



Lori A. Shibinette  
Commissioner

Katja S. Fox  
Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
*DIVISION FOR BEHAVIORAL HEALTH*

129 PLEASANT STREET, CONCORD, NH 03301  
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June 22, 2020

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

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Division for Behavioral Health, to enter into a **Retroactive** contract with Harbor Homes, Inc. (VC#155358), Nashua, NH in the amount of \$4,550,000 to develop infrastructure and provide program support to a growing number of Recovery Centers statewide, with the option to renew for up to two (2) additional years, effective retroactive to July 1, 2020 upon Governor and Council approval through June 30, 2022. 29% Federal Funds. 14.95% General Funds. 56.05% Other Funds (Governor's Commission on Alcohol and Other Drugs).

Funds are available in the following accounts for State Fiscal Year 2021, and are anticipated to be available in State Fiscal Years 2022, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

**05-95-92-920510-33820000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION FOR BEHAVIORAL HEALTH, BUREAU OF DRUG AND ALCOHOL, GOVERNOR COMMISSION FUNDS (100% Other Funds)**

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2021	102-500731	Contracts for Prog Svc	92058501	\$1,275,000
2022	102-500731	Contracts for Prog Svc	92058501	\$1,275,000
			<b>Subtotal</b>	<b>\$2,550,000</b>

**05-95-92-920510-33840000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION FOR BEHAVIORAL HEALTH, BUREAU OF DRUG AND ALCOHOL, CLINICAL SERVICES (66% Federal Funds 34% General Funds)**

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2021	102-500731	Contracts for Prog Svc	92057501	\$1,000,000
2022	102-500731	Contracts for Prog Svc	92057501	\$1,000,000

### **EXPLANATION**

This request is **Retroactive** because Department's business operations were disrupted by COVID-19 which led to delays with the planning, development, and posting of the Request for Proposal, and the resulting contract.

The purpose of this request is to develop infrastructure and provide program support to a growing number of Recovery Community Organizations (RCOs) and Recovery Centers providing Peer Recovery Support Services (PRSS) across the state. The Department's goal is to create a statewide, geographically diverse PRSS network by increasing capacity through the development of new Recovery Centers and support of existing RCOs. This contract develops two (2) new Recovery Centers and supports a total of sixteen (16) Recovery Centers.

This contract will serve NH citizens over the age of seventeen (17), their families and caregivers, who are seeking to gain, maintain or enhance their recovery from Substance Use Disorders across the state. Peer Recovery Support Services help people become engaged and stay engaged in the recovery process, thus reducing the likelihood of relapse. PRSS are designed and delivered by peers who are in recovery themselves and who are trained to help others to be successful in their recovery. Approximately 82,000 peer recovery support services will be provided annually from July 1, 2020 to June 30, 2022.

The vendor will serve as a Facilitating Organization, initiating two (2) new Recovery Centers and sub-contracting with RCOs for efficient use of funds, oversight and support of all Centers. They will provide project management, training, technical assistance, compliance monitoring, quality improvement assistance, data collection and evaluation of outcome measures for all of the RCOs.

The Department will monitor contracted services using the following performance measures:

- A minimum of sixteen (16) Recovery Centers are open and providing PRSS.
- The Recovery Centers provide a minimum of 82,000 PRSS annually.
- Eighty (80) percent of individuals receiving recovery coaching report an improvement of quality of life.

The Department selected the Contractor through a competitive bid process using a Request for Proposals (RFP) that was posted on the Department's website from 5/12/2020 through 6/3/2020. The Department received two (2) responses that were reviewed and scored by a team of qualified individuals. The Scoring Sheet is attached.

As referenced in Exhibit A, Paragraph 3, Effective Date/Completion of Services, of the attached contract, the parties have the option to extend the agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and Governor and Council approval.

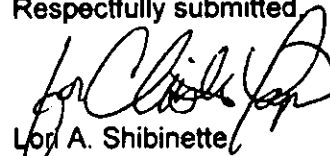
Should the Governor and Council not authorize this request, the Department's overall strategy to address the disease of addiction to alcohol and drugs may be negatively impacted, with fewer individuals gaining and maintaining recovery. Without access to a community-based Peer Recovery Support Services, many individuals may require additional intensive treatment services. Additionally, some individuals may continue in their active addiction, leading to negative medical, legal, and child welfare consequences for those persons, their families and society, incurring much higher costs to the Department and State.

Area served: Statewide

Source of Funds: 29% Federal funds from the U.S. DHHS, Substance Abuse and Mental Health Services Administration, Substance Abuse Block Grant CFDA # 93.959 FAIN TI010035 and TI083041, 14.95% General funds, 56.05% Other funds (Governor's Commission on Alcohol and Other Drugs).

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

Respectfully submitted

A handwritten signature in black ink, appearing to read "Lori A. Shibillette", is written over the printed name.

Lori A. Shibillette  
Commissioner



New Hampshire Department of Health and Human Services  
Office of Business Operations  
Contracts & Procurement Unit  
Scoring Sheet

PEER RECOVERY SUPPORT  
SERVICES FACILITATING  
ORGANIZATION

RFP-2021-BDAS-04-PEERR

RFP Name

RFP Number

Bidder Name

1. Harbor Homes
2. NextStep
3. 0
4. 0
5. 0
6. 0
7. 0

Pass/Fail	Maximum Points	Actual Points
	330	295
	330	63
	330	0
	330	0
	330	0
	330	0
	330	0


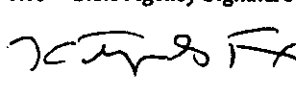
Subject: Peer Recovery Support Services (PRSS) Facilitating Organization (RFP-2021-BDAS-04-PEERR-01)

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

**AGREEMENT**

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

**GENERAL PROVISIONS****1. IDENTIFICATION.**

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Harbor Homes, Inc.		1.4 Contractor Address 77 Northeastern Blvd Nashua, NH 03062	
1.5 Contractor Phone Number (603) 882-3616	1.6 Account Number 05-95-92-920510-33820000 05-95-92-920510-33840000	1.7 Completion Date June 30, 2022	1.8 Price Limitation \$4,550,000
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature  Date: 6/19/20		1.12 Name and Title of Contractor Signatory Peter Kelleher President & CEO	
1.13 State Agency Signature  Date: 6/22/20		1.14 Name and Title of State Agency Signatory Katya S. Fox, Director	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: Catherine Pinos On: 06/26/20			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

**2. 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 B which is incorporated herein by reference ("Services").

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

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("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 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 for Services provided in EXHIBIT B, in whole or in part. 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 reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source 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 C 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 applicable 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 employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property 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 The Contractor 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 cured, 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 give the Contractor a written notice specifying the Event of Default and 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 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. 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.

## 9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, 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 B. In addition, at the State's discretion, 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.

## 10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

10.1 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.

10.2 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.

10.3 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.

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.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. **INDEMNIFICATION.** Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the

Contractor Initials

Date

*[Signature]*  
10/19/06

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. 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 continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

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

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 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 ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

#### 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. The 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. **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.

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and 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. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

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 or modifying provisions set forth in the attached EXHIBIT A 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 with respect to the subject matter hereof.

Contractor Initials

Date 6/19/20





**EXHIBIT A**

**REVISIONS TO STANDARD CONTRACT PROVISIONS**

**1. Revisions to Form P-37, General Provisions**

- 1.1. Paragraph 3, Subparagraph 3.1, Effective Date/Completion of Services, is amended as follows:
  - 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 become effective July 1, 2020 ("Effective Date").
- 1.2. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:
  - 3.3. The parties may extend the Agreement for up to two (2) additional year(s) from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.
- 1.3. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:
  - 12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

*[Handwritten Signature]*  
8/19/20

New Hampshire Department of Health and Human Services  
Peer Recovery Support Services Facilitating Organization  
**EXHIBIT B**



**Scope of Services**

**1. Statement of Work**

- 1.1. The Contractor shall provide services in this agreement to develop infrastructure and provide program support to Recovery Community Organizations (RCO(s)) and Recovery Centers throughout the State.
- 1.2. The Contractor shall ensure services are available throughout the State.
- 1.3. For the purposes of this agreement, all references to days shall mean consecutive calendar days.
- 1.4. For the purposes of this agreement, any reference to business days shall mean Monday through Friday, excluding holidays observed by State of New Hampshire as non-working days.
- 1.5. The Contractor shall provide program management and oversight, and implement a quality improvement process.
- 1.6. The Contractor shall enter into contracts with existing RCOs within ninety (90) days that administer a minimum of thirteen (13) Recovery Centers located in nine (9) different Public Health Regions, and contract for two (2) additional new Recovery Centers, as approved by the Department, by December 30, 2021.
- 1.7. The Contractor shall:
  - 1.7.1. Ensure that contracts for new Recovery Centers will be located in underserved geographic regions that do not have an existing Recovery Center.
  - 1.7.2. Provide a copy of each executed RCO contract to the Department within five (5) days of contract execution.
- 1.8. The Contractor shall provide the following services, on-site or remote, as needed by each RCO:
  - 1.8.1. Technical assistance.
  - 1.8.2. Compliance monitoring.
  - 1.8.3. Data quality and assurance.
- 1.9. The Contractor shall work with each RCO individually to develop an annual work plan, to include the following:
  - 1.9.1. Identify necessary steps and funding requirements to meet the RCO's goals.
  - 1.9.2. Develop and provide recovery coaching and telephone recovery support.
  - 1.9.3. Meet CAPRSS accreditation standards.
  - 1.9.4. Bill Medicaid, Managed Care Organizations (MCO(s)), and other

RFP-2021-BDAS -04-PEER-01

Contractor Initials 

Vendor Name

Page 1 of 2

Date 6/19/20

New Hampshire Department of Health and Human Services  
Peer Recovery Support Services Facilitating Organization  
**EXHIBIT B**



insurances.

- 1.9.5. Data collection and meaningful use of data.
- 1.9.6. Training for CRSW credentialing and staff development.
- 1.10. The Contractor shall provide training and technical assistance to each contracted RCO to ensure that all RCOs meet or exceed accreditation standards set forth by Council on Accreditation of Peer Recovery Support Services (CAPRSS) throughout this contracted period. The Contractor shall ensure assistance that aligns with CAPRSS accreditation standards includes, but is not limited to:
  - 1.10.1. Training personnel.
  - 1.10.2. Technical assistance, as needed.
  - 1.10.3. Organizational coaching.
  - 1.10.4. Capacity development consultation.
  - 1.10.5. Administrative support functions, as needed.
  - 1.10.6. Data collection and evaluation.
  - 1.10.7. Quality improvement.
- 1.11. The Contractor shall complete readiness assessments of new RCOs requesting assistance statewide. The Contractor shall:
  - 1.11.1. Determine each RCO's ability to meet or exceed CAPRSS accreditation standards.
  - 1.11.2. Determine each RCO's ability to open a Recovery Center, or additional Recovery Centers if the RCO currently has a Recovery Center(s).
  - 1.11.3. Determine each RCO's capacity to provide Peer Recovery Support Services.
  - 1.11.4. Determine each RCO's commitment to becoming a Medicaid provider and ability to bill MCOs for approved services.
  - 1.11.5. Upon completion of the scan, include a written determination of each RCO's accreditation readiness to the Department with the subsequent quarterly report.
- 1.12. The Contractor shall report on baseline data for each of the thirteen (13) RCO locations to provide Peer Recovery Support Services (PRSS) within ninety (90) days of the effective date of the awarded contract. Baseline data shall include:
  - 1.12.1. Status of meeting CAPRSS accreditation standards.
  - 1.12.2. Recovery Coaching.
  - 1.12.3. Telephone Recovery Services.

*mm*  
6/19/20

New Hampshire Department of Health and Human Services  
Peer Recovery Support Services Facilitating Organization  
**EXHIBIT B**



- 1.12.4. Other PRSS.
- 1.12.5. Location, service hours, and current capacity of Recovery Center(s).
- 1.12.6. Status of Medicaid accreditation, enrollment with Managed Care Organizations (MCOs), and billing for PRSS.
- 1.12.7. Annual budget and amount expected through this grant.
- 1.12.8. Funding sources or contracts other than this contract.
- 1.12.9. Number of staff and volunteers and percentage of them that have been credentialed as a Certified Recovery Support Worker (CRSW).
- 1.12.10. Status of an organizational sustainability plan.
- 1.12.11. Specific areas of PRSS expertise.
- 1.13. The Contractor shall collaborate with federal and state technical assistance assets to develop and provide training and technical assistance to RCOs in order to:
  - 1.13.1. Ensure RCOs will meet or exceed the accreditation standards.
  - 1.13.2. Provide technical assistance to RCOs to enroll in Medicaid as Peer Recovery Program provider-type by the New Hampshire Medicaid Program based on Federal Center for Medicaid and Medicare Services (CMS).
  - 1.13.3. Provide technical assistance to RCOs to contract with NH Managed Care Organizations (MCOs).
  - 1.13.4. Ensure personnel providing PRSS in RCOs are Certified Recovery Support Workers (CRSW) and meet the CAPRSS recovery coaching standards.
  - 1.13.5. Ensure RCOs will expand capacity to provide and maintain Peer Recovery Coaching and Telephone Recovery Support Services.
  - 1.13.6. Ensure that RCOs will develop multiple funding streams to support their services.
  - 1.13.7. Ensure RCOs will establish a plan to sustain Recovery Center(s).
- 1.14. The Contractor shall utilize logistical support provided by the NH BDAS Technical Assistance vendor to facilitate a Community of Practice that allows RCO administrators and leaders to establish and strengthen cooperation, collaboration and informal mentoring among RCOs. The Contractor shall:
  - 1.14.1. Organize regular on-going RCO regional meetings with RCO administrators and leaders.
  - 1.14.2. Ensure meetings are widely advertised to all RCOs, statewide.
  - 1.14.3. Ensure each RCO engages with local and regional partners including,

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but not limited to its local Regional Public Health Network (RPHN) to participate in continuum of care development work.

1.14.4. Ensure each RCO engages with the Mental Health Peer Support Services within the community. The RCO shall:

1.14.4.1. Understand the services offered at the Mental Health Peer Support Centers.

1.14.4.2. Coordinate with Mental Health Peer Support Centers to ensure clients are referred to the Peer Support Center or Recovery Center that best suits their needs.

1.15. The Contractor shall support the ability of each RCO to sustain existing Recovery Centers and open a minimum of one (1) Recovery Center. The Contractor shall:

1.15.1. Work with each RCO that plans to open a new Recovery Center(s) to develop a written plan that includes, but is not limited to:

1.15.1.1. The current organizational structure of the RCO's Recovery Center or the RCO's readiness to open a Recovery Center(s), as appropriate.

1.15.1.2. The process for acquiring and/or rehabilitating a facility to serve as a Recovery Center(s).

1.15.1.3. The RCO's financial viability to support the Recovery Center(s).

1.15.2. Ensure training and technical assistance is available to Recovery Center staff, which may include but is not limited to:

1.15.2.1. Peer Recovery Coaching Services.

1.15.2.2. Telephone Recovery Support Services.

1.15.2.3. Co-occurring mental health and substance use disorders and recovery.

1.15.2.4. Family dynamics of addiction and recovery.

1.15.2.5. Application of ethical codes for CRSWs and volunteers.

1.15.3. Work with each RCO to ensure sustainability of a Recovery Center(s) and services. The Applicant shall:

1.1.1.1. Work with each RCO to develop a written plan to sustain its Recovery Center(s) and services.

1.1.1.2. Assist RCOs to secure funding from other public and private sources to ensure ongoing sustainability of services.

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- 1.16. The Contractor shall provide regularly scheduled meetings with each RCO, as necessary, in person and online to monitor the progress of their work plan.
- 1.17. The Contractor shall assist RCOs with performing back office functions that may include, but are not limited to:
  - 1.17.1. Human resource functions.
  - 1.17.2. Financial functions such as accounting, bookkeeping and payroll.
  - 1.17.3. Credentialing for insurance billing.
  - 1.17.4. IT functions.
  - 1.17.5. Grant writing and sustainability functions.
- 1.18. The Contractor shall ensure billing services are available to each RCO until RCOs are able to perform billing functions on their own. Billing functions shall include, but are not limited to:
  - 1.18.1. Submitting PRSS client services covered by Medicaid to the appropriate MCO.
  - 1.18.2. Disbursing payments received from MCOs to the appropriate RCO.
- 1.19. The selected Contractor shall establish an evaluation process used for all RCOs and shall:
  - 1.19.1. Provide access to a Recovery-based electronic data system approved by the Department.
  - 1.19.2. Implement a data collection and organization process.
  - 1.19.3. Identify data evaluation criteria.
  - 1.19.4. Implement an evaluation process.
  - 1.19.5. Evaluate RCOs individually and on an aggregate level.
- 1.20. The Contractor shall ensure technical assistance is available to each RCO in order to collect, analyze and utilize data for the evaluation process in Subsection 1.19., which shall include, but is not limited to:
  - 1.20.1. Demographics, which shall include but are not limited to:
    - 1.20.1.1. Gender.
    - 1.20.1.2. Age.
    - 1.20.1.3. Ethnicity.
    - 1.20.1.4. Race.
    - 1.20.1.5. Veteran status.
  - 1.20.2. Outcome measures, which include:
    - 1.20.2.1. Substance use.

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- 1.20.2.2. Crime and Criminal Justice.
- 1.20.2.3. Employment and Education.
- 1.20.2.4. Stability in Housing.
- 1.20.2.5. Social Connectedness.
- 1.20.2.6. Retention.
- 1.20.2.7. Perception of Care.
- 1.20.2.8. Cost Effectiveness.
- 1.20.2.9. Referral Source.
- 1.20.2.10. Income.
- 1.20.2.11. Health Insurance Coverage.
- 1.20.2.12. Substance Use Disorder treatment.
- 1.20.2.13. Recovery capital.
- 1.21. The Contractor shall actively promote the availability and value of PRSS across the State of New Hampshire. Promotions shall include, but not be limited to:
  - 1.21.1. Posting on the New Hampshire Recovery Hub website;
  - 1.21.2. Publishing in each Recovery Fix e-newsletter; and
  - 1.21.3. Presenting at local and state-wide meetings, workshops and conferences in conjunction with RCO leadership. The Applicant shall provide, not to be limited to:
    - 1.21.3.1. Location.
    - 1.21.3.2. Title of meeting, workshop(s), or conference(s).
    - 1.21.3.3. Date.
- 1.22. The Contractor shall establish an RCO Association. The Association shall:
  - 1.22.1. Encourage participation by all RCOs in the state.
  - 1.22.2. Develop objectives for increasing capacity and quality improvement of PRSS.
  - 1.22.3. Provide a forum for shared learning about changes in the field of PRSS.
  - 1.22.4. Provide information to its members about available resources and funding opportunities.
- 2. Exhibits Incorporated
  - 2.1. The Contractor shall use and disclose Protected Health Information in compliance with the Standards for Privacy of Individually Identifiable Health Information (Privacy Rule) (45 CFR Parts 160 and 164) under the Health Insurance Portability

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and Accountability Act (HIPAA) of 1996, and in accordance with the attached Exhibit I, Business Associate Agreement, which has been executed by the parties.

2.2. The Contractor shall manage all confidential data related to this Agreement in accordance with the terms of Exhibit K, DHHS Information Security Requirements.

2.3. The Contractor shall comply with all Exhibits D through K, which are attached hereto and incorporated by reference herein.

**3. Reporting Requirements**

3.1. The Contractor shall provide quarterly reports that include but are not limited to:

3.1.1. Updates on baseline data for each RCO under contract.

3.1.2. Progress on each RCO's work plan components.

3.1.3. Number and type of PRSS provided by each RCO and total for the quarter.

3.1.4. Information on RCO trainings and Communities of Practice conducted, including but not limited to, type of training provided, topic and number of attendees.

3.1.5. Back office support provided, as described in Subsection 1.17.

3.1.6. Activities undertaken to promote the availability and value of PRSS.

3.1.7. Key findings from evaluation of client data.

3.1.8. The Contractor shall submit an annual report to the Department that includes, but is not limited to:

3.1.8.1. Baseline data as referenced in Subsection 1.12., of all RCOs under contract.

3.1.8.2. Number and type of PRSS provided by each RCO and total for the year.

3.1.8.3. The number and type of trainings provided over the term of the contract.

3.1.8.4. Amount of payments billed to insurance by each individual RCO and in total for all RCOs.

3.1.8.5. Information regarding clients served and client outcomes, which shall include but not be limited to analysis of outcome measures referenced in Subsection 1.20. by individual RCOs and aggregated for all RCOs.

**4. Performance Measures**

4.1. The Contractor shall ensure:

4.1.1. A minimum of sixteen (16) Recovery Centers are open and providing PRSS.

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- 4.1.2. A minimum of 82,000 PRSS are provided annually.
  - 4.1.3. Eighty (80) percent of individuals receiving recovery coaching report an improvement of quality of life.
  - 4.1.4. Eighty (80) percent of individuals receiving telephone recovery support services report an improvement in quality of life.
  - 4.2. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.
  - 4.3. The Contractor may be required to provide other key data and metrics to the Department, including client-level demographic, performance, and service data.
  - 4.4. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.
- 5. Additional Terms**
- 5.1. Impacts Resulting from Court Orders or Legislative Changes**
    - 5.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
  - 5.2. Culturally and Linguistically Appropriate Services (CLAS)**
    - 5.2.1. The Contractor shall submit and comply with a detailed description of the language assistance services they will provide to persons with limited English proficiency and/or hearing impairment to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
  - 5.3. Credits and Copyright Ownership**
    - 5.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."
    - 5.3.2. All materials produced or purchased under the contract shall have prior approval from the Department before printing, production,

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distribution or use.

- 5.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:

- 5.3.3.1. Brochures.
- 5.3.3.2. Resource directories.
- 5.3.3.3. Protocols or guidelines.
- 5.3.3.4. Posters.
- 5.3.3.5. Reports.

- 5.3.4. The Contractor shall not reproduce any materials produced under the contract without prior written approval from the Department.

**5.4. Operation of Facilities: Compliance with Laws and Regulations**

- 5.4.1. In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

**6. Records**

- 6.1. The Contractor shall keep records that include, but are not limited to:
- 6.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.
  - 6.1.2. All records must be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers,

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requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

- 6.2. During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

**7. Maintenance of Fiscal Integrity**

- 7.1. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor. All statements shall be reflective of the entire Partnership for Successful Living organization and shall be submitted on the same day the reports are submitted to the Board, but no later than the fourth Wednesday of the month. The Contractor will be evaluated on the following:

**7.1.1. Days of Cash on Hand:**

7.1.1.1. Definition: The days of operating expenses that can be covered by the unrestricted cash on hand.

7.1.1.2. Formula: Cash, cash equivalents and short-term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period. The short-term investments as used above must mature within three (3) months and should not include common stock. Any amount of cash from a line of credit should be broken out separately.

7.1.1.3. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) calendar days with no variance allowed.

**7.1.2. Current Ratio:**

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- 7.1.2.1. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.
- 7.1.2.2. Formula: Total current assets divided by total current liabilities.
- 7.1.2.3. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.

7.1.3. Debt Service Coverage Ratio:

- 7.1.3.1. Rationale: This ratio illustrates the Contractor's ability to cover the cost of its current portion of its long-term debt.
- 7.1.3.2. Definition: The ratio of Net Income to the year to date debt service.
- 7.1.3.3. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.
- 7.1.3.4. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
- 7.1.3.5. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed.

7.1.4. Net Assets to Total Assets:

- 7.1.4.1. Rationale: This ratio is an indication of the Contractor's ability to cover its liabilities.
- 7.1.4.2. Definition: The ratio of the Contractor's net assets to total assets.
- 7.1.4.3. Formula: Net assets (total assets less total liabilities) divided by total assets.
- 7.1.4.4. Source of Data: The Contractor's Monthly Financial Statements.
- 7.1.4.5. Performance Standard: The Contractor shall maintain a minimum ratio of 0.30:1, with a 20% variance allowed.

7.1.5. Total Lines of Credit

- 7.1.5.1. The contractor will provide a listing of every line of credit and amount outstanding for each line.
- 7.1.5.2. The contractor will report on any new borrowing activities.
- 7.1.5.3. The contractor will report on any instances of non-compliance with any loan covenant or agreement.

7.2. In the event that the Contractor does not meet either:

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- 7.2.1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
- 7.2.2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months, or
- 7.2.3. Does not meet the reporting timeframe, then
- 7.3. The Department may:
  - 7.3.1. Require that the Contractor meet with Department staff to explain the reasons that the Contractor has not met the standards.
  - 7.3.2. Require the Contractor to submit a comprehensive corrective action plan within thirty (30) calendar days of notification that 7.2.1. and/or 7.2.2. have not been met.
  - 7.3.3. Terminate the contract.
    - 7.3.3.1. If a corrective action plan is required, the Contractor shall update the corrective action plan at least every thirty (30) calendar days until compliance is achieved.
    - 7.3.3.2. The Contractor shall provide additional information to assure continued access to services as requested by the Department. The Contractor shall provide requested information in a timeframe agreed upon by both parties.
- 7.4. The Contractor shall inform the Department by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with the Department.
- 7.5. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement.
- 7.6. The Contractor shall inform the Department by phone and by email within five business days when any Executive Management, Board Officers, or Program Managers for DHHS contracts submits a resignation or leaves for any other reason.
- 7.7. The Contractor shall create an Audit Sub-Committee of the Board for the purpose of procuring audit services through an open bid process for fiscal year 2021.
- 7.8. Program-level Profit and Loss Statement for the Facilitating Organization shall

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**New Hampshire Department of Health and Human Services  
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be submitted at the time of invoice. The program-level profit and loss shall include all revenue sources and all related expenditures for that program, and shall include a budget column allowing for budget to actual analysis.

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**EXHIBIT C**



**Payment Terms**

1. This Agreement is funded by:
  - 1.1. 29% Federal funds from the U.S. DHHS, Substance Abuse and Mental Health Services Administration, Substance Abuse Block Grant annual award 10/1/19 – 9/30/21 CFDA # 93.959 FAIN T1010035 and T1083041.
  - 1.2. 14.95% General funds.
  - 1.3. 56.05% Other funds (Governor's Commission on Alcohol and Other Drugs).
2. For the purposes of this Agreement:
  - 2.1. The Department has identified the Contractor as a Subrecipient, in accordance with 2 CFR 200.330.
  - 2.2. The de minimis Indirect Cost Rate of 10% applies in accordance with 2 CFR §200.414.
  - 2.3. The Department has identified this Contract as NON-R&D, in accordance with 2 CFR §200.87.
3. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line item, as specified in Exhibits C-1, Budget through Exhibit C-2, Budget.
4. The Contractor shall submit an invoice in a form satisfactory to the State which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to [Lindy.Keller@dhhs.nh.gov](mailto:Lindy.Keller@dhhs.nh.gov), or invoices may be mailed to:

Program Manager  
Department of Health and Human Services  
129 Pleasant Street  
Concord, NH 03301
6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.
7. The final invoice shall be due to the State no later than sixty (60) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.

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Date: 6/19/20

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**EXHIBIT C**



8. The Contractor must provide the services in Exhibit B, Scope of Services, in compliance with funding requirements.
9. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
11. Notwithstanding Paragraph 17 of the General Provisions Form P-37, changes limited to adjusting amounts within the price limitation and adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
12. Audits
  - 12.1. The Contractor is required to submit an annual audit to the Department if **any** of the following conditions exist:
    - 12.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
    - 12.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
    - 12.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
  - 12.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.
  - 12.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.

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Appendix C-1 Budget

New Hampshire Department of Health and Human Services

Contractor Name Harbor Homes, Inc.

Budget Request for: RFP-2021-BDAS-04-PEERR-01 / PEER RECOVERY SUPPORT SERVICES FACILITATING ORGANIZATIONS

(Name of RFP)

Budget Period: 7/1/20 - 6/30/21

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct (Incremental)	Indirect Fixed	Total	Direct (Incremental)	Indirect Fixed	Total	Direct (Incremental)	Indirect Fixed	Total
1. Total Salary/Wages	\$ 296,782.00	\$ 156,794.00	\$ 453,576.00	\$ -	\$ -	\$ -	\$ 296,782.00	\$ 156,794.00	\$ 453,576.00
2. Employee Benefits	\$ 74,195.00	\$ 39,199.00	\$ 113,394.00	\$ -	\$ -	\$ -	\$ 74,195.00	\$ 39,199.00	\$ 113,394.00
3. Consultants	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ 5,000.00	\$ -	\$ 5,000.00
4. Equipment:									
Rental	\$ 500.00	\$ 50.00	\$ 550.00	\$ -	\$ -	\$ -	\$ 500.00	\$ 50.00	\$ 550.00
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ 2,500.00	\$ 1,200.00	\$ 3,700.00	\$ -	\$ -	\$ -	\$ 2,500.00	\$ 1,200.00	\$ 3,700.00
5. Supplies:									
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Travel	\$ 13,500.00	\$ -	\$ 13,500.00	\$ -	\$ -	\$ -	\$ 13,500.00	\$ -	\$ 13,500.00
7. Occupancy	\$ 29,124.00	\$ 3,055.00	\$ 32,179.00	\$ -	\$ -	\$ -	\$ 29,124.00	\$ 3,055.00	\$ 32,179.00
8. Current Expenses									
Telephone	\$ 2,700.00	\$ 500.00	\$ 3,200.00	\$ -	\$ -	\$ -	\$ 2,700.00	\$ 500.00	\$ 3,200.00
Postage	\$ 120.00	\$ 250.00	\$ 370.00	\$ -	\$ -	\$ -	\$ 120.00	\$ 250.00	\$ 370.00
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ 1,200.00	\$ 120.00	\$ 1,320.00	\$ -	\$ -	\$ -	\$ 1,200.00	\$ 120.00	\$ 1,320.00
Insurance	\$ 4,500.00	\$ 450.00	\$ 4,950.00	\$ -	\$ -	\$ -	\$ 4,500.00	\$ 450.00	\$ 4,950.00
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ 10,800.00	\$ 2,000.00	\$ 12,800.00	\$ -	\$ -	\$ -	\$ 10,800.00	\$ 2,000.00	\$ 12,800.00
10. Marketing/Communications	\$ 5,000.00	\$ 500.00	\$ 5,500.00	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 500.00	\$ 5,500.00
11. Staff Education and Training	\$ 27,000.00	\$ 2,700.00	\$ 29,700.00	\$ -	\$ -	\$ -	\$ 27,000.00	\$ 2,700.00	\$ 29,700.00
12. Subcontract/Agreements	\$ 1,595,261.00	\$ -	\$ 1,595,261.00	\$ -	\$ -	\$ -	\$ 1,595,261.00	\$ -	\$ 1,595,261.00
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 2,048,182.00</b>	<b>\$ 208,818.00</b>	<b>\$ 2,256,999.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,048,182.00</b>	<b>\$ 208,818.00</b>	<b>\$ 2,256,999.00</b>

Indirect As A Percent of Direct

10.0%

Appendix C-2 Budget

New Hampshire Department of Health and Human Services

Contractor Name Harbor Homes, Inc.

Budget Request for: RFP-2021-BDAS-04-PEERR-01 / PEER RECOVERY SUPPORT SERVICES FACILITATING ORGANIZATIONS

(Name of RFP)

Budget Period: 7/1/21 - 6/30/22

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total
1. Total Salary/Wages	\$ 312,480.00	\$ 156,794.00	\$ 469,274.00	\$ -	\$ -	\$ -	\$ 312,480.00	\$ 156,794.00	\$ 469,274.00
2. Employee Benefits	\$ 78,120.00	\$ 39,109.00	\$ 117,319.00	\$ -	\$ -	\$ -	\$ 78,120.00	\$ 39,109.00	\$ 117,319.00
3. Consultants	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ 5,000.00	\$ -	\$ 5,000.00
4. Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ 500.00	\$ 50.00	\$ 550.00	\$ -	\$ -	\$ -	\$ 500.00	\$ 50.00	\$ 550.00
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ 2,500.00	\$ 1,200.00	\$ 3,700.00	\$ -	\$ -	\$ -	\$ 2,500.00	\$ 1,200.00	\$ 3,700.00
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Travel	\$ 18,000.00	\$ -	\$ 18,000.00	\$ -	\$ -	\$ -	\$ 18,000.00	\$ -	\$ 18,000.00
7. Occupancy	\$ 38,832.00	\$ 3,055.00	\$ 41,887.00	\$ -	\$ -	\$ -	\$ 38,832.00	\$ 3,055.00	\$ 41,887.00
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 2,700.00	\$ 500.00	\$ 3,200.00	\$ -	\$ -	\$ -	\$ 2,700.00	\$ 500.00	\$ 3,200.00
Postage	\$ 120.00	\$ 250.00	\$ 370.00	\$ -	\$ -	\$ -	\$ 120.00	\$ 250.00	\$ 370.00
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ 1,500.00	\$ 120.00	\$ 1,620.00	\$ -	\$ -	\$ -	\$ 1,500.00	\$ 120.00	\$ 1,620.00
Insurance	\$ 6,000.00	\$ 450.00	\$ 6,450.00	\$ -	\$ -	\$ -	\$ 6,000.00	\$ 450.00	\$ 6,450.00
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ 14,400.00	\$ 2,000.00	\$ 16,400.00	\$ -	\$ -	\$ -	\$ 14,400.00	\$ 2,000.00	\$ 16,400.00
10. Marketing/Communications	\$ 5,000.00	\$ 500.00	\$ 5,500.00	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 500.00	\$ 5,500.00
11. Staff Education and Training	\$ 36,000.00	\$ 2,700.00	\$ 38,700.00	\$ -	\$ -	\$ -	\$ 36,000.00	\$ 2,700.00	\$ 38,700.00
12. Subcontract/Agreements	\$ 1,547,030.00	\$ -	\$ 1,547,030.00	\$ -	\$ -	\$ -	\$ 1,547,030.00	\$ -	\$ 1,547,030.00
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 2,064,182.00	\$ 204,818.00	\$ 2,278,000.00	\$ -	\$ -	\$ -	\$ 2,064,182.00	\$ 204,818.00	\$ 2,278,000.00
Indirect As A Percent of Direct 10.0%									

PN



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

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

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

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

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

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

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

NW  
6/19/20

New Hampshire Department of Health and Human Services  
Exhibit D



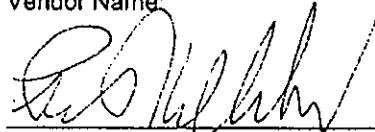
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted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

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

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

6/19/20  
Date

Vendor Name:

  
Name: Peter Kelchner  
Title: President & CEO

Vendor Initials PW  
Date 6/19/20



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

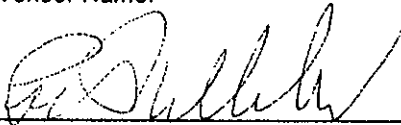
The undersigned certifies, to the best of his or her knowledge and belief, that:

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

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

Vendor Name:

6/19/20  
Date

  
Name:  
Title:



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

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

**INSTRUCTIONS FOR CERTIFICATION**

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

*[Handwritten Signature]*  
6/19/20

New Hampshire Department of Health and Human Services  
Exhibit F



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

Vendor Name:

6/19/20  
Date

Name:  
Title:

Vendor Initials

MW  
Date 6/19/20



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

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

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

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

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

Exhibit G

Vendor Initials

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

6/27/14  
Rev. 10/21/14

Page 1 of 2

Date

*MW*  
6/19/20



New Hampshire Department of Health and Human Services  
Exhibit G



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

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

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

6/19/20  
Date

Vendor Name:

[Signature]  
Name:  
Title:

Exhibit G

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

6/27/14  
Rev. 10/21/14

Page 2 of 2

Vendor Initials

[Signature]  
Date 6/19/20



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

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

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

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

6/19/20  
Date

Vendor Name:

[Signature]  
Name:  
Title:

Vendor Initials PN  
Date 6/19/20



Exhibit I

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

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

**(1) Definitions.**

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

3/2014

Exhibit I  
Health Insurance Portability Act  
Business Associate Agreement  
Page 1 of 6

Contractor Initials


  
Date 6/19/20



Exhibit I

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

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

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



Exhibit I

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

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

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

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

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

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



Exhibit I

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

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

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Exhibit I

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

(4) **Obligations of Covered Entity**

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

(5) **Termination for Cause**

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

(6) **Miscellaneous**

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

3/2014

Contractor Initials

Date 6/19/20



Exhibit I

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

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

Department of Health and Human Services

The State

Katja S Fox  
Signature of Authorized Representative

Katja S Fox  
Name of Authorized Representative

Director  
Title of Authorized Representative

6/22/20  
Date

Harbor Homes Inc  
Name of the Contractor

Peter Kelleher  
Signature of Authorized Representative

Peter Kelleher  
Name of Authorized Representative

President & CEO  
Title of Authorized Representative

6/19/20  
Date





**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY  
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
  - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
  - 10.2. Compensation information is not already available through reporting to the SEC.

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

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name:

6/19/20  
Date

[Signature]  
Name:  
Title:

New Hampshire Department of Health and Human Services  
Exhibit J



**FORM A**

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

1. The DUNS number for your entity is: 13-186-4357
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

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

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

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

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

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

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

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

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

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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Exhibit K

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

**I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR**

**A. Business Use and Disclosure of Confidential Information.**

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

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Exhibit K

DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

## II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

A handwritten signature in black ink, appearing to be 'M' or 'N' with a stylized flourish, is written over the 'Contractor Initials' label.

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

#### A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
  1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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

**Exhibit K**

**DHHS Information Security Requirements**



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

*[Handwritten Signature]*



# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
  - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
  - b. safeguard this information at all times.
  - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
  - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

**V. LOSS REPORTING**

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

- 1. Identify Incidents;
- 2. Determine if personally identifiable information is involved in Incidents;
- 3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
- 4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

**VI. PERSONS TO CONTACT**

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

A handwritten signature in black ink, appearing to be "P. W.", is written over the "Contractor Initials" label.

6/19/20

# State of New Hampshire

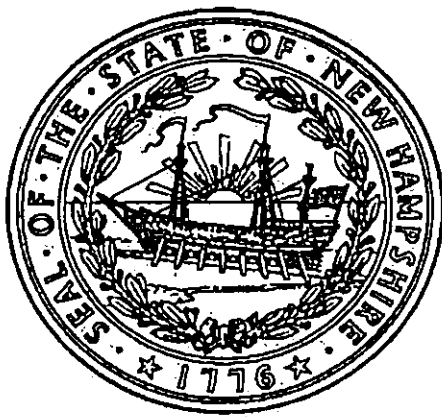
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that HARBOR HOMES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on February 15, 1980. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 62778

Certificate Number: 0004909130



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 6th day of May A.D. 2020.

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

William M. Gardner  
Secretary of State

**CERTIFICATE OF AUTHORITY**

I, Joel Jaffe, Secretary, hereby certify that:  
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Harbor Homes, Inc.  
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on June 19, 2020, at which a quorum of the Directors/shareholders were present and voting.  
(Date)

**VOTED:** That Peter Kelleher, President & CEO (may list more than one person)  
(Name and Title of Contract Signatory)

is duly authorized on behalf of Harbor Homes, Inc. to enter into contracts or agreements with the State  
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: June 19, 2020

DocuSigned by:

Joel Jaffe

638F4807F28B443

Signature of Elected Officer

Name: Joel Jaffe

Title: Secretary



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/26/2020

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

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

<b>PRODUCER</b> Eaton & Berube Insurance Agency, Inc. 11 Concord Street Nashua NH 03064	<b>CONTACT NAME:</b> Kimberly Gutekunst <b>PHONE (A/C No., Ext.):</b> 603-882-2766 <b>FAX (A/C, No.):</b> <b>E-MAIL ADDRESS:</b> kgutekunst@eatonberube.com
<b>INSURED</b> Harbor Homes, Inc. 77 Northeastern Boulevard Nashua NH 03062	<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Eastern Alliance Insurance Group <b>INSURER B:</b> Selective Insurance Group Inc. <b>INSURER C:</b> Selective Insurance Company of America's Flood <b>INSURER D:</b> AIX Specialty Insurance Co. <b>INSURER E:</b> Philadelphia Insurance Company <b>INSURER F:</b>
	<b>NAIC #</b> 14376 12572 23850

**COVERAGES****CERTIFICATE NUMBER:** 91561987**REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
C	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Professional <input checked="" type="checkbox"/> Abuse GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO. JECT <input checked="" type="checkbox"/> LOC <input type="checkbox"/> OTHER:	Y	S 2288207	7/1/2020	7/1/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 Prof (non-FTCA) \$ \$1,000,000
C	<input type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		S 2288207	7/1/2020	7/1/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED: <input type="checkbox"/> RETENTION \$		S 2288207	7/1/2020	7/1/2021	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A	030000111752-02	11/26/2019	11/26/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D E B	Professional Liability Management Liability Crime		L1VA966006 PHSD1457150 S 2288207	7/1/2020 7/1/2020 7/1/2020	7/1/2021 7/1/2021 7/1/2021	Professional ("Gap") \$1,000,000 D&O \$1,000,000 Employee Dishonesty \$510,000

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

Additional Named Insureds:  
Harbor Homes, Inc. - FID# 020351932  
Harbor Homes II, Inc.  
Harbor Homes III, Inc.  
Harbor Homes, IV, Inc.  
Harbor H0mes Claremont  
Healthy at Homes, Inc. -FID# 043364080  
Southern New Hampshire HIV/AIDS Task Force -FID# 020447280  
See Attached...

**CERTIFICATE HOLDER****CANCELLATION**

NH DHHS 129 Pleasant Street Concord Nh 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE <i>Harbor Homes</i>
--	--

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**ADDITIONAL REMARKS SCHEDULE**Page 1 of 1

AGENCY Eaton & Berube Insurance Agency, Inc.		NAMED INSURED Harbor Homes, Inc. 77 Northeastern Boulevard Nashua NH 03062
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

**ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Welcoming Light, Inc. -FID# 020481648  
HH Ownership, Inc.  
Greater Nashua Council on Alcoholism dba Keystone Hall -FID# 222558859  
Boulder Point, LLC  
SARC Housing Needs Board, Inc

77 Northeastern Blvd  
Nashua, NH 03062  
www.harborhomes.org



Phone: 603-882-3616  
603-881-8436  
Fax: 603-595-7414

*A Beacon for the Homeless for Over 30 Years*



### **Mission Statement**

*To create and provide quality residential and supportive services for persons (and their families) challenged by mental illness and homelessness.*

### **A member of the Partnership for Successful Living**

A collaboration of six affiliated not-for-profit organizations providing southern New Hampshire's most vulnerable community members with access to housing, health care, education, employment and supportive services.  
www.nhpartnership.org

Harbor Homes • Healthy at Home • Keystone Hall • Milford Regional Counseling Services  
• Southern NH HIV/AIDS Task Force • Welcoming Light





## PARTNERSHIP FOR SUCCESSFUL LIVING™



**Healthy  
Home, Inc.**  
Providing Care, Affordable Housing

*An in-home health care agency providing affordable high-quality home health care, personal care and related services to adults and the elderly.*

77 Northeastern Blvd, Nashua NH 03062  
healthyathome.org  
hope@healthyathome.org  
facebook.com/healthyathome  
603-595-4243



**AIDS TASK FORCE**  
Support, Advocacy, Prevention and Education

*Providing community-based HIV/AIDS support and advocacy*

77 Northeastern Blvd, Nashua NH 03062  
aids-task-force-nh.org  
hope@aids-task-force-nh.org  
facebook.com/nhtaskforce  
1-800-942-7437 x15 or 603-595-8464

### 4 Nonprofit Agencies Working Together as One



*A substance use disorder treatment center specializing in co-occurring mental health disorders, trauma, and gender specific issues*

616 Amherst St, Nashua NH 03063  
keystonehall.org  
hope@keystonehall.org  
facebook.com/keystonehallnh  
603-881-1848



*Offering housing, integrated health care and supportive services to all including low income, homeless and disabled individuals and their families in New Hampshire*

45 High St, Nashua NH 03060  
harborhomes.org  
hope@harborhomes.org  
facebook.com/harborhomesnh  
603-882-3616

**[www.nhpartnership.org](http://www.nhpartnership.org) (603) 882-3616**

## HARBOR HOMES, INC. AND AFFILIATES d/b/a PARTNERSHIP FOR SUCCESSFUL LIVING

Consolidated Financial Statements

For the Year Ended June 30, 2019

(With Independent Auditors' Report Thereon)

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Harbor Homes, Inc. and Affiliates d/b/a  
Partnership for Successful Living

**Additional Offices:**

Andover, MA  
Greenfield, MA  
Manchester, NH  
Ellsworth, ME

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Harbor Homes, Inc. and Affiliates d/b/a Partnership for Successful Living (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

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

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

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair

presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Harbor Homes, Inc. and Affiliates d/b/a Partnership for Successful Living as of June 30, 2019, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited Harbor Homes, Inc. and Affiliates d/b/a Partnership for Successful Living's fiscal year 2018 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated December 20, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

### **Other Matters**

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 32 through 35 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated 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 21, 2019 on our consideration of Harbor Homes, Inc. and Affiliates d/b/a Partnership for Successful Living'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Harbor Homes, Inc. and Affiliates d/b/a Partnership for Successful Living's 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 Harbor Homes Inc. and Affiliates d/b/a Partnership for Successful Living's internal control over financial reporting and compliance.

*Melanson Heath*

October 21, 2019

**HARBOR HOMES, INC. AND AFFILIATES d/b/a  
PARTNERSHIP FOR SUCCESSFUL LIVING**

Consolidated Statement of Financial Position  
June 30, 2019  
(With Comparative Totals as of June 30, 2018)

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 2,255,449	\$ 480,242
Restricted cash	1,193,792	1,096,661
Accounts receivable, net	2,981,834	2,060,419
Patient receivables, net	645,963	1,301,048
Investments	203,533	192,731
Inventory	116,413	123,078
Other assets	<u>34,084</u>	<u>46,155</u>
Total Current Assets	7,431,068	5,300,334
Noncurrent Assets:		
Property and equipment, net	34,363,395	30,968,341
Other assets	<u>78,177</u>	<u>41,800</u>
Total Noncurrent Assets	<u>34,441,572</u>	<u>31,010,141</u>
Total Assets	<u>\$ 41,872,640</u>	<u>\$ 36,310,475</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Lines of credit	\$ 1,068,271	\$ 1,285,423
Current portion of mortgages payable	560,466	496,608
Accounts payable	2,116,306	865,390
Accrued expenses and other liabilities	<u>1,938,246</u>	<u>1,546,020</u>
Total Current Liabilities	5,683,289	4,193,441
Long-Term Liabilities:		
Construction loan payable (See Note 11)	3,235,875	-
Accrued expenses and other liabilities	586,125	635,015
Mortgages payable, tax credits	528,793	158,237
Mortgages payable, net of current portion	15,002,097	15,783,030
Mortgages payable, deferred	<u>9,890,996</u>	<u>8,571,209</u>
Total Long-Term Liabilities	<u>29,243,886</u>	<u>25,147,491</u>
Total Liabilities	34,927,175	29,340,932
Net Assets:		
Without donor restrictions	6,705,159	6,851,238
With donor restrictions	<u>240,306</u>	<u>118,305</u>
Total Net Assets	<u>6,945,465</u>	<u>6,969,543</u>
Total Liabilities and Net Assets	<u>\$ 41,872,640</u>	<u>\$ 36,310,475</u>

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

**HARBOR HOMES, INC. AND AFFILIATES d/b/a  
PARTNERSHIP FOR SUCCESSFUL LIVING**

Consolidated Statement of Activities  
For the Year Ended June 30, 2019  
(With Comparative Totals for the Year Ended June 30, 2018)

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
<b>SUPPORT AND REVENUE</b>				
Support:				
Grants	\$ 17,714,758	\$ -	\$ 17,714,758	\$ 19,525,644
Contributions	475,502	230,542	706,044	686,681
Fundraising events, net	33,846	-	33,846	48,954
Net assets released from restriction	108,541	(108,541)	-	-
Total Support	<u>18,332,647</u>	<u>122,001</u>	<u>18,454,648</u>	<u>20,261,279</u>
Revenue:				
Patient services revenues (other), net	7,473,032	-	7,473,032	5,686,860
Patient services revenues (FQHC), net	5,404,995	-	5,404,995	3,664,163
Department of Housing and Urban Development programs	3,691,769	-	3,691,769	3,429,882
Veterans Administration programs	2,416,766	-	2,416,766	2,213,701
Rent and service charges, net	916,499	-	916,499	867,249
Outside rent	347,725	-	347,725	555,551
Contracted services	624,952	-	624,952	594,521
Fees for services	149,466	-	149,466	344,456
Management fees, net	23,450	-	23,450	39,124
Miscellaneous	9,834	-	9,834	137,951
Investment income (loss)	12,540	-	12,540	40,632
Gain (loss) on disposal of fixed assets	689,174	-	689,174	-
Total Revenue	<u>21,760,202</u>	<u>-</u>	<u>21,760,202</u>	<u>17,574,090</u>
Total Support and Revenue	<u>40,092,849</u>	<u>122,001</u>	<u>40,214,850</u>	<u>37,835,369</u>
<b>EXPENSES</b>				
Program	34,127,481	-	34,127,481	32,969,483
Administration	4,247,544	-	4,247,544	3,721,183
Fundraising	438,954	-	438,954	609,660
Total Expenses	<u>38,813,979</u>	<u>-</u>	<u>38,813,979</u>	<u>37,300,326</u>
Change in net assets before depreciation	1,278,870	122,001	1,400,871	535,043
Depreciation and amortization	<u>(1,474,760)</u>	<u>-</u>	<u>(1,474,760)</u>	<u>(1,456,284)</u>
Change in net assets	(195,890)	122,001	(73,889)	(921,241)
Net Assets, Beginning of Year, as restated	<u>6,901,049</u>	<u>118,305</u>	<u>7,019,354</u>	<u>7,890,784</u>
Net Assets, End of Year	<u>\$ 6,705,159</u>	<u>\$ 240,306</u>	<u>\$ 6,945,465</u>	<u>\$ 6,969,543</u>

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

**HARBOR HOMES, INC. AND AFFILIATES d/b/a  
PARTNERSHIP FOR SUCCESSFUL LIVING**

Consolidated Statement of Functional Expenses  
For the Year Ended June 30, 2019  
(With Comparative Totals for the Year Ended June 30, 2018)

	<u>Program</u>	<u>Administration</u>	<u>Fundraising</u>	<u>2019 Total</u>	<u>2018 Total</u>
Personnel expenses:					
Salaries and wages	\$ 14,580,235	\$ 2,624,999	\$ 332,428	\$ 17,537,662	\$ 17,227,312
Employee benefits	1,988,794	426,756	36,876	2,452,426	2,157,822
Payroll taxes	1,168,946	205,004	26,071	1,400,021	1,363,849
Retirement contributions	332,050	178,788	6,320	517,158	453,707
Client services:					
Rental assistance	6,041,859	-	-	6,041,859	6,475,207
Insurance assistance	996,870	-	-	996,870	923,931
Food and nutrition services	246,634	3,187	-	249,821	243,993
Counseling and support services	11,300	623	-	11,923	60,585
Medical assistance	30,557	-	-	30,557	20,715
Other client assistance	350,613	-	-	350,613	460,317
Professional fees for services:					
Contracted services	2,242,986	4,852	-	2,247,838	1,569,473
Professional fees	133,784	12,524	-	146,308	177,854
Legal fees	9,641	123,112	-	132,753	111,633
Accounting fees	-	125,510	-	125,510	106,809
Advertising and promotion	46,289	7,722	8,777	62,788	98,402
Conferences, conventions, and meetings	266,896	5,721	400	273,017	100,167
Grants and donations	471,083	16	-	471,099	518,917
Information technology	324,434	151,374	3,910	479,718	304,160
Insurance	155,580	5,707	-	161,287	163,508
Interest expense	841,250	75,932	1,854	919,036	932,866
Miscellaneous	104,750	43,254	340	148,344	228,820
Occupancy	1,127,657	124,434	3,195	1,255,286	1,934,075
Office expenses	424,741	110,078	18,197	553,016	584,834
Operational supplies	1,927,479	8,201	-	1,935,680	806,486
Staff expenses	35,967	3,604	47	39,618	38,334
Travel	267,086	6,146	539	273,771	236,550
Total Expenses	<u>34,127,481</u>	<u>4,247,544</u>	<u>438,954</u>	<u>38,813,979</u>	<u>37,300,326</u>
Depreciation and amortization	<u>1,405,152</u>	<u>69,608</u>	<u>-</u>	<u>1,474,760</u>	<u>1,456,284</u>
Total Functional Expenses	<u>\$ 35,532,633</u>	<u>\$ 4,317,152</u>	<u>\$ 438,954</u>	<u>\$ 40,288,739</u>	<u>\$ 38,756,610</u>

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



**HARBOR HOMES, INC. AND AFFILIATES d/b/a  
PARTNERSHIP FOR SUCCESSFUL LIVING**

Consolidated Statement of Cash Flows  
For the Year Ended June 30, 2019  
(With Comparative Totals for the Year Ended June 30, 2018)

	<u>2019</u>	<u>2018</u>
<b>Cash Flows From Operating Activities:</b>		
Change in net assets	\$ (73,889)	\$ (921,241)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	1,474,760	1,456,284
Amortization of tax credit liability	(21,044)	(21,043)
Unrealized gain on investments	(10,802)	-
(Gain)/loss on disposal of fixed assets	(689,174)	-
Inclusion of new entity in consolidated statements	49,811	-
(Increase) Decrease In:		
Accounts receivable	(921,415)	724,546
Patient receivables	655,085	(221,443)
Promises to give	-	8,000
Inventory	6,665	(55,801)
Other assets	(24,306)	30,615
Increase (Decrease) In:		
Accounts payable	1,250,916	(424,085)
Accrued expenses and other liabilities	343,336	593,622
Net Cash Provided by Operating Activities	<u>2,039,943</u>	<u>1,169,454</u>
<b>Cash Flows From Investing Activities:</b>		
Purchase of fixed assets	(438,091)	(963,370)
Proceeds from sale of fixed assets	1,309,000	-
Proceeds from sale of investments	-	300,812
Net Cash Provided (Used) by Investing Activities	<u>870,909</u>	<u>(662,558)</u>
<b>Cash Flows From Financing Activities:</b>		
Borrowings from lines of credit, net	(217,152)	190,488
Proceeds from short-term borrowings	400,000	-
Payments on short-term borrowings	(400,000)	-
Payments on capital leases	-	(18,304)
Payments on long-term borrowings	(821,362)	(471,269)
Net Cash Used by Financing Activities	<u>(1,038,514)</u>	<u>(299,085)</u>
<b>Net Change</b>	<b>1,872,338</b>	<b>207,811</b>
<b>Cash, Cash Equivalents, and Restricted Cash, Beginning of Year</b>	<b><u>1,576,903</u></b>	<b><u>1,369,092</u></b>
<b>Cash, Cash Equivalents, and Restricted Cash, End of Year</b>	<b>\$ <u>3,449,241</u></b>	<b>\$ <u>1,576,903</u></b>
<b>Supplemental disclosures of cash flow information:</b>		
Interest paid	\$ <u>919,036</u>	\$ <u>932,866</u>
Non-cash financing activities - debt financed fixed assets	\$ <u>4,947,262</u>	\$ <u>1,107,713</u>

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

# **HARBOR HOMES, INC. AND AFFILIATES d/b/a PARTNERSHIP FOR SUCCESSFUL LIVING**

## **Notes to the Consolidated Financial Statements**

### **1. Organization**

Harbor Homes, Inc. is the largest entity as part of a collaboration of independent nonprofit organizations, sharing a common volunteer Board of Directors, President/CEO, and management team, that creates an innovative network to help New Hampshire families and individuals solve many of life's most challenging issues. Known collectively as the "Partnership for Successful Living", the collaboration is an efficient and innovative approach to providing services to over 5,000 New Hampshire community members each year. This holistic approach recognizes that individuality, dignity, good health and wellness, self-respect, and a safe place to live are key to a person's ability to contribute to society.

While each nonprofit organization in the collaboration is a separate legal entity within its own 501(c)(3) public charity status, mission, budget, and staff, they share back-end resources whenever it is efficient to do so, and collaborate on service delivery when it leads to better client outcomes. Additionally, whenever expertise in a particular area is needed by one organization, if another has access to that, it is shared. This reduces the overall administrative costs of each organization, and ensures that more of every philanthropic dollar received goes directly to client care. 88% of total annual expenses are for providing care and services.

Most importantly, by sharing resources and working as one, the collaboration is able to coordinate and better deliver a comprehensive array of interventions designed to empower individuals and families and ultimately build a stronger community. Outcomes are enhanced through this model.

The members of the collaboration, and organizations included in these consolidated financial statements, include the following related entities. All inter-entity transactions have been eliminated. Unless otherwise noted, these consolidated financial statements are hereinafter referred to as the "Organization".

#### ***Harbor Homes, Inc. – housing and healthcare***

Consists of Harbor Homes, Inc. and Harbor Homes Plymouth, LLC.

*Harbor Homes, Inc. – housing and healthcare*

Has provided supports for New Hampshire's most vulnerable citizens since 1982. It has grown from a single group home for individuals who were de-institutionalized, into a full continuum of housing, healthcare, and supportive services for communities facing low-incomes, homelessness, and disability. Housing programs provide housing for 2,000 individuals annually, and its Federally Qualified Health Center for the Homeless provides affordable healthcare to more than 3,000. In Greater Nashua over the past decade, Harbor Homes has effectively ended homelessness for veterans and for persons living with HIV/AIDS, and has decreased chronic and unsheltered homelessness substantially. Harbor Homes is on the front lines of Nashua's opioid crisis; its extensive services have reduced overdose deaths markedly.

*Harbor Homes Plymouth, LLC – housing project management*

A single-member New Hampshire Limited Liability Company that developed and manages Boulder Point, LLC, a permanent supportive housing facility in Plymouth, New Hampshire for up to 30 low income/homeless veteran households. The project completed construction in July 2019. Harbor Homes, Inc. is the sole member and the manager of Harbor Homes Plymouth, LLC. The entity does not directly serve clients.

***Boulder Point, LLC – housing project development***

A New Hampshire Limited Liability Company, whose purpose is to acquire, own, develop, construct and/or rehabilitate, manage, and operate a new veterans housing project in Plymouth, New Hampshire. Harbor Homes Plymouth, LLC is a 0.01% investor member and the manager member. The entity does not directly serve clients.

***Welcoming Light, Inc., Harbor Homes II, Inc., Harbor Homes III, Inc., and HH Ownership, Inc. – housing programs and ownership***

These four nonprofits provide residential services to the elderly and/or low-income individuals experiencing a chronic behavioral issue or disability, and were created by Harbor Homes, Inc.'s Board of Directors in response to federal regulations. Combined, these entities serve approximately 35 individuals annually.

***Greater Nashua Council on Alcoholism d/b/a Keystone Hall – substance misuse treatment***

Keystone Hall is Greater Nashua's only comprehensive substance use disorder treatment center. Every year, it catalyzes change in 800 individuals, including those

experiencing homelessness, those without adequate insurance, and pregnant and parenting women. No one is denied treatment due to an inability to pay; most clients pay nothing for services. While in residential treatment clients have all basic needs met, including food, transportation, clothing, and integrated healthcare through Partnership for Successful Living affiliates. Substance use disorder treatment services are evidence-based, gender-specific, and culturally competent, and include residential (with a specific program for pregnant and parenting women and their children), outpatient, intensive outpatient, and drug court services.

***Healthy at Home, Inc. – In-home health care***

A Medicare-certified home health agency, Healthy at Home helps clients address physical and behavioral health challenges to live full, happy lives at home by providing consistent, compassionate care and daily-living assistance. Health at Home works hard to serve clients, regardless of financial barriers. Many of its 250 clients are among the hardest to serve, as their insurance may not fully cover incurred expenses. Ultimately, services keep clients in their own homes, and out of hospitals, institutions, or nursing homes. Staff provide skilled nursing, physical therapy, occupational therapy, speech therapy, homemaking services, respite care, and Alzheimer's care and dementia care.

***SARC (Salem Association for Retarded Citizens) Housing Needs Board, Inc. – housing programs and ownership***

SARC operates a permanent supportive housing facility (Woodview Commons) in Salem, New Hampshire for individuals with developmental or behavioral health issues. Harbor Homes, Inc.'s Board of Directors took over responsibility for this entity in fiscal year 2019. SARC serves 8 individuals annually.

***Southern New Hampshire HIV/Aids Task Force, Inc. (the Task Force) – HIV/AIDS services***

A leader in HIV/AIDS services in New Hampshire that provides quality, holistic services to those with HIV/AIDS. All 200 clients are low-income, and they may face homelessness, mental illness, and substance use disorder. Outcomes are exemplary. Whereas viral suppression rate among individuals with HIV/AIDS is 45% nationally, more than 90% of the Task Force's clients are routinely virally suppressed. In partnership with its Partnership for Successful Living affiliates, the Task Force ensures that no individual with HIV or AIDS lives in homelessness in Greater Nashua. The Task Force operates in Greater Nashua and Keene, and is the State of New Hampshire's sole contractor among AIDS Service Organizations for supportive services, subcontracting to other New Hampshire AIDS Service Organizations statewide. To counter the public health risks of the opioid crisis, the Task Force initiated the Syringe Services program of Nashua Area in 2017.

### ***Milford Regional Counseling Services – affordable counseling***

Milford Regional Counseling is in process of fully integrating with Harbor Homes, Inc., but offers affordable counseling to those without insurance or sufficient income for treatment. It serves approximately 200 individuals and families each year, and a third of clients pay a reduced rate for care. Specifically, Milford Regional Counseling provides individuals, couples, and families with counseling and psychotherapy via talk, expressive play, and relational therapy. It specializes in serving veterans, those living with HIV/AIDS, the homeless, and individuals dually-diagnosed with mental illness and substance use disorder issues.

## **2. Significant Accounting Policies**

### ***Change in Accounting Principle***

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. ASU 2016-14 has been implemented in fiscal year 2019 and the presentation in these consolidated financial statements has been adjusted accordingly.

### ***Comparative Financial Information***

The accompanying consolidated 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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the audited consolidated financial statements for the year ended June 30, 2018, from which the summarized information was derived.

### ***Cash and Cash Equivalents***

All cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents.

### ***Accounts Receivable, Net***

Accounts receivable consist primarily of noninterest-bearing amounts due for services and programs. The allowance for uncollectable accounts receivable is based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable.

### ***Patient Receivables, Net***

Patient receivables relate to health care services provided by the Organization's Federally Qualified Health Care Center. Additions to the allowance for doubtful accounts result from the provision for bad debts. Accounts written off as uncollectible are deducted from the allowance for doubtful accounts. The amount of the allowance for doubtful accounts is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in Medicare and Medicaid health care coverage, and other indicators.

For receivables associated with services provided to patients who have third-party coverage, which includes patients with deductible and copayment balances due for which third-party coverage exists for part of the bill, the Organization analyzes contractually due amounts and provides an allowance for doubtful collections and a provision for doubtful collections, if necessary. For receivables associated with self-pay patients, the Organization records a significant provision for doubtful collections in the period of service on the basis of its past experience, which indicates that many patients are unable to pay the portion of their bill for which they are financially responsible. The difference between the billed rates and the amounts actually collected after all reasonable collections efforts have been exhausted is charged off against the allowance for doubtful collections.

### ***Inventory***

Inventory is comprised primarily of pharmacy items, and is stated at the lower of cost or net realizable value determined by the first-in, first-out method.

### ***Investments***

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Consolidated Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Consolidated Statement of Activities.

### ***Property and Equipment***

Property and equipment additions over \$5,000 are recorded at cost, if purchased, and at fair value at the date of donation, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 40 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation is removed, and any resulting gain or loss is included in the Consolidated Statement of Activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment in fiscal year 2019.

### ***Net Assets***

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

### ***Revenue and Revenue Recognition***

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively.

### ***Accounting for Contributions***

Contributions are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year payment is due and, therefore, are reported as net assets with donor restrictions until payment is due unless the contribution is clearly intended to support activities of the current year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

### ***Donated Services and In-Kind Contributions***

The Organization periodically receives contributions in a form other than cash or investments. Contributed property and equipment is recognized as an asset at its estimated fair value at the date of gift, provided that the value of the asset and its estimated useful life meets the Organization's capitalization policy. Donated supplies are recorded as contributions at the date of gift and as expenses when the donated items are placed into service or distributed.

The Organization benefits from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the Organization's program operations and in its fundraising campaigns. However, the majority of the contributed services do not meet the criteria for recognition in financial statements. Generally Accepted Accounting Principles allow recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills.

### ***Patient Services Revenues, Net***

Patient services revenues, net is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered. Self-pay revenue is recorded at published charges with charitable allowances deducted to arrive at net self-pay revenue. All other patient services revenue is recorded at published charges with contractual allowances deducted to arrive at patient services, net. Reimbursement rates are subject to revisions under the provisions of reimbursement regulations. Adjustments for such revisions are recognized in the fiscal year incurred. Included in third-party receivables are the outstanding uncompensated care pool payments.

### ***Charity Care***

The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Since the Organization does not pursue collection of amounts determined to qualify as charity care, these amounts are reported as deductions from revenue.

### ***Grant Revenue***

Grant revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Grant revenue from federal agencies is subject to independent audit under the Office of Management and Budget's, *Uniform Grant Guidance*, and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior



experience, the Organization's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the Organization.

#### ***Advertising Costs***

Advertising costs are expensed as incurred and are reported in the Consolidated Statement of Activities and Consolidated Statement of Functional Expenses.

#### ***Functional Allocation of Expenses***

The costs of program and supporting services activities have been summarized on a functional basis in the Consolidated Statement of Activities. The Consolidated Statement of Functional Expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### ***Change in Net Assets Before Depreciation***

Due to the significance of depreciation expense that is included in the Organization's change in net assets, the change in net assets before depreciation has been provided in the Consolidated Statement of Activities.

#### ***Income Taxes***

The entities included in these consolidated financial statements (with the exception of Harbor Homes Plymouth, LLC and Boulder Point, LLC) have been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code (IRC) Section 501(a) as organizations described in IRC Section 501(c)(3), qualify for charitable contribution deductions, and have been determined not to be private foundations. A Return of Organization Exempt from Income Tax (Form 990), is required to be filed with the IRS for each entity. In addition, net income that is derived from business activities that are unrelated to an entity's exempt purpose is subject to income tax. In fiscal year 2019, Harbor Homes, Inc. and Milford Regional Counseling Services, Inc. were subject to unrelated business income tax and filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Harbor Homes Plymouth, LLC is a single-member, New Hampshire Limited Liability Company, with Harbor Homes, Inc. as its sole member. Harbor Homes Plymouth, LLC has elected to be treated as a corporation.

Boulder Point, LLC is a New Hampshire Limited Liability Company and has elected to be treated as a partnership.

### ***Estimates***

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

### ***Financial Instruments and Credit Risk***

Deposit concentration risk is managed by placing cash with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits. To date, no losses have been experienced in any of these accounts. Credit risk associated with receivables is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and entities supportive of the Organization's mission. Investments are monitored regularly by the Organization.

### ***Fair Value Measurements and Disclosures***

Certain assets and liabilities are reported at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

*Level 1* – Quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date.

*Level 2* – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

*Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.*

When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. However, Level 1 inputs are not available for many of the assets and liabilities that the Organization is required to measure at fair value (for example, unconditional contributions receivable and in-kind contributions).

The primary uses of fair value measures in the Organization's financial statements are:

- Initial measurement of noncash gifts, including gifts of investment assets and unconditional contributions receivable.
- Recurring measurement of investments – Note 5.
- Recurring measurement of lines of credit – Note 10.
- Recurring measurement of loans mortgages payable – Notes 11 – 14.

The carrying amounts of cash, cash equivalents, restricted cash, receivables, inventory, other assets, accounts payable and, accrued expenses and other liabilities approximate fair value.

### ***New Accounting Standards to be Adopted in the Future***

#### ***Revenue from Contracts with Customers***

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*. The ASU's core principle is that an organization will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the organization expects to be entitled in exchange for those goods or services. This standard also includes expanded disclosure requirements that result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers. This standard will be effective for the Organization for the fiscal year ending June 30, 2020. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the consolidated financial statements.

#### ***Leases***

In February 2016, the FASB issued ASU 2016-02, *Leases*. The ASU requires all leases with lease terms more than 12 months to be capitalized as a right of use asset and lease liability on the balance sheet at the date of lease commencement. Leases will be classified as either finance leases or operating leases. This distinction will be relevant for

the pattern of expense recognition in the income statement. This ASU will be effective for the Organization for the fiscal year ending June 30, 2021. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the consolidated financial statements.

#### *Credit Losses*

In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*. The ASU requires a financial asset (including trade receivables) measured at amortized cost basis to be presented at the net amount expected to be collected. Thus, the income statement will reflect the measurement of credit losses for newly-recognized financial assets as well as the expected increases or decreases of expected credit losses that have taken place during the period. This ASU will be effective for the Organization for the fiscal year ending June 30, 2022. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the consolidated financial statements.

#### *Contributions Received and Contributions Made*

In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The purpose of this amendment, due to diversity in practice, is to clarify the definition of an exchange transaction as well as the criteria for evaluating whether contributions are unconditional or conditional. This standard will be effective for the Organization for the fiscal year ending June 30, 2020. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the consolidated financial statements.

#### *Reclassifications*

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

### 3. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the Consolidated Statement of Financial Position, are comprised of the following at June 30, 2019 and 2018:

Financial assets as year end:	2019	2018
Cash and cash equivalents	\$ 2,255,449	\$ 480,242
Restricted cash	1,193,792	1,096,661
Receivables	3,627,797	3,361,467
Investments	203,533	192,731
Total financial assets	<u>7,280,571</u>	<u>5,131,101</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	240,306	118,305
Less: net assets with purpose restrictions to be met in less than a year	(240,306)	(118,305)
Restricted cash	<u>1,193,792</u>	<u>1,096,661</u>
	<u>1,193,792</u>	<u>1,096,661</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 6,086,779</u>	<u>\$ 4,034,440</u>

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. In addition to financial assets available to meet general expenditures over the next twelve months, the Organization operates with a balanced budget and anticipates sufficient revenue to cover general expenditures not covered by donor-restricted resources. As part of its liquidity management plan, the Organization also has several revolving credit lines available to meet cash flow needs.

### 4. Restricted Cash

Restricted cash at June 30, 2019 consists of escrow and reserve accounts which are held for various purposes, and are comprised of the following:

Construction escrows	\$ 471,769
Reserve for replacements	619,194 *
Residual receipt deposits	43,224 *
Security deposits	<u>59,605</u>
Total	<u>\$ 1,193,792</u>

\*Required by the Department of Housing and Urban Development.

## 5. Investments

Investments consist of the following at June 30, 2019:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 3</u>
Equities	\$ 26,530	\$ 26,530	\$ -
Other investments	<u>177,003</u>	<u>-</u>	<u>177,003</u>
Total	<u>\$ 203,533</u>	<u>\$ 26,530</u>	<u>\$ 177,003</u>

## 6. Accounts Receivable, Net

Accounts receivable at June 30, 2019 consist of the following:

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Grants	\$ 1,798,715	\$ -	\$ 1,798,715
Medicaid/Medicare	731,267	(55,043)	676,224
Other	268,506	(2,870)	265,636
Residents and patients	244,127	(48,787)	195,340
Insurance	44,553	(3,062)	41,491
Contributions	3,000	-	3,000
Security deposits	<u>1,428</u>	<u>-</u>	<u>1,428</u>
Total	<u>\$ 3,091,596</u>	<u>\$ (109,762)</u>	<u>\$ 2,981,834</u>

## 7. Patient Receivables, Net

Patient receivables, related to the Organization's Federally Qualified Health Care Center, consists of the following at June 30, 2019:

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Medicaid/Medicare	\$ 233,671	\$ (28,884)	\$ 204,787
Other	<u>561,134</u>	<u>(119,958)</u>	<u>441,176</u>
Total	<u>\$ 794,805</u>	<u>\$ (148,842)</u>	<u>\$ 645,963</u>

## 8. Property, Equipment, and Depreciation

A summary of the major components of property and equipment as of June 30, 2019 is presented below:

Land	\$ 4,327,743
Land improvements	54,944
Buildings	27,337,257
Building improvements	7,171,172
Software	1,075,408
Vehicles	404,192
Furniture, fixtures, and equipment	759,036
Medical and dental equipment	236,976
Leasehold improvements	7,542
Construction in progress	<u>6,048,375</u>
Subtotal	47,422,645
Less: accumulated depreciation	<u>(13,059,250)</u>
Total	<u>\$ 34,363,395</u>

Depreciation expense totaled \$1,471,904 for the year ended December 31, 2019.

## 9. Accrued Expenses and Other Liabilities

Accrued expenses and other liabilities at June 30, 2019 include the following:

	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Accrued interest on debt	\$ 115,429	\$ -	\$ 115,429
Compensated absences	224,386	452,714	677,100
Deferred compensation plan	-	44,400	44,400
Deferred revenue	198,357	-	198,357
Other	101,849	27,280	129,129
Payroll and related liabilities	799,943	-	799,943
Retainage on construction project	498,282	-	498,282
Security deposits	<u>-</u>	<u>61,731</u>	<u>61,731</u>
Total	<u>\$ 1,938,246</u>	<u>\$ 586,125</u>	<u>\$ 2,524,371</u>

## **10. Lines of Credit**

At June 30, 2019, the Organization had the following lines of credit available:

### ***Harbor Homes, Inc.***

\$1,000,000 of credit available from TD Bank, N. A. due January 31, 2020, secured by all business assets. The Organization is required, at a minimum, to make monthly interest payments to TD Bank, N. A. at the Wall Street Journal Prime Rate plus 1.00% adjusted daily. As of June 30, 2019, the credit line had an outstanding balance of \$423,170 at an interest rate of 6.50%. The Organization was not in compliance with certain debt covenant requirements in fiscal year 2019, however TD Bank has granted a waiver.

### ***Harbor Homes, Inc.***

\$500,000 line of credit available from TD Bank, N. A. due January 31, 2020, secured by all business assets. The Organization is required, at a minimum, to make monthly interest payments to TD Bank, N. A. at the Wall Street Journal Prime Rate plus 1.00% adjusted daily. As of June 30, 2019, the credit line had an outstanding balance of \$361,863 at an interest rate of 6.50%. Debt covenant requirements have been met in fiscal year 2019.

### ***Greater Nashua Council on Alcoholism***

\$750,000 line of credit available from Merrimack County Savings Bank, due on demand, and secured by all business assets. The Organization is required, at a minimum, to make monthly interest payments at the Wall Street Journal Prime Rate plus 1.00% (6.50% at June 30, 2019) to Merrimack County Savings Bank. As of June 30, 2019, the credit line had an outstanding balance of \$84,302. Debt covenant requirements have been met in fiscal year 2019.

### ***Healthy at Home, Inc.***

\$250,000 of credit available from TD Bank, N. A., due January 31, 2020, secured by all business assets. The interest rate is the Wall Street Journal Prime Rate plus 1.00% (6.50% at June 30, 2019). The outstanding balance on the line of credit was \$198,936 at June 30, 2019. Debt requirements have been met in fiscal year 2019.

Lines of credit are categorized in the fair value hierarchy as Level 2.

## **11. Construction Loan Payable**

At June 30, 2019, Boulder Point, LLC had a construction loan payable totaling \$3,235,875. This temporary loan relates to the Boulder Point project and will be



converted to permanent debt in October 2019 with two mortgages from Enterprise Bank totaling \$1,130,000, the balance from Low Income Tax Credits (LIHTC) funding, as well as various other grants and donations. The construction loan is secured by real property and is categorized in the fair value hierarchy as Level 2.

## **12. Mortgages Payable, Tax Credits**

Mortgages payable, tax credits consist of mortgages payable by Harbor Homes, Inc. to the Community Development Finance Authority through the Community Development Investment Program, payable through the sale of tax credits to donor organizations. At June 30, 2019, these tax credits totaled \$428,793.

Mortgages payable, tax credits also includes \$100,000 of Low Income Housing Tax Credits (LIHTC).

Mortgages payable, tax credits are secured by real property, are amortized over various years, are categorized in the fair value hierarchy as Level 2.

### 13. Mortgages Payable

Mortgages payable as of June 30, 2019 consisted of the following:

<u>Principal</u>		<u>Payment</u>	<u>Payment</u>	<u>Interest</u>		
<u>Balance</u>		<u>Amount</u>	<u>Frequency</u>	<u>Rate</u>	<u>Maturity</u>	<u>Property/Security</u>
\$ 3,572,442		\$ 19,635	Monthly	4.00%	09/15/42	615 Amherst Street in Nashua, NH
3,363,000	(1) (2)	-	Interest only	4.00%	02/28/20	75-77 Northeastern Boulevard in Nashua, NH
1,129,465		7,879	Monthly	6.77%	12/05/33	335 Somerville Street in Manchester, NH
1,125,000	(1)	-	Interest only	6.00%	02/28/20	75-77 Northeastern Boulevard in Nashua, NH
1,095,236		6,193	Monthly	4.57%	12/05/33	335 Somerville Street in Manchester, NH
1,021,468		7,768	Monthly	7.05%	10/01/40	59 Factory Street in Nashua, NH
613,088		5,126	Monthly	6.97%	12/12/36	46 Spring Street in Nashua, NH
563,773		5,324	Monthly	4.38%	08/12/30	45 High Street in Nashua, NH
564,112		3,996	Monthly	4.75%	12/12/36	46 Spring Street in Nashua, NH
431,962		2,692	Monthly	4.75%	10/01/40	59 Factory Street in Nashua, NH
344,145		5,276	Monthly	9.25% (3)	12/01/26	Allds Street in Nashua, NH
309,370		5,387	Monthly	4.75%	03/29/21	14 Maple Street in Nashua, NH
238,895		3,369	Monthly	9.28% (3)	01/01/28	Chestnut Street in Nashua, NH
238,106		1,425	Monthly	4.75%	04/06/42	99 Chestnut Street in Nashua, NH
208,754		1,731	Monthly	7.00% (3)	09/28/36	7 Trinity Street in Claremont, NH
173,934		3,184	Monthly	9.25% (3)	05/01/25	North Main Street in Nashua, NH
114,599		3,419	Monthly	1.00%	04/05/22	Mobile van
111,236		3,419	Monthly	1.00%	03/05/22	615 Amherst Street in Nashua, NH
102,377		1,144	Monthly	4.64%	11/10/29	24 Mulberry Street in Nashua, NH
99,028		2,543	Monthly	9.25% (3)	04/01/23	Salem, NH property
87,039		779	Monthly	4.32%	04/11/37	4 New Haven Drive, Unit 202 in Nashua, NH
78,535		2,385	Monthly	9.25% (3)	08/01/22	3 Winter Street in Nashua, NH
43,366		299	Monthly	3.89%	10/01/35	59 Factory Street in Nashua, NH
\$ 15,628,930	Subtotal					
(66,367)	Debt issuance costs					
(560,466)	Payments due in the next fiscal year					
\$ 15,002,097	Mortgages payable, net of current portion					

(1) To be converted to term loan at maturity.

(2) Principal payments of \$3,000 per month have been required and paid since March, 2019.

(3) HUD issued and backed.

The following is a summary of future payments on the mortgages payable:

<u>Year</u>	<u>Amount</u>
2020	\$ 560,466
2021	627,553
2022	669,446
2023	602,749
2024	605,075
Thereafter	<u>12,563,641</u>
Total	\$ <u>15,628,930</u>

Mortgages payable are categorized in the fair value hierarchy as Level 2.

#### **14. Mortgages Payable, Deferred**

The Organization has deferred mortgages outstanding, secured by real property, totaling \$9,890,996 at June 30, 2019. These loans are interest free, and are not required to be repaid unless the Organization is in default with the terms of the loan agreements or, for certain loans, if an operating surplus occurs within that program. The deferred loans are subordinate to any non-deferred loan on the related property.

Deferred mortgages payable at June 30, 2019 are as follows:

City of Manchester:	
Somerville Street property	\$ 300,000
Total City of Manchester	300,000
City of Nashua:	
Factory Street property	580,000
Spring Street property	491,000
Strawberry Bank condominiums	80,000
High Street fire system	65,000
Total City of Nashua	1,216,000
Department of Housing and Urban Development:	
Strawberry Bank condominiums	436,400
Total Department of Housing and Urban Development	436,400
Federal Home Loan Bank (FHLB):	
Boulder Point property	500,000
Factory Street property	400,000
Somerville Street property	400,000
Spring Street property	398,747
Amherst Street property	385,000
Total FHLB	2,083,747 (1)
NHHFA:	
Boulder Point property	1,822,500
Amherst Street property	1,500,000
Factory Street property	982,349
Spring Street property	550,000
Somerville Street property	1,000,000
Total NHHFA	5,854,849 (2)
Total Mortgages Payable, Deferred	\$ 9,890,996

(1) Will be automatically forgiven at the end of the term.

(2) Non-recourse.

Deferred mortgages payable are secured by real property and are categorized in the fair value hierarchy as Level 2.

## 15. Net Assets With Donor Restrictions

Net assets with donor restrictions are subject to expenditure for the following specified purposes at June 30, 2019:

<u>Purpose</u>	<u>Amount</u>
Capital improvements	\$ 25,000
Client services	18,122
Dental	12,500
Housing	125,000
Miscellaneous	32,700
Special events	<u>26,984</u>
Total	<u>\$ 240,306</u>

Net assets are released from restrictions by incurring expenses satisfying the restricted purpose or by the passage of time.

## 16. Patient Services Revenue (FQHC), Net

The Organization recognizes patient services revenue associated with services provided through its FQHC to patients who have Medicaid, Medicare, third-party payor, and managed care plans coverage on the basis of contractual rates for services rendered. For uninsured self-pay patients that do not qualify for charity care, the Organization recognizes revenue on the basis of its standard rates for services provided or on the basis of discounted rates if negotiated or provided by the Organization's policy. Charity care services are computed using a sliding fee scale based on patient income and family size. On the basis of historical experience, a significant portion of the Organization's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Organization records a provision for bad debts related to uninsured patients in the period the services are provided.

The Organization accepts patients regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies, which define charity services as those costs for which no payment is anticipated. The Organization uses federally established poverty guidelines to assess the level of discount provided to the patient. The Organization is required to provide a full discount to patients with annual incomes at or below 100% of the poverty guidelines, but may charge a nominal copay. If the patient is unable to pay the copay, the amount is written off to charity care. All patients are charged in accordance with a sliding fee discount program based on household size and household income. No discounts may be provided to patients with incomes over 200% of federal poverty guidelines.

Patient services revenue (FQHC), net of provision for bad debts and contractual allowances and discounts, consists of the following:

	2019			2018	
	Gross Charges	Contractual Allowances	Charitable Care Allowances	Net Patient Service Revenue	Net Patient Service Revenue
Medicaid	\$ 3,796,423	\$ (737,829)	\$ -	\$ 3,058,594	\$ 1,505,498
Medicare	2,358,692	(814,259)	-	1,544,433	1,024,352
Third-party	1,245,677	(478,688)	-	766,989	1,069,007
Sliding fee/free care	644,211	-	(518,635)	125,576	2,960
Self-pay	188,259	-	(10,390)	177,869	303,800
Subtotal	\$ 8,233,262	\$ (2,030,776)	\$ (529,025)	5,673,461	3,905,617
Provision for bad debts				(268,466)	(241,454)
Total				\$ 5,404,995	\$ 3,664,163

#### 17. Client Rental Assistance

The Organization has multiple grants requiring the payment of rents on behalf of the consumer. Rent expense totaling approximately \$6 million is comprised of leases held in the Organization's name, leases in consumers' names, or rents paid as client assistance.

#### 18. Functionalized Expenses

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, those expenses require allocation on a reasonable basis that is consistently applied. The majority of expenses are direct costs that are charged to the applicable cost center, program, grant, and/or function. Costs that are not directly related to a cost center, program, grant, and/or function, or allocated as noted below, are accumulated into an indirect cost pool and charged using direct salaries, wages, and benefits as the allocation base. Certain individual cost elements are charged on a direct allocation basis, as follows:

**Salaries, Wages, and Benefits** – Except for certain key members of management, employees charge their time directly to specific grants, contracts, or other activities. Charges are supported by labor distribution reports and timesheet records, which reflect the actual activities under each. Fringe benefits include unemployment insurance, workers' compensation, FICA, health insurance, dental insurance, short-term and long-term disability, and matching retirement contributions. Benefits are also directly charged, using a methodology similar to that used for salaries and wages.

**Occupancy Costs** – Occupancy costs are allocated as follows:

- Interest on debt-financed property is allocated based on the purpose/use of the property.
- Rent is allocated based on square footage.
- Utilities are charged based on the purpose/use of the property.
- Depreciation is allocated based on the purpose/use of the property.

#### **19. Plymouth NH Veterans Housing Project**

The Plymouth NH Veterans Housing project is a planned permanent supportive housing development of twenty-five one-bedroom apartments for homeless veterans, and five two-bedroom apartments for low-income families located on Boulder Point Drive in Plymouth, New Hampshire. The New Hampshire Community Development Finance Authority has awarded Harbor Homes, Inc. \$700,000 in state tax credits for the project. Harbor Homes, Inc. is serving as the developer of the \$7 million project and will receive a developer fee, net of expenses in the amount of \$472,000. When completed, the 29,000 square foot apartment building will not only offer affordable, permanent supportive housing for in-need veterans, but staff from Harbor Homes, Inc. and White River Junction VA Medical Center will also provide essential supportive services and case management on-site.

#### **20. Deferred Compensation Plan**

In fiscal year 2019, the Organization offered a 401(k) retirement plan to qualifying employees. Upon meeting the eligibility criteria, employees can contribute a portion of their wages to the 401(k) plan. The Organization matches a percentage of the employee contribution based on years of service. Total matching contributions paid by the Organization for the year ended June 30, 2019 were \$463,822.

The Organization also maintains a deferred compensation plan for certain directors (the SA Plan). The deferred compensation liability under the SA Plan was \$44,400 as of June 30, 2019 and was recorded as a long-term liability. This liability is offset by a corresponding long-term asset.

## 21. Concentration of Risk

The Organization received revenue in fiscal year 2019 as follows:

Grants	44%
Patient services revenues (other), net	19%
Patient services revenues (FQHC), net	13%
Department of Housing and Urban Development	9%
Department of Veterans Affairs	6%
All other support and revenue	9%
Total	<u>100%</u>

## 22. Contingencies

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations is subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments for patient service previously billed. Management is not aware of any material incidents of noncompliance; however, the possible future financial effects of this matter on the Organization, if any, are not presently determinable.

## 23. Supplemental Disclosure of Cash Flow Information

The Organization has adopted Accounting Standard Update (ASU) No. 2016-18, *State of Cash Flows (Topic 203): Restricted Cash*. The amendments in this update require that the Consolidated Statement of Cash Flows explain the change during the fiscal year of restricted cash as part of the total of cash and cash equivalents.

The following table provides a reconciliation of cash and cash equivalents, and restricted cash reported in the Consolidated Statement of Financial Position to the same such amounts reported in the Consolidated Statement of Cash Flows.

Cash and Cash Equivalents	\$ 2,255,449
Restricted Cash	<u>1,193,792</u>
Total Cash, Cash Equivalents, and Restricted Cash shown in the Consolidated Statement of Cash Flows	<u>\$ 3,449,241</u>



#### **24. Prior Period Restatement**

Beginning net assets for fiscal year 2019 have been restated by \$49,811 to include the assets, liabilities, and net assets of SARC Housing Needs Board, Inc. which is now included in these consolidated financial statements. On April 1, 2019 Harbor Homes, Inc. and Affiliates d/b/a Partnership for Successful Living's Board of Directors took over responsibility for this organization.

#### **25. Subsequent Events**

Subsequent events have been evaluated through October 21, 2019, which is the date the consolidated financial statements were available to be issued.

Events subsequent to year end, include the following:

- Upon completion of the Plymouth NH Veterans Housing project, additional Low Income Housing Tax Credits (LIHTC) funding of approximately \$2.6 million will be provided to Boulder Point, LLC.

HARBOR HOMES, INC. AND AFFILIATES d/b/a  
PARTNERSHIP FOR SUCCESSFUL LIVING

Consolidating Statement of Financial Position

(With Comparative Totals as of June 30, 2018)

	Harbor Homes*	Boulder Point, LLC	Harbor Homes II, Inc.	Harbor Homes III, Inc.	HH Ownership, Inc.	Greater Nashua Council on Alcoholism	Healthy at Home, Inc.	Welcoming Urbs, Inc.	SARC Housing Needs Board, Inc.	Southern NH HIV/AIDS Task Force, Inc.	Millford Regional Counseling Services, Inc.	Subtotal	Eliminations	2019 Total	2018 Total
<b>ASSETS</b>															
<b>Current Assets:</b>															
Cash and cash equivalents	\$ 823,931	\$ 509,918	\$ 1,827	\$ 502	\$ 4,516	\$ 688,868	\$ 45,971	\$ 855	\$ 36,911	\$ 116,630	\$ 20,520	\$ 2,255,449	\$ -	\$ 2,255,449	\$ 480,242
Restricted cash	412,214	471,769	30,856	23,868	15,139	49,663	-	73,026	117,257	-	-	1,193,792	-	1,193,792	1,096,661
Accounts receivable, net	2,159,519	-	1,542	601	-	477,604	152,495	6,410	407	180,806	2,450	2,981,834	-	2,981,834	2,060,419
Patient receivables, net	645,963	-	-	-	-	-	-	-	-	-	-	645,963	-	645,963	1,301,048
Due from related organizations	1,156,631	-	-	-	-	36,242	-	-	-	-	-	1,192,873	(1,192,873)	-	-
Investments	203,533	-	-	-	-	-	-	-	-	-	-	203,533	-	203,533	192,731
Inventory	116,413	-	-	-	-	-	-	-	-	-	-	116,413	-	116,413	123,078
Other assets	2,397	-	-	-	-	17,872	4,865	-	-	9,000	-	34,084	-	34,084	46,155
<b>Total Current Assets</b>	<b>5,525,601</b>	<b>981,687</b>	<b>34,225</b>	<b>24,971</b>	<b>19,655</b>	<b>1,270,199</b>	<b>203,331</b>	<b>80,291</b>	<b>154,575</b>	<b>306,436</b>	<b>22,970</b>	<b>8,623,941</b>	<b>(1,192,873)</b>	<b>7,431,068</b>	<b>5,300,334</b>
<b>Noncurrent Assets:</b>															
Property and equipment, net	21,902,650	6,063,281	295,536	238,000	297,455	5,395,096	7,737	188,741	38,867	6,032	-	34,433,395	(70,000)	34,363,395	30,968,341
Investment in Boulder Point	441,018	-	-	-	-	-	-	-	-	-	-	441,018	(441,018)	-	-
Prepaid land lease	-	285,000	-	-	-	-	-	-	-	-	-	285,000	(285,000)	-	-
Other assets	77,577	-	-	-	-	-	-	-	-	600	-	78,177	-	78,177	41,800
<b>Total Noncurrent Assets</b>	<b>22,421,245</b>	<b>6,348,281</b>	<b>295,536</b>	<b>238,000</b>	<b>297,455</b>	<b>5,395,096</b>	<b>7,737</b>	<b>188,741</b>	<b>38,867</b>	<b>6,632</b>	<b>-</b>	<b>35,237,590</b>	<b>(796,018)</b>	<b>34,441,572</b>	<b>31,010,141</b>
<b>Total Assets</b>	<b>27,946,846</b>	<b>\$ 7,329,968</b>	<b>\$ 329,761</b>	<b>\$ 262,971</b>	<b>\$ 317,110</b>	<b>\$ 6,665,295</b>	<b>\$ 211,068</b>	<b>\$ 269,032</b>	<b>\$ 193,442</b>	<b>\$ 313,068</b>	<b>\$ 22,970</b>	<b>\$ 43,861,531</b>	<b>\$ (1,988,891)</b>	<b>\$ 41,872,640</b>	<b>\$ 36,310,475</b>
<b>LIABILITIES AND NET ASSETS</b>															
<b>Current Liabilities:</b>															
Lines of credit	\$ 785,033	\$ -	\$ -	\$ -	\$ -	\$ 34,302	\$ 198,936	\$ -	\$ -	\$ -	\$ -	\$ 1,068,271	\$ -	\$ 1,068,271	\$ 1,285,423
Current portion of mortgages payable	328,279	-	32,849	19,128	-	134,586	-	23,344	22,280	-	-	560,466	-	560,466	496,608
Due to related organizations	561,198	12,172	171,076	7,494	13,660	-	145,885	229,757	18,888	11,156	21,587	1,192,873	(1,192,873)	-	-
Accounts payable	1,212,324	720,140	3,500	5,730	456	14,377	58,048	7,661	9,133	84,937	-	2,116,306	-	2,116,306	865,390
Accrued expenses and other liabilities	1,502,422	498,282	2,963	1,842	22	120,158	64,127	3,074	16,336	14,020	-	2,223,246	(285,000)	1,938,246	1,546,020
<b>Total Current Liabilities</b>	<b>4,389,256</b>	<b>1,230,594</b>	<b>210,388</b>	<b>34,194</b>	<b>14,138</b>	<b>353,423</b>	<b>466,996</b>	<b>263,836</b>	<b>66,637</b>	<b>110,113</b>	<b>21,587</b>	<b>7,161,162</b>	<b>(1,477,873)</b>	<b>5,683,289</b>	<b>4,193,441</b>
<b>Long-Term Liabilities:</b>															
Construction loan payable (See Note 11)	-	3,235,875	-	-	-	-	-	-	-	-	-	3,235,875	-	3,235,875	-
Accrued expenses and other liabilities	484,563	453,190	3,518	2,513	1,233	54,437	16,109	1,028	3,055	7,497	-	1,027,143	(441,018)	586,125	635,015
Mortgages payable, tax credits	428,793	100,000	-	-	-	-	-	-	-	-	-	528,793	-	528,793	158,237
Mortgages payable, net of current portion	10,760,971	-	311,296	219,767	-	3,482,725	-	150,590	76,748	-	-	15,002,097	-	15,002,097	15,783,030
Mortgages payable, deferred	5,167,096	2,322,500	-	-	516,400	1,885,000	-	-	-	-	-	9,890,996	-	9,890,996	8,571,209
<b>Total Long-Term Liabilities</b>	<b>16,841,423</b>	<b>6,111,565</b>	<b>314,814</b>	<b>222,280</b>	<b>517,633</b>	<b>5,422,162</b>	<b>16,109</b>	<b>151,618</b>	<b>79,803</b>	<b>7,497</b>	<b>-</b>	<b>29,684,904</b>	<b>(441,018)</b>	<b>29,243,886</b>	<b>25,147,491</b>
<b>Total Liabilities</b>	<b>21,230,679</b>	<b>7,342,159</b>	<b>525,202</b>	<b>256,474</b>	<b>531,771</b>	<b>5,775,585</b>	<b>483,105</b>	<b>415,454</b>	<b>146,440</b>	<b>117,610</b>	<b>21,587</b>	<b>36,846,066</b>	<b>(1,918,891)</b>	<b>34,927,175</b>	<b>29,340,932</b>
<b>Net Assets:</b>															
Without donor restrictions	6,475,861	(12,191)	(195,441)	6,497	(214,661)	889,710	(272,037)	(146,422)	47,002	195,458	1,383	6,775,159	(70,000)	6,705,159	6,851,238
With donor restrictions	240,306	-	-	-	-	-	-	-	-	-	-	240,306	-	240,306	118,305
<b>Total Net Assets</b>	<b>6,716,167</b>	<b>(12,191)</b>	<b>(195,441)</b>	<b>6,497</b>	<b>(214,661)</b>	<b>889,710</b>	<b>(272,037)</b>	<b>(146,422)</b>	<b>47,002</b>	<b>195,458</b>	<b>1,383</b>	<b>7,015,465</b>	<b>(70,000)</b>	<b>6,945,465</b>	<b>6,969,543</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 27,946,846</b>	<b>\$ 7,329,968</b>	<b>\$ 329,761</b>	<b>\$ 262,971</b>	<b>\$ 317,110</b>	<b>\$ 6,665,295</b>	<b>\$ 211,068</b>	<b>\$ 269,032</b>	<b>\$ 193,442</b>	<b>\$ 313,068</b>	<b>\$ 22,970</b>	<b>\$ 43,861,531</b>	<b>\$ (1,988,891)</b>	<b>\$ 41,872,640</b>	<b>\$ 36,310,475</b>

\*Harbor Homes consists of Harbor Homes, Inc. and HH Plymouth, LLC - See Note 1.

See Independent Auditors' Report.

**HARBOR HOMES, INC. AND AFFILIATES 4/9/16**  
**PARTNERSHIP FOR SUCCESSFUL LIVING**

Consolidating Statement of Activities  
For the Year Ended June 30, 2019  
(With Comparative Totals for the Year Ended June 30, 2018)

	Harbor Homes, Inc.	Booster Donor, LLC	Harbor Homes, Inc.	Harbor Homes, Inc.	HH Development, Inc.	Greater Heights Council on Assisted Living	Healthy Alliance, Inc.	Welcoming LIFE, Inc.	SAME Housing Network	Southern NH Housing	Midwest Regional Counciling Services, Inc.	Sectional	Continued	2019 Total	2018 Total
<b>SUPPORT AND REVENUE</b>															
Support:															
Grants	\$ 11,827,062	\$ -	\$ -	\$ -	\$ -	\$ 1,959,179	\$ -	\$ -	\$ -	\$ 1,933,517	\$ -	\$ 11,714,758	\$ -	\$ 11,714,758	\$ 15,325,644
Contributions	63,201	350	-	-	-	30,251	459	2,698	-	16,872	6,313	706,044	-	706,044	688,681
Fundraising events, net	21,859	-	-	-	-	6,343	(1,000)	438	-	6,706	(700)	33,346	-	33,346	48,494
Total Support	14,482,922	350	-	-	-	1,995,573	(541)	3,136	-	1,965,095	5,613	18,454,648	-	18,454,648	20,762,719
Revenue:															
Patient services revenue (other), net	3,311,320	-	-	-	-	2,762,723	1,397,989	-	-	-	-	7,473,012	-	7,473,012	5,648,860
Patient services revenue (FOHC), net	5,404,995	-	-	-	-	-	-	-	-	-	-	5,404,995	-	5,404,995	3,664,163
Urban Development program:															
Veterans Administration program:	3,217,481	-	-	-	-	-	-	-	-	-	-	3,217,481	-	3,217,481	3,479,882
Outside rent:	2,416,766	-	-	-	-	-	-	-	-	-	-	2,416,766	-	2,416,766	2,211,701
Rent and service charges, net:	802,077	-	-	-	-	43,790	(11,267)	20,934	8,887	-	-	916,499	-	916,499	867,749
Contracted services:	491,248	-	-	-	-	240,555	137,157	-	-	8,696	26,735	656,480	-	656,480	555,551
Fees for services:	241,345	-	-	-	-	170	-	-	-	70,400	63,031	214,713	-	214,713	394,556
Management fees:	131,112	-	-	-	-	-	-	-	-	-	-	66,966	-	66,966	149,466
Investment income (net):	43,536	-	-	-	-	1,007	2,967	23,450	-	81	-	9,834	-	9,834	39,174
Gain (loss) on disposal of fixed assets:	5,634	-	-	-	-	191	-	(75)	-	-	-	12,540	-	12,540	40,632
Total Revenue	18,661,844	-	-	-	-	3,008,410	1,536,746	123,560	-	231,227	213,584	22,167,412	-	22,167,412	17,574,070
Total Support and Revenue	31,165,746	350	-	-	-	5,005,993	1,536,205	126,696	31,451	2,216,322	219,597	40,622,071	-	40,622,071	37,835,369
<b>EXPENSES</b>															
Program	27,002,147	12,541	-	-	-	3,592,336	1,771,699	125,216	22,093	2,142,145	77,453	34,482,378	-	34,482,378	32,865,483
Administration	2,816,532	-	-	-	-	804,472	389,091	33,427	11,514	101,396	31,576	4,799,868	-	4,799,868	4,247,544
Fundraising	396,505	-	-	-	-	12,792	13,775	8,735	-	7,408	949	418,924	-	418,924	409,600
Total Expenses	30,215,184	12,541	-	-	-	4,409,600	1,804,565	166,868	33,607	2,250,951	109,972	39,722,200	-	39,722,200	37,500,376
<b>OTHER INCOME</b>															
Repayment of prior write-off	200,000	-	-	-	-	-	-	-	-	-	(200,000)	-	-	-	-
Total Other Income	200,000	-	-	-	-	-	-	-	-	-	(200,000)	-	-	-	-
Change in net assets before depreciation	1,070,362	(12,191)	-	-	-	596,393	(148,360)	(40,172)	(2,156)	(34,629)	(90,375)	1,400,871	-	1,400,871	535,043
Depreciation and amortization	1,157,515	-	-	-	-	225,296	5,577	24,445	653	503	-	1,474,760	-	1,474,760	1,456,234
Change in net assets	(87,153)	(12,191)	-	-	-	371,297	(153,937)	(64,617)	(2,809)	(15,132)	(90,375)	(73,889)	-	(73,889)	(921,241)
Net Assets (Deficit), Beginning of Year, as restated	6,803,470	-	-	-	-	518,413	(118,106)	(81,805)	49,811	230,590	91,708	7,095,354	-	7,095,354	7,792,784
Net Assets (Deficit), End of Year	6,716,317	(12,191)	-	-	-	889,710	(277,037)	(146,421)	47,002	215,458	1,383	7,021,465	-	7,021,465	6,871,543

\* Harbor Homes consists of Harbor Homes, Inc. and HH Plymouth, LLC. See Note 1.

See Independent Auditors' Report.

# HARBOR HOMES, INC.

## Statement of Financial Position - Harbor Homes, Inc. June 30, 2019

	Harbor Homes, Inc.					
	Harbor Homes Program	Harbor Homes I	Harbor Homes VI	Total Harbor Homes, Inc.	HH Plymouth, LLC	Harbor Homes*
<b>ASSETS</b>						
<b>Current Assets:</b>						
Cash and cash equivalents	\$ 814,790	\$ 498	\$ 13,643	\$ 828,931	\$ -	\$ 828,931
Restricted cash	290,316	57,248	64,650	412,214	-	412,214
Accounts receivable, net	2,157,629	517	1,373	2,159,519	-	2,159,519
Patient receivables, net	645,963	-	-	645,963	-	645,963
Due from related organizations	715,903	-	-	715,903	440,728	1,156,631
Investments	203,533	-	-	203,533	-	203,533
Inventory	116,413	-	-	116,413	-	116,413
Other assets	2,397	-	-	2,397	-	2,397
Total Current Assets	4,946,944	58,263	79,666	5,084,873	440,728	5,525,601
<b>Noncurrent Assets:</b>						
Property and equipment, net	21,530,551	89,679	282,420	21,902,650	-	21,902,650
Investment in Boulder Point	441,018	-	-	441,018	-	441,018
Other assets	77,577	-	-	77,577	-	77,577
Total Noncurrent Assets	22,049,146	89,679	282,420	22,421,245	-	22,421,245
Total Assets	\$ 26,996,090	\$ 147,942	\$ 362,086	\$ 27,506,118	\$ 440,728	\$ 27,946,846
<b>LIABILITIES AND NET ASSETS</b>						
<b>Current Liabilities:</b>						
Lines of credit	\$ 785,033	\$ -	\$ -	\$ 785,033	\$ -	\$ 785,033
Current portion of mortgages payable	299,566	22,304	6,409	328,279	-	328,279
Due to related organizations	-	9,734	110,736	120,470	440,728	561,198
Accounts payable	1,209,508	1,054	1,762	1,212,324	-	1,212,324
Accrued expenses and other liabilities	1,500,513	604	1,305	1,502,422	-	1,502,422
Total Current Liabilities	3,794,620	33,696	120,212	3,948,528	440,728	4,389,256
<b>Long-Term Liabilities:</b>						
Construction loan payable (See Note 11)	-	-	-	-	-	-
Accrued expenses and other liabilities	480,788	2,188	1,587	484,563	-	484,563
Mortgages payable, tax credits	428,793	-	-	428,793	-	428,793
Mortgages payable, net of current portion	10,502,395	56,231	202,345	10,760,971	-	10,760,971
Mortgages payable, deferred	5,167,096	-	-	5,167,096	-	5,167,096
Total Long-Term Liabilities	16,579,072	58,419	203,932	16,841,423	-	16,841,423
Total Liabilities	20,373,692	92,115	324,144	20,789,951	440,728	21,230,679
<b>Net Assets:</b>						
Without donor restrictions	6,382,092	55,827	37,942	6,475,861	-	6,475,861
With donor restrictions	240,306	-	-	240,306	-	240,306
Total Net Assets	6,622,398	55,827	37,942	6,716,167	-	6,716,167
Total Liabilities and Net Assets	\$ 26,996,090	\$ 147,942	\$ 362,086	\$ 27,506,118	\$ 440,728	\$ 27,946,846

\*Harbor Homes consists of Harbor Homes, Inc. and HH Plymouth, LLC - See Note 1.

See Independent Auditors' Report.

HARBOR HOMES, INC.

Statement of Activities - Harbor Homes, Inc.  
For the Year Ended June 30, 2019

	Harbor Homes, Inc.				
	Harbor Homes Program	Harbor Homes I	Harbor Homes VI	Total Harbor Homes, Inc.	HH Plymouth, LLC
					Harbor Homes*
<b>SUPPORT AND REVENUE</b>					
Support:					
Grants	\$ 13,824,062	\$ -	\$ -	\$ 13,824,062	\$ -
Contributions	633,201	-	5,000	638,201	-
Fundraising events, net	21,659	-	-	21,659	-
Total Support	14,478,922	-	5,000	14,483,922	-
Revenue:					
Patient services revenues (other), net	3,312,320	-	-	3,312,320	-
Patient services revenues (FQHC), net	5,404,995	-	-	5,404,995	-
Department of Housing and Urban Development programs	3,045,809	94,488	77,184	3,217,481	-
Veterans Administration programs	2,416,766	-	-	2,416,766	-
Rent and service charges, net	752,999	28,740	20,338	802,077	-
Outside rent	491,248	-	-	491,248	-
Contracted services	243,345	-	-	243,345	-
Fees for services	131,132	-	-	131,132	-
Management fees	43,536	-	-	43,536	-
Miscellaneous	5,396	-	238	5,634	-
Investment income (loss)	12,109	25	39	12,173	-
Gain (loss) on disposal of fixed assets	581,137	-	-	581,137	-
Total Revenue	16,440,792	123,253	97,799	16,661,844	-
Total Support and Revenue	30,919,714	123,253	102,799	31,145,766	-
<b>EXPENSES</b>					
Program	26,867,345	69,009	65,793	27,002,147	-
Administration	2,844,901	18,897	13,054	2,876,852	-
Fundraising	396,505	-	-	396,505	-
Total Expenses	30,108,751	87,906	78,847	30,275,504	-
<b>OTHER INCOME</b>					
Recoupment of prior write-off - Milford Regional	200,000	-	-	200,000	-
Total Other Income	200,000	-	-	200,000	-
Change in net assets before depreciation	1,010,963	35,347	23,952	1,070,262	-
Depreciation and amortization	1,139,644	6,464	11,407	1,157,515	-
Change in net assets	(128,681)	28,883	12,545	(87,253)	-
Net Assets, Beginning of Year	6,751,079	26,944	25,397	6,803,420	-
Net Assets, End of Year	\$ 6,622,398	\$ 55,827	\$ 37,942	\$ 6,716,167	\$ -

\*Harbor Homes consists of Harbor Homes, Inc. and HH Plymouth, LLC - See Note 1.

See Independent Auditors' Report.

**PARTNERSHIP FOR SUCCESSFUL LIVING**

**Harbor Homes, Inc; Healthy at Home, Inc; Greater Nashua Council on Alcoholism;  
Southern NH HIV/AIDS Task Force**

**(CURRENT BOARD MEMBER CHARACTERISTICS & AFFILIATIONS)**

<b>NAME</b>	<b>POSITION</b>	<b>OCCUPATION</b>	<b>RESIDENCE</b>	<b>CATEGORY</b>
Thomas I. Arnold	Director	Retired – Former City Solicitor, Manchester, NH	Merrimack, NH	Civic Leader
Jack Balcom	Director	Retired BAE Systems Current Tax Preparer, H&R Block	Merrimack, NH	Civic Leader
Vijay Bhatt	Director	Information Technology – Harvard Pilgrim Health Care	Burlington, MA	Business Leader
Richard Carvalho	Director	Food Service – Franchise Owner, Dunkin Donuts	Nashua, NH	Business Leader
Vincent Chamberlain	Director	Business – FAA Center, Nashua	Brookline, NH	Business Leader
Philip Duhaime	Director	Retired – Food Service	Merrimack, NH	Civic Leader
Jared Freilich	<b>Treasurer</b>	Business – VP Bank of America, Merrill Lynch	Hampstead, NH	Business Leader
Laurie Goguen	<b>Asst. Secretary</b>	Business – Linahan Limousine, Customer Service	Nashua, NH	Civic Leader/Consumer
Joel Jaffe	<b>Secretary</b>	Retired – Business, Hewlett Packard	Litchfield, NH	Civic Leader
Lanna Martin	Director	Business – BAE Systems	Merrimack, NH	Business Leader
Edward McDonough	Director	Non-Profit Agency Director – Gate House Sober Community	Nashua, NH	Civic Leader
Richard Plante	<b>Vice Chair</b>	Retired – Military	Manchester, NH	Civic Leader
Daniel Sallet	<b>Chair</b>	Business – BAE Systems, VP Finance/Electronic Systems	Ayer, MA	Business Leader
Trent Smith	Director	Retired – Business, HR	Milford, NH	Civic Leader

# **Ana Pancine, MBA**

## **Nashua, NH**

### **Summary**

Results-driven finance executive possessing progressive experience managing finance and accounting functions. Experienced with financial operations, accounting, reporting, asset, liability and balance sheet management, forecasting, controls, operational efficiencies, and financial analysis. Versatile leader promoting accountability and integrity, dedicated to more efficient operations through innovation and technology. Implements system and management strategies to increase transparency, efficiency, and accurate deliverables. Decisive and motivated change agent actively seeking opportunities to lead positive change with integrity in an innovative environment.

### **Professional Experience**

**Harbor Homes Inc. Nashua, NH**

**November 2007 – Present**

**Acting Chief Financial Officer**

**March, 2020 – Present**

**Chief Revenue Officer**

**August 2018 – March, 2020**

- Supervise and manage the Business/Finance Office team composed of 15 staff members, performing duties such as A/R, A/P, Staff Accountant, Senior Staff Accountant, Credentialing, Medicare/Medicaid/private/self-pay billing.
- Manage the overall strategy and optimization of revenue cycle operations, systems, policies and procedures to apply an improvement to charges, claims, payments, collections and A/R, denials, and reporting of results and analysis.
- Solicited and successfully developed budget proposals for grant applications securing governmental funds to support operations and maintaining consistent service delivery.
- Responsible for reviewing and negotiating financial terms for federal and state contracts.
- Accountable for driving better integration and alignment between all revenue-related functions. Including creating revenue model development, analysis and changes to maximize revenue.
- Monitor the effectiveness of collection efforts and ensure that insurance billings are current within the established period specified in the department policy. Manage all other revenue pipelines of each revenue stream to determine in advance the level of risk to obtaining desired goals and what adjustments should ultimately be implemented.
- Monitor timeliness and effectiveness of billing department activities, ensuring that outstanding patient accounts and accounts receivables are no more than the agreed-upon limit and that bad debt is within the budgeted target.
- Manage program revenue by reviewing and tracking all contracts on a monthly basis, and ensure all funds are fully invoiced/ billed accordingly to funders by contract/grant deadline.
- Work closely with the CFO and other C-suite and executive leaders to continually improve the alignment of each functional group to support the business development organizational

**Ana Pancine, MBA**  
**Nashua, NH**

structure, legal, finance, compensation, hiring and selection criteria, and rewards and recognition.

- Assist the CFO in managing and implementing financial performance measures that support the PSL's strategic directions.
- Work closely with each PSL program manager to develop a goal to meet budget responsibilities to ensure ongoing financial viability for programs.
- Work closely with the Compliance Officer or designee to prepare and revise the fiscal operations procedures manual and ensure implementation of these.
- Work closely with the Grants and Strategy department to develop new lines of business and grow existing lines of business. This includes the development of new budgets, forecasting, and trend analysis.
- Internal and external reports for State & Federal projects.
- Provide support to CFO on all special projects; serve as back up for this position.
- Prepare complex financial statements, internal/annual reports for planning and oversight of each program within an organization

**Various**

November 2007 – August 2018

- Assist with budget development for 92 cost centers and 8 affiliated agencies with annual expenses and revenue over \$40m
- Prepare operational and variance analysis for financial presentations based on GAAP, organization, State and Federal guidelines.
- Maintain accurate accounts including cash, inventory, prepaid, fixed assets, accounts payable, accrued expenses, and line of credit transactions.
- Chair of the Greater Nashua Continuum Care (GNCOC) and GNCOC Board of Directors, composed of representatives from the Federal, State, and City Governments, housing program directors, local hospital staff, social services agencies, financial institutions, private sector, and religious institutions.
- Established a Safety Committee for the PSL agencies which results in a reduction of \$50K in WC premiums within one year.
- Developed Safety policies and procedures for and guidance of staff on requirements established by insurance companies and funders.
- Created and established the financial policies and procedure manual for the organization
- Knowledge of planning techniques, testing and sampling methods involved in conducting audits.
- Extensive experience with Financial Statements audits, reviews, compilations, and audits for Governmental organizations (A-133).
- Managed annual external audit resulting in no findings and no management comments on A-133 audits.
- Prepare all budgets for the Development Department to be submitted for competitive State, Federal and Local grant applications.



**Ana Pancine, MBA**  
**Nashua, NH**

- Review all financial requirements and financial accuracy for new and renewed contracts
- Prepare, review and update all Finance/Accounting policies and procedures to ensure compliance with new Federal regulations.

**Hewlett-Packard**

**Various locations**

**August 2001 – November 2007**

**Business Analyst**

**February 2004 – November 2007**

- Accountable for all metric reports for the PER Event team contracts on a monthly basis.
- Responsible for revenue recognition for two US districts, Latin America and Canada.
- Accountable to update, present and distribute all reports related to the department, which included financial reports, risk reports, contract metric reports.
- Responsible for all billing for Latin America and prepared currency translation reporting.
- Managed ten cost centers with annual expenses of \$9m and revenue of \$18m.
- Variance reporting monthly for +/- 1 % of forecasted to report to senior management.
- Maintained global reporting of 200 employees with emphasis on geographic alignment, individual line counts, and organizational charts for account utilization and resource mapping
- Main contact for all customers and service providers located in the Latin America territory.
- Provided Financial Support for account closing.

**Quality Controller/ System Support Admin**

**June 2003 – February 2004**

- Main contact between administrators and system support to prioritize technical errors.
- Responsible for weekly, monthly and quarterly quality review reporting, geography reports
- Maintain all employee-related spreadsheets updated.
- Managed quality review reports ensuring policies and procedures are being followed.
- Mentored new hires and provided support for team members with problem-solving.

**Per Event Administrator**

**August 2001 – June 2003**

- Responsible for billing revenue.
- Maintenance of contracts, including service charges and billing.
- Data Entry
- Revenue booking and customer assistance for Latin America/Caribbean territory.
- Assistance and service provided for all customer located in the Latin America/Caribbean/Europe territory

**Education**

**Southern NH University**

**2015 – 2017**

MBA, graduated with Honors

Major: Finance

**Hesser College**

**2001 – 2005**

**Ana Pancine, MBA**  
Nashua, NH

BS, Magna Com Laude (GPA: 3.9/4.0)

Majors: Finance

Minor: Accounting

**Other Skills**

Trained Medical Interpreter: Portuguese & Spanish                      2010

Trained Translator: Portuguese

Skilled USCIS Interpreter

Computer: Windows, Microsoft Office, SIFT – Financial Database, Fundware/F9

Finance related: PEARS/CHAMP/WFM, NCAS/SAP, ABILA – MIP

Language: Fluent Portuguese, Proficient Spanish

**Cheryle Pacapelli**  
**Profile**

Fifteen + years of nonprofit and program management experience; including advocacy, community organizing, education, and management at the local, state and federal level, for the development and implementation of peer to peer Recovery Support Services. Serves as Co-Chair of the Recovery Task Force. Developed and implemented: programs, trainings, activities, and community events for sustaining program capacity, building coalitions and establishing best practice initiatives. Advanced Computer Proficiency: Windows XP Professional Microsoft Office Suite, Giftworks, iMAC, Recovery Data Platform

**Experience**

2/17 - Present Harbor Homes Nashua, NH

**Project Director**

This is an administrative position supporting the Peer Recovery Support Services (PRSS) Facilitating Organizations (FO) contract to subcontract with Recovery Community Organizations (RCOs) in New Hampshire.

Review existing work completed by BDAS and NH Center for Excellence to design a more formal readiness scan of all known RCOs statewide

Analyze data and communicate with RCOs to determine willingness, ability and capacity to achieve Council on Accreditation of Peer Recovery Support Services (CAPRSS) accreditation, provide Peer Recovery Support Services (PRSS), open/operate a Recovery Center and adhere to CMS regulations during the readiness scan  
Develop a formal procurement process that is fair and transparent to identify at least five RCOs to participate in the first year of FO grant

Prioritize those RCOs most likely to participate in subsequent years

Within five days of procurement process completion, provide BDAS with a written determination of RCO readiness

Work with NH Center for Excellence to engage the first "Community of Practice" meeting to assist with the completion of readiness scan

Upon BDAS approval, arrange one on one visits with selected RCOs, including Board of Directors, staff, volunteers, etc. to shadow day to day activities (CAPRSS also present)

Monitors subcontractors and assists with development of required policies and procedures

Assists subcontractors with the process of applying for and obtaining Medicaid billing status

Communicate regularly with subcontractors to review progress

Monitors the quality of all subcontractors and their progress, and completes required documents and reports

Assists in the oversight and facilitation of training for all subcontractors

Manages the employment process, with staff scheduling, and in the provision of routine assessment of staff performance

Utilizes computer application(s) or applicable technology for administrative tasks

Manages services and related budgetary concerns

Oversee HHI business processes and accounting related to subcontracts

7/15 – 2/17 New Futures, Inc. Concord, NH

**Community Engagement Director**

Advocate for policies and financing that support a statewide system of community based recovery supports, to ensure that all people in NH with SUD are able to access recovery supports;

Educate the public and policymakers regarding the nature and effectiveness of recovery supports;

Work with the newly created continuum of care facilitators in each public health region to ensure that individual recovery supports and family supports are included in each region's comprehensive substance misuse continuum of care;

Work with providers in designated Integrated Delivery Networks under the 1115 Demonstration Waiver program to ensure that recovery supports are an integral part of innovative projects funded through the waiver;

Provide technical assistance to communities and organizations interested in developing and delivering recovery supports;

Partner with New Futures Policy Director and the NH Providers Association to provide technical assistance on enrollment and regulatory requirements to organizations and individuals interested in billing third party payers, including Medicaid, for peer and non-peer recovery supports;

Oversee expansion of family supports through DHHS System of Care grant;

Facilitate connections between SUD treatment providers, healthcare providers, drug courts, corrections facilities and other institutions whose clients or patients are in need of recovery supports with recovery community organizations; and,

Otherwise support the development of a statewide system of recovery supports as a full, accessible component of the SUD continuum of care through advocacy on policy, technical assistance, relationship development, education, and collaboration.

05/01 - 2019

Stepping Stone House

Meriden, CT

**Co-Owner**

Operate 8 Recovery Houses with 60 male transitional living beds and 10 women's beds

Certified by Department of Mental Health and Addiction Services to provide housing and case management services.

Coordinate with Access to Recovery and Recovery Support Program to secure housing and basic need support for clients

Provide case management for clients, life skills, resumes, job search

Administer progress notes and a recovery plan for each individual.

8/14 – 7/15

HOPE for NH Recovery

Concord, NH

**Executive Director**

Statewide Coordination of Recovery Movement

Public Education, Awareness and Advocacy

Deliver a variety of peer-based recovery support services; assist in start-up of Recovery Community Centers

Community Outreach and Resource Development

Collaborate with the Governor's Commission for Alcohol and other Drug Prevention, Treatment and Recovery

12/11 – 10/12

CT. Community for Addiction Recovery

Hartford, CT

**Director Recovery Services**

Recovery Coach Academy Management (RCA)

- o Administered promotion, marketing and sales of RCA; handling of logistics, RCA manual sales, data tracking, recovery coach support.
- o Coordinated five CT Trainings held per year and 20 + out of state held per year over 1,000 Recovery Coaches trained
- o Trained 100 + trainers to bring RCA across the United States.
- o Maintained website with RCA updates, and all training registrations online
- o Generated \$200,000 in gross revenues

**Recovery Technical Assistance Group Management**

- o Promotion, marketing and sales of CCAR technical assistance products, including trainings, technical assistance and paid speaking engagements.
- o Developed, implemented, and managed CCAR's web-based shopping site: [www.shoprecovery.com](http://www.shoprecovery.com) for national sales of all CCAR products, RCA trainings, Recovery Housing Trainings, RCA manuals. Increasing CCAR revenue by 45% in the first year.
- o Originated national sales and logistics of CCAR's Technical Assistance Group. Managed implementation and collaboration with contract sites. Best-practice programming includes: Telephone Recovery Support, Volunteer Management, and Vocational Employment Services. Increased organizational revenue by 45 % during my tenure.

#### **Annual Recovery Walks! Coordination**

- Designed and implemented the event; met target numbers; increased public awareness for addiction recovery.
- Collaborated with multiple state agencies and service providers for providing resources and services to participants.
- Over 2,000 in attendance and revenue of \$14,000.

#### **Annual Volunteer Recognition Dinner Coordination**

- Plan and implement the event, volunteers recognized.
- Develop sponsorship for Volunteer Recognition Dinner, create invitations, and program.
- 300 Volunteers recognized for over 15,000 hours of volunteer service.

#### **Data tracking and Analysis**

- Oversaw all tracking databases for bi-weekly reports, training and event; engaged in quality improvement.
- Generated reports for Executive Director, funders and Board of Directors

12/06 – 12/11

CT. Community for Addiction Recovery

Hartford, CT

#### **Director of Operations**

##### **Recovery Community Center Management**

- Oversaw the operations at three Recovery Community Centers with efficiency; ensured adherence to prescribed structure, encouraged new programs.
- Held 375 events with over 14,000 in attendance
- Hosted 38 different recovery focused trainings, with over 1,700 participants
- Implementation of Access to Recovery Services in Recovery Community Centers

##### **Direct Supervision of five Full Time Staff**

- Volunteer Manager, Program Manager, Three Recovery Community Center Managers
- Administered Annual performance reviews

##### **Program Oversight – Telephone Recovery Support and Recovery Housing Program**

- Increased number of people called from 22 in 2005, to 1,945 in 2011.
- CCAR volunteers made over 125,000 telephone calls resulting in 36,000 conversations with about 4,500 people in recovery.
- Originated and managed CCAR's Recovery Housing Program: [www.findrecoveryhousing.com](http://www.findrecoveryhousing.com). Built service to its current over 200 recovery houses listed in 19 states status. Revenue is being generated from owners listing Recovery Houses.

##### **Information Technology**

- Designed and developed tracking systems for generating outcome-based reports and evaluating services which resulted in increased funding and national attention.
- Managed all databases, maintained equipment, and assisted staff with technology needs and training.

10/04 – 12/06

CT. Community for Addiction Recovery

Hartford, CT

**Project Manager – Recovery Housing**

Developed and maintained an inventory of Recovery Houses in CT

Provided community education on recovery housing, NIMBY issues

Marketed and delivered training "So, you want to open a Recovery House"

Established Recovery Housing Coalition of CT, developed statewide standards for Recovery Houses.

Albertus Magnus

New Haven, CT

**Bachelors Degree – Business Management**

Cum Laude, Tai Pi Phi National Honor Society

**Training**

Certifications: CCAR Recovery Coach Academy Trainer

CCAR Ethics for Recovery Support Worker Trainer

Pastoral Counseling

Mental Health and Addiction Services: DMHAS Successfully Housing Persons with Substance Use Issues

safeTALK Suicide Alertness for Everyone

Human Resource Development: Understanding Sexual Harassment

## Henry J. Och

### Executive Summary

20 years of healthcare management experience in a Federally Qualified Community Health Center  
Experience working with and supporting underserved and refugee populations  
Proven and nationally recognized public health leader  
Strong background in healthcare expansion projects and project management  
Experience with new service design and implementation  
Experienced grant writer for federal, state and private programs

### Professional Experience

#### Chief Operations Officer

The Partnership for Successful Living

2020-Present

Nashua, NH

I lead the continued transformation of the PSL's delivery model to provide integrated, innovative and evidence-based client/patient services. I ensure the meeting of outcomes and regulations for various federal, state and local contracts, government/foundation grants, and audits, as well as overseeing staff. Further duties include:

- to grow or sustain relevant and compelling programs that are financially viable and aligned with the PSL's mission, vision and values
- to implement efficient use of technologies, facilities, and streamlined processes; and to develop and implement an "outcomes" measurement system
- In consultation with the CEO, develop and implement operational plans, monitors progress, and adjusts plans as is necessary to achieve objectives
- The COO oversee and integrate the programs/ services and staff within Keystone Hall (all programs and services), Harbor Homes (all programs and services with the exception of the Facilitating Organization), and Southern NH HIV AIDS Task Force (all programs and services); as well as the following PSL-wide administrative departments and staff: IT, HR, and Facilities.
- I closely with the CEO to support him and represent him as needed in various functions

#### Chief Operations Officer/Chief Information Officer

Lowell Community Health Center

2013-2020

Lowell, MA

Directly supervised a wide array of clinical and administrative departments including primary and specialty care, health information, information technology (IT), information systems, centralized call center, patient service center and facilities management. I am responsible for the development and implementation of strategic objectives in order to meet the needs of our patients and organizational goals. I have represented the health center at the local, state and national levels.

- Designed Lowell CHC's operations management model which was recognized by the US Health Resources Services Administration as a national best practice
- Launched a state of the art eye care center with clinical and retail optical services in collaboration with the New England College of Optometry
- Launched a new dental clinic comprised of 16 dental exam rooms
- Led a \$26 million clinic expansion project adding 65,000 square feet of clinic space to the health center
- Led the health center's US Health Resources Services Administration operational requirements readiness which resulted in a perfect 19/19 site visit compliance score in 2017

- Led the organization's Joint Commission readiness efforts which resulted in re-accreditation and Joint Commission Patient Centered Medical Home (PCMH) recognition in 2015
- Partnered with the Chief Medical Officer to expand services to include specialty care comprised of podiatry, neurology and dermatology
- Implemented process improvements resulting in a 15% reduction in clinic visit cycle times thereby improving the patient experience
- Directly involved in federal, state and private grant development efforts which have brought Lowell CHC nearly \$3 million in grant funding since 2009
- Led a \$1 million construction project in collaboration with Lowell General Hospital which resulted in onsite lab, ultrasound, mammography and radiology services
- Participated in the implementation of the Wellforce Accountable Care Organization and I am currently supporting the Lowell Behavioral Health Community Partners program
- Participated in donor cultivation and engagement in support of the health center's capital campaign and annual fund
- Coached, mentored and led multidisciplinary personnel and teams to achieve multiple objectives within the health center's strategic plan
- Developed the organization's information technology strategic plan

**Chief Information Officer/Director of Operations**  
*Lowell Community Health Center*

2005-2020  
 Lowell, MA

Directed the strategic planning and implementation of enterprise systems in support of health center operations in order to improve cost effectiveness, service quality, and overall patient care. Responsible for all aspects of the organization's information technology infrastructure and information systems, health information and facilities management departments. Designated project manager for many cross functional projects.

- Project manager for the organization's \$42 million construction project and expansion effort which included consolidation of most existing sites as well as the addition of a 340B pharmacy program
- Project manager for a \$1 million clinic expansion initiative to support Lowell CHC's Metta Health Center
- Project manager for the Centers for Medicare & Medicaid Services "Meaningful Use" project which has generated nearly \$1 million in incentive payments
- Collaborated with the Chief of Quality and other clinical leaders to pursue and obtain the National Committee for Quality Assurance's PCMH Level III recognition
- Successfully led the organization's electronic health record implementation project
- Implemented effective patient flow improvements such as a centralized patient call center, streamlined medical record management processes and patient registration processes
- Member of the Massachusetts eHealth Institute's Legal and Privacy Workgroup which supported the development of the Commonwealth of Massachusetts' statewide health information exchange (Mass Hlway)
- Designated as the organization's HIPAA privacy officer, information security officer and compliance officer

**Adjunct Professor**  
*University of Massachusetts*

2010-2015  
 Lowell, MA

Provide classroom instruction for graduate students in the Health Informatics and Health Management programs within the University of Massachusetts' College of Health Sciences.

- Developed and instructed the "Project Management in Healthcare" graduate course
- Developed and instructed the "Electronic Health Record (EHR) Systems" graduate course



- Worked with faculty staff and a medical record software vendor to provide a hosted EHR to the University for instruction purposes

<b>Director of Information Technology</b>	2003-2005
<b>Information Technology Coordinator</b>	1999-2003
<i>Lowell Community Health Center</i>	Lowell, MA

Responsible for the execution of all short- and long-term IT strategies. Managed all facets of day to day operations for the Information Systems and Information Technology departments.

- Effective project manager for many successful IT projects such as the migration to a new practice management system, development of a various web-based tracking applications and numerous system platform upgrades and migrations
- Trained and managed a qualified team of IT specialists
- Authored and implemented all current policies and procedures relevant to information technology and information security
- Led the organization's HIPAA Privacy and Security rule compliance efforts

<b>Material Testing Laboratory Coordinator</b>	1997-1999
<i>Joan Automotive Industries / Joan Fabrics</i>	Lowell, MA

<b>Applications Developer</b>	1996-1997
<i>HB Fuller Corporation</i>	Wilmington, MA

#### Education

<b>University of Massachusetts at Lowell</b>	Expected 2021
<i>Master in Business Administration, concentration Healthcare</i>	

<b>Harvard University</b>	Completed 2006
<i>Master in Liberal Arts in extension studies, concentration in Information Management Systems</i>	

<b>University of Massachusetts at Lowell</b>	Completed 2000
<i>Bachelor of Science in Business Administration, concentration in Management Information Systems</i>	

#### Certifications and Awards

Project Management Professional (PMP) - 2010  
 Certified Information Systems Security Professional (CISSP) – 2004  
 Milken Institute School of Public Health at George Washington University's Emerging Leader Award - 2015  
 Massachusetts League of Community Health Centers Employee of the Year Award - 2015

#### Professional Associations

Member - American Public Health Association  
 Member - American College of Healthcare Executives  
 Member - International Information System Security Certification Consortium  
 Member - Project Management Institute  
 Member - Association of Latino Professionals for America

## **Military Experience**

Commissioned Infantry officer in the Massachusetts Army National Guard with a current rank of Major. Currently serving on the Joint Staff of the Joint Force Headquarters. I have been a member of several response teams providing support to citizens of the Commonwealth in six emergency situations.

### **Overseas Military Deployments:**

#### *Operations Officer, ISAF Headquarters, Afghanistan*

2014

- Awarded the Defense Meritorious Service Medal for contributions to the transition of combat operations from NATO coalition forces to Afghan security forces
- Awarded the Slovakian Minister of Defense Medal for support efforts to the Slovakian Military

#### *Infantry Platoon Leader, 182<sup>nd</sup> Infantry Regiment, Kosovo*

2006-2007

- Awarded the Army Commendation Medal for joint human trafficking interdiction operations with the Kosovo Police Services
- Awarded the German Armed Forces Schützenschnur (Silver) Badge

## **Board and Volunteer Experience**

- Board Member – Family Services of the Merrimack Valley
- Board Member – ACT Lawrence, a community development corporation
- Massachusetts Region 3 Health and Medical Coordinating Coalition Governing Board (Ambulatory Care Lead)
- Fortaleza – Advocacy group working on bridging the academic achievement gap for minorities in the Lowell Public School system
- Coach for Lowell CHC's staff running group

## **Other Skills**

Fluent in written and spoken Spanish

[References available upon request]

# **MICHAEL N. ZECHMAN, J.D.**

## **EXECUTIVE PROFILE**

Healthcare professional with strong leadership skills and 15+ years of well-rounded experience in legal, compliance, privacy, risk management, audit, and operations. Experienced hands-on leader who builds and retains high performance teams by hiring, developing, and motivating skilled professionals; producing consistently innovative and measurable outcomes. Skilled investigator and strategic problem-solver with a reputation for outstanding judgment and the ability to work across all levels of an organization. Organized self-motivator who has consistently led high priority initiatives to completion and has earned successive promotions with increasing levels of responsibility through a proven record of achievement.

## **EXPERIENCE**

### **Partnership for Successful Living • Nashua, New Hampshire** **Compliance & Risk Management Officer. (April 2018 – Present)**

- Provides oversight of compliance and risk management program for the 4 entities that comprise the Partnership including: Harbor Homes, Inc. (including a Federally Qualified Health Center), Greater Nashua Council on Alcoholism (Keystone Hall), Southern New Hampshire HIV/AIDS Taskforce, and Healthy at Home
- Oversees efforts to detect and prevent fraud, waste and abuse, including operating the organizational Medicaid audit program
- Oversees grant compliance committee and processes
- Manages privacy program including matters relating to HIPAA and 42 CFR Part 2
- Manages risk management efforts including chairing the Safety Committee and managing insurance relationships
- Investigates all client complaints

### **Hope Community Resources, Inc. • Anchorage, Alaska** **Business Management Consultant – Independent Contractor. (June 2017 – May 2018)**

### **Hope Community Resources, Inc. • Anchorage, Alaska** **General Counsel & Senior Deputy Director. (July 2013 – June 2017)** **General Counsel & Deputy Director. (July 2005 – July 2013)** **Compliance Officer. (February 2004 – July 2005)**

- Served as General Counsel and senior manager for healthcare entity with a \$65,000,000+ annual budget, 1,000+ employees, and 8 regional offices.
- Provided or supervised all aspects of legal representation for the organization.
- Served as key member of the senior leadership team, with extensive operations oversight duties, reporting directly to the Chief Executive Officer.
- Oversaw all aspects of compliance, audit, privacy, and risk management efforts, including facilitating all cross-functional and risk management committees.
- Successfully led organization through external audits, inquiries, and investigations; including managing corrective action plans.
- Conducted or oversaw internal investigations, including, but not limited to HIPAA privacy, Fraud, Waste, Abuse, and personnel matters.
- Oversaw multiple departments, including Audit & Compliance; Licensing & Certification; Health Information Management; Case Management; Family Outreach, Education, and

- Support; and multiple operations teams.
- Successfully directed the organization's first time accreditation effort through Council on Accreditation (COA).
- Furnished legal advice and counsel to executive management and senior leadership.
- Researched and analyzed legal and regulatory issues affecting the organization.
- Negotiated and maintained all contracts and leases.
- Worked extensively with Medicaid law within State/Federal regulatory framework.
- Provided privacy subject matter expertise on an array of topics and projects.
- Delivered presentations and training on a variety of legal, compliance, privacy, and risk management issues to leadership, the workforce, and the board of directors.
- Created, updated, and maintained policies, procedures, and guidelines to ensure ongoing compliance with all applicable State and Federal statutes and regulations.
- As the organization's HIPAA Privacy Officer; created, implemented, and oversaw the privacy program to ensure compliance with all Federal and State Regulations.
- Created and led organizational compliance plan ensuring that the organization and its employees maintained compliance with all aspects of statutory and regulatory requirements, including State and Federal Medicaid law, labor and employment law, EEO law, HIPAA privacy rules, and the ADA.
- Designed, implemented, and supervised a comprehensive Medical Records Management department and facility.

**Disability Law Center of Alaska • Anchorage, Alaska**

Attorney. (July 2001 – February 2004)

- Provided legal representation for individuals with disability related legal matters.
- Represented clients in State/Federal court, administrative hearings, and negotiations.
- Provided legal consultation and technical assistance for clients and members of the healthcare provider community, including presentations and public trainings.
- Areas of concentration included Medicaid, employment discrimination, Social Security Disability, and Americans with Disabilities Act (ADA) compliance.

**Genex Services, Inc. • Wayne, Pennsylvania**

Attorney. (September 1998 – June 2001)

- Represented long term disability insurance policy-holders in claims for Social Security Disability benefits, appearing in over 300 administrative law hearings.
- Researched and drafted numerous briefs, arguments, and motions for submission to Federal administrative law judges and the Appeals Council.

**EDUCATION**

**Wayland Baptist University**  
Anchorage, Alaska

**Certificate awarded July 2015**

Leadership Certificate in Business Management – 12 graduate credits

**Widener University School of Law**  
Harrisburg, Pennsylvania

**Juris Doctor awarded May 1998**

Honors: • Certificate of Achievement: Public Sector Labor Law

**Millersville University**  
Millersville, Pennsylvania

**B.A. awarded May 1994**

Major: • Political Science

Admitted to Alaska Bar

**PETER J. KELLEHER, CCSW, LICSW**

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Nashua, NH 03060

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E-mail: [p.kelleher@nhpartnership.org](mailto:p.kelleher@nhpartnership.org)

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**PROFESSIONAL EXPERIENCE**

**2006-Present President & CEO, Southern NH HIV Task Force**

**2002-Present President & CEO, Greater Nashua Council on Alcoholism, Inc./ Keystone Hall, Nashua, NH**

**1997-Present President & CEO, Healthy At Home, Inc., Nashua, NH**

**1995-Present President & CEO, Milford Regional Counseling Services, Inc., Milford, NH**

**1995-Present President & CEO, Welcoming Light, Inc., Nashua, NH**

**1982-Present President & CEO, Harbor Homes, Inc., Nashua, NH**

Currently employed as chief executive officer of six nonprofit corporations (Partnership for Successful Living) creating and providing residential and supportive services, mental health care, primary/preventive health care, substance use disorder treatment and prevention services, supported employment and workforce development, professional training, and in-home health care to individuals and families who are homeless, living with disabilities, and/or are underserved/members of vulnerable populations. Responsible for initiation, development, and oversight of more than 80 programs comprising a \$22,000,000 operating budget; proposal development resulting in more than \$15,000,000 in grants annually; oversight of 350+ management and direct care professionals.

**2003-2006 Consultant**

Providing consultation and technical assistance throughout the State to aid service and mental health organizations.

**1980 - 1982 Real Estate Broker, LeVaux Realty, Cambridge, MA**

Successful sales and property management specialist.

**1979 - 1980 Clinical Coordinator, Task Oriented Communities, Waltham, MA**

Established and provided comprehensive rehabilitation services to approximately 70 individuals with mental and/or developmental disabilities. Hired, directly supervised, and trained a full-time staff of 20 residential coordinators. Developed community residences for the above clients in three Boston suburbs. Provided emergency consultation on a 24-hour basis to staff dealing with crisis management in six group homes and one sheltered workshop. Administrative responsibilities included some financial management, quality assurance, and other accountability to state authorities.

**1978 - 1979 Faculty, Middlesex Community College, Bedford, MA**

Instructor for an introductory group psychotherapy course offered through the Social Work Department.

**1977 - 1979 Senior Social Worker/Assistant Director, Massachusetts Tuberculosis Treatment Center II, a unit of Middlesex County Hospital, Waltham, MA**

Functioned as second in command and chief clinical supervisor for eight interdisciplinary team members, and implemented a six-month residential program for individuals afflicted with recurring tuberculosis and alcoholism. Provided group and individual therapy, relaxation training.

**1976 Social Worker, Massachusetts Institute of Technology, Out-Patient Psychiatry, Cambridge, MA**

Employed in full-time summer position providing out patient counseling to individuals and groups of the MIT community.

**1971 - 1976 Program Counselor/Supervisor, Massachusetts Institute of Technology, MIT/Wellesley College Upward Bound Program, Cambridge and Wellesley, MA**

Major responsibilities consisted of psycho educational counseling of Upward Bound students, supervision of tutoring staff, teaching, conducting evaluative research for program policy development.

## **EDUCATIONAL EXPERIENCE**

- 1975 - 1977** Simmons College School of Social Work, Boston, MA  
Cambridge-Somerville Community Mental Health Program, MSW
- 1971 - 1975** Clark University, Worcester, MA. Received Bachelor of Arts Degree in Psychology

## **LICENSES AND CERTIFICATIONS**

- 1979** Licensed Real Estate Broker – Massachusetts
- 1989** Academy of Certified Social Workers – NASW
- 1990** Licensed Independent Clinical Social Worker - Massachusetts
- 1994** State of New Hampshire Certified Clinical Social Worker, MA LICSW

## **PLACEMENTS**

- 1976 - 1977** Cambridge Hospital, In-Patient Psychiatry, Cambridge, MA  
Individual, group, and family counseling to hospitalized patients.
- 1975 - 1976** Massachusetts Institute of Technology, Social Service Department, Cambridge, MA  
Similar to above.

## **FIELD SUPERVISION**

- 1983 - 1984** Antioch/New England Graduate School, Department of Professional Psychology, Keene, NH
- 1983 - 1984** Rivier College, Department of Psychology, Nashua, NH
- 1990 - 1991** Rivier College, Department of Psychology, Nashua, NH
- 1978 - 1979** Middlesex Community College, Social Work Associates Program, Bedford, MA

## **AWARDS**

- High School Valedictorian Award
- National Institute of Mental Health Traineeship in Social Work
- University of New Hampshire Community Development 2003 Community Leader of the Year
- NAMI NH 2007 Annual Award for Systems Change
- Peter Medoff AIDS Housing Award 2007
- The Walter J. Dunfey Corporate Fund Award for Excellence in Non Profit Management 2009
- NH Magazine Business Excellence Award 2010
- Nashua Telegraph Humanitarian of the Year Award 2015
- Lionel W. Johnson Housing Award, Champion of Human Rights 2015

## **MEMBERSHIPS**

- Member of the Department of Veterans Affairs Advisory Committee on Homeless Veterans
- Board Member, Community Health Access Network (CHAN)
- National Association of Social Workers
- Former member of the National Healthcare for the Homeless Board of Directors
- Former Chair, Governor's State Interagency Council on Homelessness/New Hampshire Policy Academy
- Former Chair, Greater Nashua Continuum of Care
- Former Board Member, New Futures, Concord, NH

**HARBOR HOMES, INC.**  
FY 2021

PRSS FO Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Peter Kelleher	President & CEO	\$186,512	1%	\$1,865
Henry Och	Chief Operating Officer	\$207,500	1%	\$2,075
Ana Pancine	Chief Revenue Officer	\$145,000	1%	\$1,450
Michael Zechman	Compliance Officer	\$115,000	1%	\$1,150
Cheryle Pacapelli	Program Director	\$105,000	100%	\$91,487