions.

CERTIFICATE HOLDER

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

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
AUTHORIZED REPRESENTATIVE
Laura Perrin/KS5 *Laura Perrin*

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

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

STATEMENT OF PURPOSE

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

Financial Statements

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

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

COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.

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

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Other Matters

Other Information

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

Other Reporting Required by Government Auditing Standards

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

Leone, McDonnell + Roberts
Professional Association

October 10, 2013
Concord, New Hampshire

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

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

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

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

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

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2013 Total</u>	<u>2012 Total</u>
REVENUES AND OTHER SUPPORT				
Grant awards	\$ 19,545,688		\$ 19,545,688	\$ 21,051,500
Other funds	3,708,706	\$ 2,333,637	6,042,343	6,269,875
In-kind	1,066,723		1,066,723	1,143,537
United Way	150,918		150,918	145,880
Total revenues and other support	24,472,035	2,333,637	26,805,672	28,610,792
NET ASSETS RELEASED FROM RESTRICTIONS	<u>2,444,171</u>	<u>(2,444,171)</u>		
Total	<u>26,916,206</u>	<u>(110,534)</u>	<u>26,805,672</u>	<u>28,610,792</u>
EXPENSES				
Compensation	8,633,277		8,633,277	9,208,281
Payroll taxes and benefits	2,245,454		2,245,454	2,305,424
Travel	318,080		318,080	334,076
Occupancy	1,191,059		1,191,059	1,144,249
Program services	11,379,654		11,379,654	11,588,545
Other costs	1,780,824		1,780,824	2,549,575
Depreciation	518,831		518,831	529,623
In-kind	1,066,723		1,066,723	1,143,538
Total expenses	<u>27,133,902</u>		<u>27,133,902</u>	<u>28,808,311</u>
CHANGE IN NET ASSETS	(217,696)	(110,534)	(328,230)	(192,519)
NET ASSETS - BEGINNING OF YEAR	<u>3,127,371</u>	<u>1,017,656</u>	<u>4,145,027</u>	<u>4,337,546</u>
NET ASSETS - END OF YEAR	<u>\$ 2,909,675</u>	<u>\$ 907,122</u>	<u>\$ 3,816,797</u>	<u>\$ 4,145,027</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

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

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (328,230)	\$ (192,519)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	518,831	529,623
Donated equipment	26,080	-
Gain on sale of property	(3,242)	(19,068)
(Increase) decrease in current assets:		
Accounts receivable	(53,887)	1,195,179
Prepaid expenses	102,658	(88,703)
Increase (decrease) in current liabilities:		
Accounts payable	(420,486)	(112,608)
Accrued expenses	30,318	153,178
Refundable advances	(484,518)	(245,677)
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(562,296)</u>	<u>1,219,405</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property	(159,369)	(464,455)
Investment in partnership	(8,128)	(6,362)
Proceeds from sale of property	7,250	20,000
NET CASH USED IN INVESTING ACTIVITIES	<u>(140,247)</u>	<u>(450,817)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term debt	(119,869)	(131,193)
NET CASH USED IN FINANCING ACTIVITIES	<u>(119,869)</u>	<u>(131,193)</u>
NET (DECREASE) INCREASE IN CASH	(822,412)	637,395
CASH BALANCE, BEGINNING OF YEAR	<u>2,027,864</u>	<u>1,390,469</u>
CASH BALANCE, END OF YEAR	<u>\$ 1,205,452</u>	<u>\$ 2,027,864</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u>\$ 116,248</u>	<u>\$ 122,905</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.

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

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

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

Basis of Accounting

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

Basis of Presentation

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

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

Income Taxes

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

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

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

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

Property

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

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

Use of Estimates

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

Cash and Cash Equivalents

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

Contributions

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

In-Kind Donations / Noncash Transactions

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

Advertising

The Organization expenses advertising costs as incurred.

2. REFUNDABLE ADVANCES

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

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

3. **RETIREMENT PLAN**

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

4. **LEASED FACILITIES**

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

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

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

5. **ACCRUED EARNED TIME**

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

6. **LONG TERM DEBT**

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

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

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

3% note payable to the City of Concord for leasehold improvements in monthly installments for principal and interest of \$747 through May, 2027. The note is secured by property of the Organization for the agency administrative building renovations.	103,802
4.75% note payable to Rural Development in monthly installments for principal and interest of \$148 per month through September, 2031. The note is secured by property of the Organization for Franklin Community Services building.	<u>21,715</u>
Total	1,873,726
Less amounts due within one year	<u>129,407</u>
Long term portion	<u>\$ 1,744,319</u>

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

<u>Year Ending February 28</u>	<u>Amount</u>
2014	\$ 129,407
2015	137,236
2016	145,851
2017	154,380
2018	163,753
Thereafter	<u>1,143,399</u>
	<u>\$ 1,873,726</u>

7. PROPERTY AND EQUIPMENT

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

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

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

8. CONTINGENCIES

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

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

9. CONCENTRATION OF RISK

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

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

10. TEMPORARILY RESTRICTED NET ASSETS

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

Restricted Purpose

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

11. STATEMENT OF FUNCTIONAL EXPENSES

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

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

Other costs:			
Accounting fees	18,290	29,844	48,134
Legal fees	9,264	1,452	10,716
Supplies	243,980	28,746	272,726
Postage and shipping	59,575	994	60,569
Equipment rental and maintenance	17,367	694	18,061
Printing and publications	5,282	49	5,331
Conferences, conventions and meetings	2,790	13,888	16,678
Interest	108,986	7,312	116,298
Insurance	183,556	32,212	215,768
Membership fees	9,356	11,126	20,482
Utility and maintenance	5,868	56,739	62,607
Other	911,807	21,897	933,504
Depreciation	512,250	6,581	518,831
In kind	1,066,723		1,066,723
	<u>\$ 26,275,283</u>	<u>\$ 858,619</u>	<u>\$ 27,133,902</u>

12. RELATED PARTY TRANSACTIONS

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

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

Development Service Agreement

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

13. RECLASSIFICATION

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

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

Fair Value Measurements using Significant Observable Inputs (Level 1)

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

Fair Value Measurements using Significant Unobservable Inputs (Level 3)

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

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

15. **FISCAL AGENT**

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

16. **SUBSEQUENT EVENTS**

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

SUPPLEMENTAL INFORMATION

(See Independent Auditors' Report)

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

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

FEDERAL GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS THROUGH GRANTOR NUMBER	EXPENDITURES
<u>US DEPT. OF HEALTH AND HUMAN SERVICES</u>			
Head Start	93.600	N/A	\$ 3,703,275
Through State of New Hampshire			
Weatherization-HRRP	93.568		82,023
Fuel Assistance	93.568	611001	4,409,813
Fuel Assistance-SEAS	93.044	611001	6,729
Title III Part C	93.045	410338	902,541
Community Services Block Grant	93.569	610155	412,049
Community Services Block Grant Discretionary	93.570		24,240
Title XX - Block Grant	93.667	410338	558,596
Family Planning	93.217	610237	121,249
Family Planning	93.558	610237	38,619
Family Planning	93.940	610237	4,710
Public Health Network - (ID-PICS)	93.069		39,812
Public Health Network - (ID-PICS)	93.283		3,927
Public Health Network - (ID-PICS)	93.268		11,484
Title III Part B Rural Transportation	93.044	410338	258,053
TANF - Home Visiting	93.558	N/A	2,281
Home Visiting New Hampshire	93.505		32,417
Prenatal	93.994	620243	26,167
Merrimack County Service Link Program	93.778	N/A	91,317
Merrimack County Service Link Program	93.052	N/A	20,572
Merrimack County Service Link Program	93.667	N/A	8,231
Merrimack County Service Link Program	93.048	N/A	7,545
Merrimack County Service Link Program	93.779	N/A	19,333
Elder Services/NSIP	93.053	410338	222,944
Through Southern New Hampshire Services			
Workplace Success	93.658	N/A	280,809
Through Lakes Region Partnership for Public Health			
MIPPA	93.518		4,875
MIPPA	93.779		1,625
MIPPA	93.791		5,725
			<u>11,300,961</u>
<u>US DEPARTMENT OF AGRICULTURE</u>			
Through State of New Hampshire			
WIC	10.557	611080	823,408
GSFP	10.565	611080	1,032,566
Senior Farmers Market	10.576		93,364
Surplus Food-TEFAP/Admin	10.568	N/A	105,577
Surplus Food-TEFAP	10.569	N/A	1,072,985
CACF Head Start/USDA	10.558	N/A	195,295
Summer Food-USDA	10.559		136,863
			<u>3,460,058</u>
<u>CORPORATION FOR NATIONAL SERVICES</u>			
Senior Companion	94.016	N/A	<u>398,054</u>

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

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

Through County of Merrimack

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

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

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

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

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

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

Weatherization	81.042	551896	121,870
ARRA-Weatherization	81.042		315,051
MH Park Weatherization	81.042	N/A	281,052
			<u>697,973</u>

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

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

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

Homeland Security**Through State of New Hampshire**

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

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

TOTAL AWARDS EXPENDED

			<u>\$ 18,387,422</u>
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NOTE A - BASIS OF PRESENTATION

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

COMMUNITY ACTION PROGRAM OF BELKNAP-MERRIMACK COUNTIES, INC.

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

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

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

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

Purpose of this Report

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

Leone, McDonnell + Roberts
Professional Association

October 10, 2018
Concord, New Hampshire

COMMUNITY ACTION PROGRAM OF BELKNAP-MERRIMACK COUNTIES, INC.

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

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

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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

*Leone, McDonnell + Roberts
Professional Association*

October 10, 2013
Concord, New Hampshire

COMMUNITY ACTION PROGRAM OF BELKNAP-MERRIMACK COUNTIES, INC.

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

SUMMARY OF AUDITORS' RESULTS

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

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS AUDIT

None

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

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

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

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

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

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

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE HEAD START PROGRAM - CFDA 93,600
FOR THE YEAR ENDED FEBRUARY 28, 2013**

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

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

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

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

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

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

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

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

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

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

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

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

	<u>Revenues</u>	<u>Expenses</u>
Bedside Pilot Program (632)	1,674	1,674
Epsom Elderly Housing (642 & 643)	62,694	77,552
Belmont Housing (652 & 653)	67,442	69,442
Alton Housing (662 & 663)	52,757	52,240
Kearsarge Housing (672 & 673)	66,864	66,864
Riverside Housing (682 & 683)	76,569	76,569
Pembroke Housing (707 & 708)	54,127	54,127
Homeless Revolving Loan (728)	15,457	15,457
Area Centers (762 & 763)	265,554	344,107
Home Access Program (774)	2,981	2,981
THE FIXIT Program (832 & 833)	14,854	11,887
Loan Guarantee Program (847)	82,620	82,620
MC Loan Guarantee Program (848)	2,666	2,666
The Caring Fund (862 & 863)	6,976	4,294
Agency WIC & CSF (883)	5,515	225
Newbury Elderly Housing (884)	43,365	43,365
Housing Future (892)	20,000	20,000
Agency Account (911 & 980)	89,800	221,699
Agency Account FAP (922)	75,632	103,380
Agency Account SCP (931 & 932)	18,522	10,379
H/S Agency (942 & 943)	(49,635)	(16,111)
Agency FP/PN (963)	144	55
Saving Heat & Reducing Energy (970)	169,798	169,992
Agency Horseshoe Pond Place (993 & 994)	28,679	28,679

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

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

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



Community Action Program Belknap–Merrimack Counties, Inc.



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

Effective 12/2/13

BOARD OF DIRECTORS

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

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

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

BELMONT
Senior Center 267-9987
Heritage Terr. Housing 267-8801

BRADFORD
Senior Center 838-2104

CONCORD
Area Center 225-6880
Head Start 224-6492
Early Head Start 224-6492
Concord Area
Meal-on-Wheels 225-8992
Concord Area Transit 225-1898
Horseshoe Pond Place 228-4854
WIC/SFP 225-2060
Workplace Success 223-2365

EPSOM
Meadow Brook Housing 736-8250

FRANKLIN
Area Center 834-3444
Head Start 834-2161
Early Head Start 834-2161
Senior Center 834-4161
Riverside Housing 834-5340

KEARSARGE VALLEY
Area Center 456-2267
Head Start 456-2268
North Ridge Housing 456-3398

LACONIA
Area Center 524-5912
Head Start 529-5334
Early Head Start 529-5334
Senior Center 524-7689
Family Planning 524-5453
Prenatal 524-5453
Winnebago TransK 528-2498
Workplace Success 524-4367

MEREDITH
Area Center 279-4896
Senior Center 279-5631

OSSIPEE
Family Planning 538-7552
Prenatal 539-7552

PEMBROKE
Village at Pembroke Farms
Housing 485-1842

PITTSFIELD
Senior Center 435-8482
Head Start 433-8618
Early Head Start 435-8611

SUNCOOK
Area Center 485-7824
Senior Center 485-4254

TILTON
Senior Center 527-8291

RALPH LITTLEFIELD

EDUCATION

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

EMPLOYMENT

January 1980 – Present

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

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

June 1978 – January 1980

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

1976 – June 1978

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

1974 – 1975

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

1974 – Head Counselor, Summer Neighborhood Youth Corps

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

June 1971 – General Services Director

KATHRYN R. LAVIGNE

WORK EXPERIENCE

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

EDUCATION

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

REFERENCES

Available upon request.

MARY A. THOMAS

OBJECTIVE: I desire a job where I can use the skills and knowledge that I have acquired.

EXPERIENCE:

2010 – Present Program Assistant, Homeless and Family Housing
Community Action Program Belknap-Merrimack Counties, Inc.
Provide clerical support and assist with the oversight of the agency's Security Deposit Guarantee Program, Homeless Housing Revolving Loan Fund, Emergency Assistance Program and Homeless Prevention and Rapid Re-Housing Program.

2008-2010 Receptionist/Housing Intake Referral Specialist
The Way Home, Manchester, NH (603) 627-3491
Responsible for the front desk; wrote client intakes, answered phones, scheduled appointments, and referred clients to available services in the area. Also assisted with the security deposit loan, HPRP and transitional housing programs.

2007 Coordinator
Lifetouch Photography, Manchester, NH (603) 606-4412
Coordinated the students and photographers on school picture day.

2005-2007 Independent Insurance Agent

2001-2005 Telephone Service Representative
Abacus Communications, Manchester, NH (603) 668-2820
Placed catalog orders, job applications, set appointments, performed customer service for some companies while working with a number of computer programs and systems.

1999-2001 Front Desk Clerk
Days Inn, Concord, NH (603) 224-2511
Checked customers in and out of rooms, took reservations, negotiated prices, ran the breakfast, handled complaints and answered phones.

2000-2001 Substitute Library Aide
Weare Public Library, Weare, NH (603) 529-2044
Checked materials in and out, helped patrons find information sources, shelved materials, and occasionally ran the story hour.

1989-1999 Field Representative
U.S. Bureau of the Census, Boston, MA
Collected data by interviewing occupants at given addresses, planned workload and travel routes and researched county records while working independently from home.

EDUCATION:

High School Diploma-1971, George Washington High School, Charleston, WV
Machine Shop certificate 1976, Utah Vo-Tech, Salt Lake City, Utah

Community Action Program Belknap-Merrimack Counties, Inc.

Department of Health and Human Services

NH Housing Security Guarantee Program

Contract Amendment #1

SFY 2014 & SFY 2015

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Ralph Littlefield	Executive Director	\$ 120,651	0%	\$ 0.00
Kathy Lavigne	Chief Accountant	\$ 61,464	0%	\$ 0.00
Mary Thomas	Program Assistant, Homeless & Family Housing	\$ 24,804	0%	\$ 0.00



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
603-271-9196 1-800-852-3345 Ext. 9196
FAX: 603-271-5139 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

October 28, 2013

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

G&C Approved

Date 11/20/13
Item # 36

REQUESTED ACTION

Authorize the Department of Health and Human Services, Bureau of Homeless and Housing Services to enter into a **retroactive** Agreement with Community Action Program Belknap-Merrimack Counties, Inc., 2 Industrial Park Drive, Concord NH 03302, vendor code 177203-B001 to provide State Grant In-Aid Program, Homeless Housing and Access Loan Fund Program, ^{refec} Housing Security Guarantee Program and Homeless Outreach Intervention Program services to homeless individuals, in an amount not to exceed \$546,928. This amount represents an award effective retroactive to July 1, 2013 upon Governor and Council approval, through June 30, 2015.

Funds to support this request are available in the following account in State Fiscal Years 2014 and 2015 upon the availability and continued appropriation of funds in the future operating budgets with the authority to adjust amounts within the price limitation and amend the related terms of the contract without further approval from Governor and Executive Council.

05-95-42-423010-7925 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:HUMAN SERVICES, HOMELESS & HOUSING, HOMELESS HOUSING ACCESS FUND

Fiscal Year	Appropriation	Class/Object	Class Title	
2014	05-95-42-423010-7925	102-500731	Contracts for program services	\$8,375.00
2015	05-95-42-423010-7925	102-500731	Contracts for program services	<u>\$8,375.00</u>
			Total	\$16,750.00

→ **05-95-42-423010-7928 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:HUMAN SERVICES, HOMELESS & HOUSING, EMERGENCY SHELTERS**

Fiscal Year	Appropriation	Class/Object	Class Title	
2014	05-95-42-423010-7928	102-500731	Contracts for program services	\$221,984.00
2015	05-95-42-423010-7928	102-500731	Contracts for program services	<u>\$221,984.00</u>
			Total	\$443,968.00

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

Fiscal Year	Appropriation	Class/Object	Class Title	
2014	05-95-42-423010-7927	102-500731	Contracts for program services	\$86,210.00

EXPLANATION

This request is **retroactive** because the Department efforts to consolidate contracts to reduce administrative burden for the contractors as well as reduce the number of submissions to Governor and Council has resulted in certain delays in the department completing the contract package.

State Grant-In-Aid

The Vendor will utilize State of New Hampshire Emergency Shelter Program Grant-In-Aid in combination with matching funds pursuant to these Agreements for Essential Services, such as assistance in finding permanent housing, employment counseling, substance abuse counseling, assistance in accessing other community services, and staff salaries and benefits; and Prevention/Intervention Services, such as payment of utilities arrearage with discounted notice, back rent with eviction notice, or mortgage arrearage with foreclosure notice. Such activities help negate instances where households are threatened by immediate homelessness.

A Request for Proposal for the State Grant-in-Aid funds was issued at the annual NH Homeless Provider and Homeless Education Liaison Conference on October 24, 2012. The Request for Proposal was also posted on the Department of Health and Human Services' website. Criteria for selection included: proposal includes all elements and is assembled as required; program design and need for project; performance measures and identified outcomes; coordination with community organizations and resources; involvement with Continuum of Care/Local Service Delivery Area; soundness of approach; cost proposal, budget and leveraging of resources; accurate and timely utilization of Homeless Management Information System; staff experience and credentials; compliance with rules, statutes and life safety codes; increase in bed capacity; and increase in prevention/intervention or essential services. Each applying organization was required to submit a separate proposal for each program, which allowed for budgets and program models to be evaluated independently. Fifty (50) separate proposals that could be funded through State Grant-In-Aid, from 35 organizations, were evaluated and scored.

Homeless Housing and Access Fund

The Vendor shall also utilize Homeless Housing and Access Loan Funds to provide loans for the first month of rent and/or security deposit for homeless individuals and families. To be eligible, applicants shall have no permanent address and shall be residing temporarily in a shelter for the homeless, a hotel, a motel, the home of another household designed for occupancy by only one household, or entirely without shelter. Repayment terms of the loans are determined by the contracted agencies. The Homeless Housing and Access Loan Fund continues to expand the capacity of the Housing Security Guarantee Program by providing one month's rent in addition to the security deposit. This program assists homeless individuals and families in securing affordable housing that they have previously not been able to secure due to lack of resources.

Similar to the State Grant-In-Aid Request for Proposal, this Request for Proposal was also issued at the annual NH Homeless Provider and Homeless Education Liaison Conference on October 24, 2012. The Request for Proposal was also posted on the Department of Health and Human Services' website.

Housing Security Guarantee Program

Effective November 1, 1993, RSA 126-A: 51, Program Established, created the statewide Housing Security Guarantee Program to address the issue of the "...inability of individual citizens to amass sufficient funds for housing security deposits..." and how this "...contributes significantly to the problem of homelessness in the state of New Hampshire..." The enabling legislation allowed the Department to contract out the administration of this program. The program administration has been contracted out to the Community Action Program Belknap-Merrimack Counties, Inc. since 1994, who also acts as the fiscal agent for this program. Housing Security Guarantee Loan Programs are functioning in all

counties through five community action agencies and two community-based nonprofit homeless prevention/intervention service providers.

The Housing Security Guarantee Program guarantees payment of security deposits to landlords in instances where low-income households cannot afford a security deposit. Typically, tenants make monthly payments to the administrative agency until the full amount of their security deposit is collected. That amount is then forwarded to the landlord. Even if the tenant defaults before the entire amount is paid, the administrative agency is still responsible for payment in the full amount to the landlord.

Similar to the State Grant-In-Aid Request for Proposal, this Request for Proposals was also issued at the annual NH Homeless Providers and Homeless Education Liaisons Conference on October 24, 2012. The Request for Proposals was also posted on the Department of Health and Human Services' website.

From the inception of this program in 1994, through June 30, 2013, it has assisted 11,865 households (with an outstanding guarantee amount of \$1,160,174.75) to access housing by providing security deposit loan vouchers to participating landlords, and by guaranteeing full deposit payment in the event of a claim by a participating landlord. Participating households who are vouchered make scheduled monthly installment payments toward full security deposit repayment.

Security deposit vouchers are available to persons who are considered "very low income" according to the US Department of Housing and Urban Development. These are traditionally individuals that do not qualify for bank financing and face homelessness without this assistance. Repayment terms are scheduled according to the ability of individuals to repay. As a part of this program, participating individuals also receive budget counseling and other supportive services to assist them in maintaining independence. Repayment efforts are made by phone, by mail and personal contact. The high repayment rate of program participants is an indication of successful repayment arrangements by service providers.

The impressive results of this program are well documented. This program replaced cash assistance grants for security deposits to prevent homelessness with a voucher-based loan program for those at the lowest income scale. This means money that, in the past, would have been an outright grant to very low-income households is now being repaid by clients over time. From 1994 to 2013, \$7,015,258.74 in vouchers has been issued. Of this amount, 72% have resulted in successful tenancy.

Homeless Outreach Intervention Prevention

This agreement also provides funds from the Department of Housing and Urban Development Supportive Housing Demonstration for Homeless Outreach Intervention Prevention (HOIP). HOIP is a collaborative project between Community Action Agencies and the State of NH, Bureau of Homeless and Housing Services. It is designed to provide aggressive street outreach and intervention services to the unsheltered homeless throughout the state. The Bureau has administered this program for 18 years. The Department of Housing and Urban Development requires a Continuum of Care process for communities seeking these funds. A Continuum is a coordinated planning approach to setting priorities for the housing and service needs of homeless people within a specific area. The Continuum includes broad participation of community stakeholders. Through this process, New Hampshire submits an annual application in response to the Department of Housing and Urban Development's Notice of Funding Availability. Once the Notice is announced, the Bureau notifies all participants in the Continuum to submit project applications. The Department of Housing and Urban Development scores the application and awards funding based on their criteria. The Bureau receives notification from the Department of Housing and Urban Development several months later regarding the awards.

In 1994, with input from providers throughout the country, the Department of Housing and Urban Development developed the Continuum concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum 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; and (3) an opportunity to submit an application to the Department of Housing and Urban Development for resources targeting housing and support services for homeless individuals and families. Although law does not mandate the Continuum, in order to obtain Department of Housing and Urban Development housing and support services resources, communities must conduct a Continuum process and submit a Continuum application to the Department of Housing and Urban Development.

The Vendors will utilize the Supportive Housing Grant funds and matching funds for essential services and operations of the Homeless Outreach Intervention Program, such as assistance in obtaining emergency shelter, staff wages and benefits, client emergency assistance, and transportation. It is anticipated that the contract will serve approximately 200 individuals statewide.

The Bureau assures contract compliance and provider performance through the following: 1) annual compliance reviews are performed, including the collection of data relating to compliance and contractual agreements; and 2) statistical reports are submitted on a monthly basis from all Homeless Outreach Intervention Prevention providers, including various demographic information and monthly billing invoices, including expense reports and program match dollars

Criteria for selection was the same as that for State Grant-In-Aid funding. As a result of this RFP, six proposals were received, evaluated and scored. All proposals met or exceeded the minimum score required for funding.

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

- 1) Annual compliance reviews are performed, including 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 reports, as well as income and expense reports, including match dollars; and
- 3) All providers funded for shelter, transitional housing, or outreach services will be required to maintain timely and accurate data entry on the New Hampshire Homeless Management Information System, unless they are required by law to use an alternate data collection. The NH Homeless Management Information System will be the primary reporting tool for outcomes and activities of shelter and housing programs funded through these contracts.

Should the Governor and Executive Council not approve this Request, shelter and homeless prevention resources for people who are homeless may not be available in their community, and there will be an increase in demand statewide placed upon local welfare authorities. People who are without housing and resources will resort to seeking local shelter in places that are not fit for people to live in, or will attempt to travel to shelters in other communities. This will increase the likelihood that homeless people will be in danger of injury or death, and will be cut off from basic supports for health, education and treatment. Numerous jobs would also be lost since the shelter and/or resource agencies would have to close their doors or drastically reduce staff.

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
Page 5

Area served: Belknap and Merrimack Counties

Source of funds:

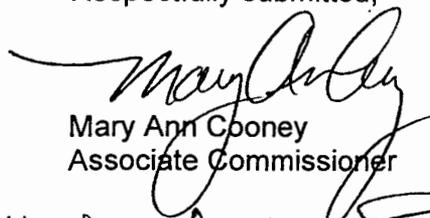
State Grant in Aid- 100% General Funds, \$383,968

Housing Security Guarantee Program – 100% General Funds, \$60,000

Homeless Housing and Access Fund – 100% General Funds, \$16,750

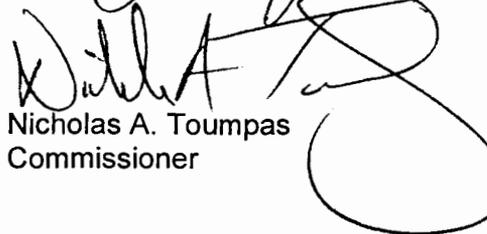
Homeless Outreach Intervention Program- 100% Federal Funds, \$86,210

Respectfully submitted,



Mary Ann Cooney
Associate Commissioner

Approved by:



Nicholas A. Toumpas
Commissioner

A Request for Proposal for state funding was issued at the annual NH Homeless Provider and Homeless Education Liaison Conference on October 24, 2012. The Request for Proposal was also posted on the Department of Health and Human Services' website.

Shelter Programs	Evaluation Score	HMIS Utilization	Total Score
Laconia Area Community	98	9.8	107.8
Front Door Agency	95	10	105
Families in Transition - Concord	92.5	10	102.5
Helping Hands Outreach Ministries	92	8.6	100.6
Families in Transition - Family Place/Amherst	90.5	10	100.5
New Horizons for New Hampshire	90.5	9.5	100
Greater Nashua Council on Alcoholism (Keystone Hall)	90	9.8	99.8
Families in Transition - Lowell St	89.5	10	99.5
Families in Transition - Family Place/Spruce St	89.5	10	99.5
Bridge House	90.5	8.6	99.1
Nashua Soup Kitchen and Shelter, Inc	88.5	10	98.5
Child and Family Services of New Hampshire	88	10	98
The Way Home	88.5	9.4	97.9
Families in Transition - Family Willows/Millyard II	88	9.2	97.2
Families in Transition - Manchester Emergency	86.5	10	96.5
Marguerite's Place, Inc	86.5	10	96.5
Harbor Homes Inc	86.5	9.8	96.3
Salvation Army - Laconia (Carey House)	87	9.1	96.1
Cross Roads House, Inc	84.5	10	94.5
Greater Nashua Interfaith Hospitality Network	85.5	8	93.5
My Friend's Place	82.5	9.5	92
NH Coalition Against Domestic and Sexual Violence	83	8	91
Samaritans (Mary's Place)	81	9	90
Southwestern Community Services - Claremont	80.5	8.5	89
New Generations, Inc	79	9.6	88.6
Friends Program	78.5	10	88.5
First Congregational Church	81.5	6.5	88
Salvation Army - Concord (McKenna House)	78	10	88
Southwestern Community Services - Keene	80.5	7	87.5
Headrest, Inc	79	4.7	83.7
Veteran Homestead, Inc	75.5	8	83.5
Tri-County Community Action Program, Inc (Tyler Blaine)	75.5	7.5	83

Prevention Programs	Evaluation Score
AIDS Response Seacoast	103
Southwestern Community Services	99
The Way Home	99
NH Legal Assistance	98.5
Harbor Homes, Inc	98
St. John Neumann Church Outreach	98
Front Door Agency	97
Merrimack Valley Assistance Program	96.5
Belknap-Merrimack Community Action Program, Inc - New Start	96

Strafford County Community Action Committee, Inc	95
Belknap-Merrimack Community Action Program, Inc - Prevention	93
NH 211 (United Ways of New Hampshire) - Hotel	92.5
NH 211 (United Ways of New Hampshire) - Hotline	92
Child and Family Services of New Hampshire	91
Southern New Hampshire Services	89
Southern New Hampshire Services (Rockingham Program)	89
Tri-County Community Action Program, Inc	71
Veteran Homestead, Inc	61

Due to the quantity of proposals received, the reviewers were organized into twelve (12) teams, which met and presented their final evaluations and scores. The review committee teams included the following individuals:

- Natalie Allen, BA, MBA, Retired NH Department of Health and Human Services Employee – Over 30 years of social services most recently as a Community Relations Manager, served on the Local Service Delivery Areas of Concord and Laconia, and as a member of the Balance of State Continuum of Care
- Michael Bilson, BA, Program Planner I, Office of Consumer and Family Affairs, Bureau of Behavioral Health, Division of Community Based Care Services, NH Department of Health and Human Services
- John Capuco, Psy. D, Administrator, Bureau of Developmental Services, Division of Community Based Care Services, NH Department of Health and Human Services
- Christopher Cullinan, BA, MPA, Manager of Ryan White CARE Program, Division of Public Health, NH Department of Health and Human Services
- Sharon Drake, BS, Chief Executive Officer, Serenity Place (an NCADD Affiliate)
- Margaret Fogarty, MA, BA, Economic Justice Project Coordinator, American Friends Service Committee
- Ellen Fries, BA, Concord Coalition to End Homelessness
- Sherry Gould, Director, Wijokadoak, Inc
- Bill Guinther, BA, Program Policy Analyst at New Hampshire Housing Finance Authority (NHHFA)
- Janet Horne, Business Systems Analyst I, Bureau of Behavioral Health, Division of Community Based Care Services, NH Department of Health and Human Services
- David Keller, Former Minister at Concord's First Congregational Church
- Janine A Lesser, BS, MS, Child Care Program Specialist IV, TANF Policy Unit, Division of Family Assistance, NH Department of Health and Human Services
- Sandra Matheson, Director, State Office Victim/Witness Assistance, NH Attorney General's Office
- William McGonagle, Assistant Commissioner, NH Department of Corrections
- Niki Miller, MS, Senior Project Associate at Advocates for Human Potential, formerly Administrator of Women Offenders for NH Department of Corrections

- Karen Orsini, MSN, RN, Director of Quality Improvement, Bureau of Behavioral Health, Division of Community Based Care Services, NH Department of Health and Human Services
- Linda J Parker, BS, CPM, Program Specialist IV, Division of Community Based Care Services, NH Department of Health and Human Services
- Bernadette Pelczar, BA, MSW, Social Worker
- Kimberly Perez, PhD, Family HIV Program Manager, Dartmouth-Hitchcock
- Myriam Roeder, Adoption Manager, Division of Child, Youth and Families, NH Department of Health and Human Services
- Todd Ringelstein, Program Planning and Review Specialist, Division of Developmental Services, NH Department of Health and Human Services
- Michael Rogers, MHA, MT, MC, Assistant Administrator, Bureau of Drug and Alcohol Services, Division of Community Based Care Services, NH Department of Health and Human Services
- Marianne Savarese, BS, RN, Project Director of Health Care for the Homeless Program
- Barbara Thorngren, M.Ed, Collaborative Education Consultant for PeaceWorks New Hampshire, LLC
- Kristina Toth, BA, Administrator, Family Connections Center, NH Department of Corrections
- Sally Varney, BA, Program Planning and Review Specialist, Division of Community Based Care Services, NH Department of Health and Human Services
- Dave Villiotti, MS, Executive Director, Nashua Children's Home
- Donna Walker, BBA, MBA, Business Administrator IV, Bureau of Behavioral Health, Division of Community Based Care Services, NH Department of Health and Human Services
- Kathleen Walton, Masters in Human Service Administration, Human Service Director, Town of Salem

A funding distribution formula for State Grant-In-Aid was designed during March 2013, based on the most current projections of State Fiscal Years 2014 and 2015 funding available at that time. This total was approximately 4% more than the State Fiscal Years 2012 and 2013 total of State Grant-In-Aid funding. One prevention program, Veteran Homestead, Inc, received a score of 61, which was below the guideline score of 65; therefore, they were only awarded level funding for their program. One shelter program, Veteran Homestead, Inc, was not funded, especially when taking into consideration the placement of the proposal in the rankings of the shelter program scores, because the proposal was for a new shelter request and not a renewal shelter request.

A Request for Proposal for state funding was issued at the annual NH Homeless Provider and Homeless Education Liaison Conference on October 24, 2012. The Request for Proposal was also posted on the Department of Health and Human Services' website.

Homeless Housing Access Revolving Loan Fund Programs	Evaluation Score
The Way Home	98.5
Front Door Agency	97
Tri-County Community Action Program, Inc	96
Southern New Hampshire Services	94
Southwestern Community Services	84.5
Belknap-Merrimack Community Action Program, Inc	81

As a result of this RFP, six proposals were received, evaluated and scored. All proposals met or exceeded the minimum score required for funding.

Criteria for selection included: proposal includes all elements and is assembled as required; program design and need for project; performance measures and identified outcomes; staff experience and credentials; coordination with community organizations and resources; involvement with Continuum of Care/Local Service Delivery Area; soundness of approach; cost effectiveness and leveraging of resources; and compliance with rules and statutes.

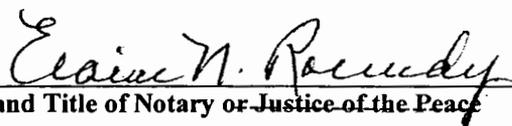
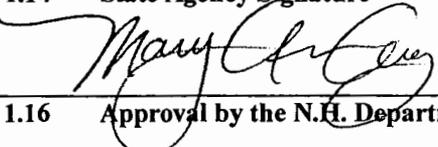
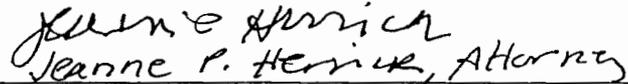
Subject: State Grant in Aid Program and Homeless Outreach Intervention Program

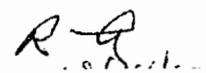
AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Community Action Program Belknap-Merrimack Counties, Inc.		1.4 Contractor Address PO Box 1016 Concord, NH 03302-1016	
1.5 Contractor Phone Number (603) 225-3295	1.6 Account Number 05-95-42-423010-7925 05-95-42-423010-7927 05-95-42-423010-7928	1.7 Completion Date June 30, 2015	1.8 Price Limitation \$546,928.00
1.9 Contracting Officer for State Agency Maureen U. Ryan, Bureau Administrator		1.10 State Agency Telephone Number (603) 271-9197	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Ralph Littlefield, Executive Director	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Merrimack</u> On <u>10/14/13</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice-of-the Peace [Seal] 			
1.13.2 Name and Title of Notary or Justice-of-the Peace ELAINE N. ROUNDY, Notary Public My Commission Expires August 24, 2016			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory MARY ANN COONEY Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Jeanne P. Herrick, Attorney On: <u>1 Nov. 2013</u>			
1.18 Approval by the Governor and Executive Council 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: AS
Date: 10/14/13

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

State Grant In Aid Program

1. PROVISIONS APPLICABLE TO ALL SERVICES:

- 1.1. Except as otherwise modified in paragraphs of EXHIBIT A, the Contractor agrees to comply with the program narrative, budget detail and narrative, and amendments thereto, for Services, operations, prevention, acquisition, or rehabilitation as approved by the Bureau of Homeless and Housing Services, Office of Human Services, Department of Health and Human Services, hereafter referred to as the State.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may impact on the Services described herein, the State has the right, following consultation with the Contractor, to modify service priorities and expenditure requirements for the funds provided under this Agreement so as to achieve compliance therewith.
- 1.3. The Contractor shall pursue any and all appropriate public sources of funds that are applicable to the funding of the Services, operations, prevention, acquisition, or rehabilitation. Appropriate records shall be maintained by the Contractor to document actual funds received or denials of funding from such public sources of funds.
- 1.4. The Contractor shall provide semiannual and annual report information data by service modality describing the number of unduplicated cases served, units of services rendered, and staff required to provide the service, as may be required by the State. Monthly reports may be required at the discretion of the State. Reports shall include, but are not limited to, details of progress and achievements toward the following key program outcomes:
 - 1.4.1. 70% of households that receive this prevention assistance will achieve immediate housing stability.
 - 1.4.2. At least 60% of households that receive this prevention assistance will not experience and episode of homelessness within 12 months.
- 1.5. All programs under this contract that are emergency shelters, transitional programs or permanent programs 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>.
- 1.6. Failure to submit the above reports or enter data into 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 State.

2. SERVICES:

The Contractor hereby covenants and agrees that during the term of this Agreement, it will provide services in accordance with the description(s) cited below:

- 2.1. New Hampshire Emergency Shelter State Grant-In-Aid Program RSA 126-A:25, 126-A:27, 126-A:28, 126-A:29, and 126-A 50-63 as well as He-M 314 and He-M-1007
- 2.2. Contractor shall use the New Hampshire Emergency Shelter State Grant-In-Aid funds for:
 - Prevention/Intervention Services, such as rent with eviction notice, mortgage with foreclosure notice, utilities with disconnect notice, and other activities to prevent homelessness.
 - Essential Services, such as assistance in finding permanent housing, employment counseling, substance abuse counseling, assistance in accessing other community services, and staff salaries and benefits.
 - Operations Activities, including shelter operational costs such as rent, utilities, insurance, and supplies.
 - Homeless Housing and Access Revolving Loan Fund, to provide loans for the first month of rent and/or security deposit for homeless individuals and families.

R-A
1/2/13



Exhibit A

- Housing Security Guarantee Program, to provide guarantees of rental security deposits to eligible persons.

Homeless Outreach and Prevention Program (HOIP)

1. Provisions applicable to HOIP services:
 - 1.1. Programs contracted to provide HOIP services must maintain client level data as required by the State. All contracted programs licensed to provide client level data into New Hampshire Homeless Management Information System (NH HMIS) shall utilize the Entry-Exit process for every client entered into NH HMIS. Entry/Exit dates and outreach contact assessments must be completed within 45 days of initial contact. Outreach contract providers who are not currently entering client level data into NH HMIS must provide Homeless Outreach Contact Forms for clients seen the first 15 days of the month and the last 15-16 days of the month within 5 business days to the State.
2. Services:

Contractor shall utilize Supportive Housing Grant Funds and matching funds for essential services and operations of the Homeless Outreach and Intervention Program (HOIP) including staff wages and benefits. Services include outreach and engagement with unsheltered homeless persons, basic needs assessment, assistance in obtaining emergency shelter, client emergency assistance, transportation, and linkages to needed services or benefits.

[Handwritten Signature]
[Handwritten Date: 10/14/13]



METHOD AND CONDITIONS PRECEDENT TO PAYMENT

State Grant In Aid Program

The following financial conditions apply to the scope of services as detailed in Exhibit A – State Grant In Aid Program.

This contract is funded 100% by the New Hampshire General Fund as follows:

NH General Funds:

SFY14 not to exceed \$230,359.00
SFY15 not to exceed \$230,359.00

Federal Funds: Not Applicable

1. PROGRESS REPORTS:

Semi-annual and annual financial and statistical progress reports which identify the status of the Services performed, the outlook for completion of the remaining services prior to the Completion Date and the changes, if any, which need to be made to the services, shall be submitted by the 15th of the month following the end of each six month period on forms supplied by the State.

2. PROJECT COSTS; PAYMENT OF PROJECT COSTS; 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 Services, as determined by the State to be eligible and allowable for payment.

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 purchase from the Contractor, in the amount not to exceed and for the specific time period specified above.

2.3. The Contractor shall submit documentation of expenditures of Project Costs at the conclusion of each monthly period or any other such schedule as may be required. In no event shall the funds provided exceed the amounts specified above.

2.4. Review by the State, Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the semiannual reports, 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 expense which 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 been made, it shall refuse to pay such costs.

3. LINE ITEM TRANSFERS:

No more than 10% of funds in each budget line can be transferred between line items as appears on the budget page without the prior written authorization from the State. Any expenditures which exceed the approved budgets shall be solely the financial responsibility of the Contractor. However, such excess expenditures may be covered by the transfer of other funds where such transfer is permissible by this Agreement. In any event, the Contractor shall be required to continue providing the Services specified in this Agreement. The Contractor shall make no adjustments so as to incur additional expenses in State funded programs in subsequent years without prior written authorization from the State.

R-G
10/14/13

New Hampshire Department of Health and Human Services
 State Grant In Aid and Homeless Outreach and Prevention Program
 Exhibit B



State Grant In Aid Program Budget detail

EXPENSE BUDGET for SFY14 and SFY15:

<i>EXPENSE ITEM</i>	<i>State GIA Funds</i>	<i>Match</i>
Prevention/Intervention	\$103,950.00	\$103,950.00
<i>Rent with eviction notice, mortgage with foreclosure notice, utilities with disconnect notice, and other activities to prevent homelessness</i>		
Essential Services (New Start)	\$140,018.00	\$140,018.00
<i>Assistance in finding permanent housing, employment counseling, substance abuse counseling, assistance in accessing other community services and staff salaries and benefits</i>		
Operations	N/A	N/A
<i>Shelter operational costs such as rent, utilities, insurance, supplies and taxes</i>		
Homeless Housing and Access Revolving Loan Fund	\$16,750.00	N/A
Housing Security Guarantee	\$60,000.00	N/A
Data Analysis	\$140,000.00	N/A
TOTALS	\$460,718.00	\$243,968.00
TOTAL GIA+Match	\$704,686.00	

Homeless Outreach and Prevention Program

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

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

NH General Fund: Not applicable

Federal Funds:

CFDA #: 14.235

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

Program Title: Supportive Housing Program

Total Amount Supportive Housing Program;

SFY14: not to exceed \$86,210.00

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 and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Supportive Housing Program, in an amount not to exceed and for the time period specified above.

R-G
 10/19/13

New Hampshire Department of Health and Human Services
State Grant In Aid and Homeless Outreach and Prevention Program
Exhibit B



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.
- 2.3. Progress Reports: Semiannual and annual financial and statistical progress reports which identify the status of the Services performed, the outlook for completion of the remaining services prior to the Completion Date and the changes, if any, which need to be made to the services, shall be submitted by the 15th of the month following the end of each six month period on forms supplied by the State.

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 purchase from the Contractor, in the amount not to exceed the Price Limitation set forth in block 1.8. of the General Provisions of the Agreement. The State agrees to provide funds for homeless services in payments in accordance with such other schedules as may be required by the U.S. Department of Housing and Urban Development under the provisions of 24 CFR Part 576, Emergency Shelter Grants Program; Stewart B. McKinney Homeless Assistance Act and all applicable regulations. The Contractor shall submit documentation of expenditures of Federal funds at the conclusion of each bimonthly period or any other such schedule as may be required. In no event shall the funds provided exceed the Price Limitation set forth in block 1.8. of the General Provisions. Upon release of additional Federal funding to the State, Contractor may invoice for balance of contracted amount as specified in block 1.8 based on documentation of expenditures.
- 3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Quarterly Reports, 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 and administration or reimbursement for expenditures for operations, supportive services, leasing and administration, provided by the Contractor for the project period and operating years of the Supportive Housing Program as approved by HUD and in accordance with the Supportive Housing Program Regulations, published at 24 CFR Part 583.

4. USE OF GRANT FUNDS.

R-G
12/19/13

New Hampshire Department of Health and Human Services
State Grant In Aid and Homeless Outreach and Prevention Program
Exhibit B



-
- 4.1. The State agrees to provide payment for actual costs, up to the Total Program Amount as defined 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.
 - 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.
 - 4.4. Conformance to 24 CFR Part 84: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 24 CFR Part 84.
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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10/19/13



Exhibit C

Special 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. Add the following to Paragraph 5:
 - 5.5. Upon execution of the Contract and satisfaction by the Contractor of any conditions in the Notification of Funding Approval, the State shall provide the Contractor with the funds, in accordance with EXHIBIT B of this Contract Agreement, in the amount specified in the attached Notification of Funding Approval.
 - 5.6. Funds obligated under this Contract shall not be increased but may be decreased in accordance with this Contract and 24 CFR 841.400(b) and (c).
3. Add the following to Paragraph 6.1:
 - 6.1. In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, country, or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights, equal opportunity and housing laws, Section 101 (g), P.L. 99-500, Title VIII of the Civil Rights Act of 1968, and Executive Order No. 11063, as implemented by the regulations at 24 CFR Part 107.
4. Add the following to Paragraph 6.:
 - 6.4. The Contractor certifies as follows:
 - 6.4.1. that the grant funds provided pursuant to this Contract shall be used in accordance with the requirements and provisions of this Contract, the Supportive Housing Program regulations, and the Application including the Fair Housing and Equal Opportunity Certifications and the Applicant Certifications contained in Exhibit 4 of the Application;
 - 6.4.2. that the grant funds shall not be used to replace State or local assistance program funds used to assist homeless persons during the calendar year preceding the date of the Application or were designated for such use through an official action of the applicable governmental entity during the calendar year preceding the date of the Application;
 - 6.4.3. that no more than five percent of the grant funds may be used for administrative expenses;
 - 6.4.4. that, except as provided at 24 CFR Subsection 573.33(1)(4)(ii), the Contractor shall not:
 - 6.4.4.1. conduct renovation, major rehabilitation, or conversion of any building listed on the National Register of Historic Places; located in an historic district;

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- immediately adjacent to a property listed on the National Register; or deemed to be eligible for inclusion on the National Register by the State Historic Preservation Officer;
- 6.4.4.2. conduct any such activity taking place in a 100-year flood plain designated by map by the Federal Emergency Management Agency;
 - 6.4.4.3. conduct any such activity which will jeopardize the continued existence of an endangered or threatened species designated by the U.S. Department of the Interior's Fish and Wildlife Service or by the U.S. Department of Commerce's National Maritime Fisheries Service, or affecting the critical habitat of such as species; and
 - 6.4.4.4. be inconsistent with HUD's environmental standards at 24 CFR Part 51 or with the State's Coastal Zone Management Plan;
- 6.4.5. that the Contractor shall make it known that use of the facilities and services is available to all on a nondiscriminatory basis. Where the procedures that the Contractor intends to use to make known the availability of services are unlikely to reach persons of any particular race, color, religion, age, creed, sex, handicap, or national origin who may qualify for such services, the Contractor must establish additional procedures that will ensure that these persons are made aware of the facility and services;
- 6.4.6. that the submission of applications for grants is authorized under State or local law and that the Contractor possesses legal authority to carry out the grants activities in accordance with applicable law and regulations of the U.S. Department of Housing and Urban Development;
- 6.4.7. that the Contractor shall comply with the nondiscrimination and equal opportunity requirements of 24 CFR 841.330(a);
- 6.4.8. that the Contractor shall comply with the National Environmental Policy Act of 1969, 42 U.S.C. 4332, implementing regulations at 24 CFR Part 50 and the Coastal Barriers Resources Act of 1982 (16 U.S.C. 3601); and
- 6.4.9. that the Contractor shall comply with the requirements of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846) as described in 24 CFR 841.330(d).
5. Add the following to Paragraph 7.:
- 7.4. It is understood and agreed by the parties hereto that in discharging its obligations under this Agreement, the Contractor shall ensure that no person (1) who is an employee, agent, consultant, officer, or elected or appointed official of the Contractor, subcontractor, or the State that receives Supportive Housing Grant amounts who exercises or has exercised any functions or responsibilities with respect to assisted activities or (2) who is in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for him or herself or those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.
 - 7.5. The Contractor shall not employ, engage for services, award contracts or fund any contractors or subcontractors during any period of their debarment, suspension or placement in ineligibility status as determined pursuant to 24 CFR Part 24.
6. Add the following to Paragraph 8.:
- 8.3. The State may deobligate amounts for any acquisition/rehabilitation advance or a moderate rehabilitation grant if the total costs of the acquisition/rehabilitation or moderate rehabilitation are less than the approved grant.
 - 8.4. The State may deobligate funds made available under this Contract if any proposed acquisition/rehabilitation or moderate rehabilitation activities are not begun or completed in accordance with the development schedule contained in the Application or within a reasonable time thereafter.

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- 8.5. The Contractor shall repay the full amount of any acquisition/rehabilitation advance or moderate rehabilitation grant if it fails to use the structure for supportive housing for the homeless for a ten year period following the initial occupancy with funding under this Agreement.
 - 8.6. For each full year that the Project is used for supportive housing for the homeless following the expiration of the ten year period, the amount of the acquisition/rehabilitation advance that the Contractor will be required to repay will be reduced by one-tenth of the original advance.
 - 8.7. If the Project is used for supportive housing for the homeless for twenty years following the date of initial occupancy, the Contractor will not be required to repay any portion of the acquisition/rehabilitation advance given under this Agreement.
 - 8.8. Upon the Contractor's written request, the State may determine that the Project is no longer needed as transitional housing for the homeless and may approve an alternate use of the Project for the direct benefit of lower income persons. In such event, for purposes of determining the Contractor's repayment obligations, the Project will continue to be treated a supportive housing for the homeless as long as it is used for the approved alternate purpose.
 - 8.9. If the Project is taken by eminent domain or seizure, the Contractor must repay the acquisition/rehabilitation advance or the moderate rehabilitation grant to the extent that funds are available from the eminent domain or other proceeding.
7. Add the following to Paragraph 9.:
- 9.4. Between the effective date and a date five years after the Completion Date, at any time during the Contractor's normal business hours, and as often as the State shall reasonably demand, the Contractor shall make available to the State all data for examination, duplication, publication, translation, or for any other purpose. Nothing in this Subparagraph shall require the Contractor to make available data that would violate any statute, other provisions of this Agreement, or agreements with unrelated third parties. The term "Contractor" includes all persons, natural or fictional, who are controlled by, under common ownership with, or an affiliate of, the entity identified as the Contractor in Paragraph 1.3. of the General Provisions of this Agreement.
 - 9.5. During the performance of the Project Activities and for a period of five (5) years after the Completion Date, the Contractor shall keep the following records and accounts:
 - 9.5.1. Records of Direct Work: Detailed records of all direct work performed by its personnel under this Agreement.
 - 9.5.2. Fiscal Records: Books, records, documents and other statistical data evidencing and permitting a determination to be made by the State of all Project Costs and other expenses incurred by the Contractor and all income received or collected by the Contractor during the performance of the Project Activities. The said records shall be maintained in accordance with accounting procedures and practices acceptable to the State, and which sufficiently and properly reflect all such costs and expenses, shall include, without limitation, all ledgers, books, records, and original invoices, vouchers, bills, requisitions for materials, inventories, valuations of in kind contributions, labor time cards, payrolls and other records requested or required by the State.
 - 9.5.3. Contractor and Subcontractor Records: The Contractor shall establish, maintain, and preserve and require each of its contractors and subcontractors to establish, maintain, and preserve property management, project performance, financial management and reporting documents and systems, and such other books, records, and other data pertinent to the project as the State may require. Such records shall be retained for a period of five (5) years following completion of the project and receipt of final payment by the Contractor, or until an audit is completed and all questions arising therefrom are resolved, whichever is later.
 - 9.6. Audits and Inspections: During the performance of the Project Activities and the five (5) year retention period, at any time during normal business hours and as often as the State, HUD, or the Comptroller General of the United States, together or separately, may deem necessary, the Contractor shall make available to the State, HUD, or representatives of the Comptroller General, as requested, all records pertaining to matters covered by this Agreement. The

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Contractor shall permit the State, HUD, or representatives of the Comptroller General, collectively or separately, to audit, examine and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, data and other invoices, materials, payrolls, records of personnel, data and other information relating to all matters covered in this Agreement.

8. 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 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.
9. Add the following to Paragraph 14:
 - 14.4. The Contractor shall obtain property, casualty or hazard insurance in an amount at least equal to the amount of any acquisition/rehabilitation advance or the moderate rehabilitation grant provided to the Contractor. The Contractor shall assure that such insurance remains in full force during the term of the commitment to provide supportive housing for the homeless.
10. Add the following to Paragraph 20:
 - 20.1. DEVELOPMENT
 - 20.1.1. The Contractor assures that it has control of the site and/or structure to be used for the Project as described in the Application and EXHIBIT A of this Contract.
 - 20.1.2. The Contractor shall keep and maintain such books, records, and other documents as required by the State as may be necessary to reflect and disclose fully the amount and disposition of grant funds, and the total cost of activities paid for, in whole or in part, with grant funds.
 - 20.2. OPERATION
 - 20.2.1. The Contractor agrees that it will facilitate the provision of necessary supportive services to the residents of the Project.
 - 20.2.2. The Contractor shall assure that the Project will be operated in accordance with the Project Sponsor Executive Officer Certifications contained in EXHIBIT 4 of the Application.
 - 20.2.3. The Contractor shall operate the Project as transitional housing for homeless persons for a ten-year period following the initial occupancy with grant funds provided pursuant to this Contract.
 - 20.2.4. In the event the Project is not operated as supportive housing for the homeless for ten years following the initial occupancy with grant funds as provided in Paragraph 1.8. above, the Contractor shall repay the full amount of the grant funds in accordance with Paragraph 8. of this Contract.

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- 20.2.5. The Contractor shall assure that residents in the Project will be charged rent in accordance with section 3(a) of the United States Housing Act of 1937, which requires residents to pay the highest of (1) 30 percent of the family's monthly income (adjusted in accordance with 24 CFR 841.320); (2) 10 percent of the family's monthly income; or (3) if the family is receiving payments for welfare assistance from a public agency and a part of the payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of the payments that is designated.
- 20.2.6. The Contractor shall conduct an ongoing assessment of the supportive services required by the residents in the Project.
- 20.2.7. The Contractor shall provide a residential supervisor, as specified in the Application, who will facilitate the adequate provision of supportive services to the residents of the housing throughout the term of the commitment to operate the Project as supportive housing for the homeless.
- 20.2.8. The Contractor shall provide safe and sanitary housing and shall comply with all State and local housing codes, licensing requirements and other requirements regarding the condition of the structure and the operation of the Project.
- 20.3. SUPPORTIVE HOUSING PROGRAM COVENANTS
- 20.3.1. If the structure used for supportive housing is owned or leased by the Contractor, restrictions regarding the use of the structure will be contained in a covenant, running with the land recorded in the land records of the jurisdiction in which the structure is located.
- 20.3.2. The covenant running with the land, required in Paragraph 20.3.1 above, must state that the owner and his or her successors, assigns, heirs, grantees or lessees shall, if the Project is not used as supportive housing for homeless persons for ten years following initial occupancy with contract funds, the owner, his/her successors and assigns, heirs, grantees or lessees shall be required to repay the full amount of the grant unless HUD determines that the Project is no longer needed for use as supportive housing for homeless persons and approves the use of the Project for the direct benefit of lower income persons.
- 20.3.3. The Contractor shall ensure that the covenants required by Paragraph 20.2.5 above, are recorded prior to the commencement of any acquisition or rehabilitation activity, for a Project receiving a rehabilitation advance or a moderate rehabilitation grant, or, for a Project receiving an acquisition advance, recorded immediately after the recording of the deed for the structure acquired with the acquisition advance.
- 20.4. OTHER PROGRAM REQUIREMENTS
- If a structure rehabilitated with grant funds is leased from a religious organization, the Contractor shall ensure that the lease contains the following provisions:
- 20.4.1 the leased premises will be used exclusively for secular purposes and be available to all persons regardless of religion; and
- 20.4.2. the lease payments will not exceed the fair market rent of the structure without the rehabilitation; and
- 20.4.3. the cost of improvements that benefit any portion of the structure that is not used for the provision of supportive housing for the homeless is allocated to and paid for by the religious organization, and
- 20.4.4. unless the lessee, or a successor lessee acceptable to the State, retains the use of the leased premises for a wholly secular purpose for at least the useful life of the improvements, the lessor will pay to the lessee, within a reasonable time, an amount equal to the residential value of the improvements, and
- 20.4.5. the Contractor shall comply with the policies, guidelines and requirements of OMB Circular Number A-87 and A-102 as set forth in 24 CFR Part 85, except the requirements of 24 CFR 85.24 are modified by 24 CFR 841.125 and the requirements of 24 CFR 85.31 are modified by 24 CFR 841.310 and 841.315, and
- 20.4.6. the Contractor's financial management system shall provide for audits in accordance with 24 CFR Part 44, and

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20.4.7. the Contractor shall keep any records and make any reports that the State may require. Estimates for the cost of acquisition and/or rehabilitation or moderate rehabilitation of the Project shall be supported by documentation on file and maintained for at least three years of operation with funding under this program.

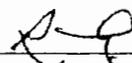
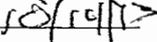
Contractor Initials 
Date 



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ADDITIONAL SPECIAL PROVISIONS

1. Retroactive Payments – Individual Services

Notwithstanding anything to the contrary contained in this Agreement or in any other document, agreement or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for any services provided to any individual prior to the Effective Date of this Agreement 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.

2. Retroactive Payments – Contractor Services

Notwithstanding anything to the contrary contained in this Agreement or in any other document, agreement or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for any costs incurred for any purposes prior to the Effective Date of this Agreement.

3. Audit Requirement

The Contractor shall deliver to the State, at the address set forth in Section 1.2 of these General Provisions, an independent audit performed by a Certified Public Accountant, of the Contractor, including the funds received under this Agreement.

The following requirement shall apply if the Contractor is a State or Local Government: If the federal funds received under this or any other Agreement from any and all sources exceeds \$25,000 in the aggregate in a one year fiscal period the required audit shall be performed in accordance with the provisions of OMB Circular A-128, Single Audits of State and Local Governments.

4. Credits

All documents, notices, press releases, research reports, and other materials prepared during or resulting from the performance of the services or the Agreement shall include the following statement: "The preparation of this (report, document, etc.) was financed under an Agreement with the State of New Hampshire, Department of Health and Human Services, Bureau of Homeless and Housing Services, with funds provided in part or in whole by HUD."

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10/14/13

NH Department of Health and Human Services

STANDARD EXHIBIT D

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

- (A) The grantee certifies that it will or will continue to provide a drug-free workplace by:
- (a) 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;
 - (b) Establishing an ongoing drug-free awareness program to inform employees about
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

Contractor Initials: RR
Date: 10/19/13