



Kerrin A. Rounds
Acting Commissioner

Christine L. Santaniello
Director

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF ECONOMIC & HOUSING STABILITY

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9474 1-800-852-3345 Ext. 9474
Fax: 603-271-4230 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

January 7, 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 of Economic and Housing Stability, to enter into a **sole source** agreement with The Lakes Region Mental Health Center, Inc., 40 Beacon Street East, Laconia, NH 03246 (vendor #154480 - B001), to provide a Permanent Housing Program to individuals experiencing homelessness through the Federal Continuum of Care Program, in an amount not to exceed \$41,048, effective February 1, 2020 or upon Governor and Executive Council approval, whichever is later, through January 31, 2021. 100% Federal Funds.

Funds are anticipated to be available in the following account for State Fiscal Years 2020 and 2021, with authority to adjust budget line items within the price limitation and adjust encumbrances between state fiscal years through the Budget Office, if needed and justified. Funding for this request is contingent upon the U.S. Department of Housing and Urban Development funds, which the Department anticipates receiving imminently.

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

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$17,103
2021	102-500731	Contracts for Program Services	TBD	\$23,945
		Total		\$41,048

EXPLANATION

This request is **sole source** because federal regulations require the Department to identify vendors with whom the Department will contract during the annual federal Continuum of Care Program renewal application process prior to the grant award being issued. The U.S. Department of Housing and Urban Development reviews the applications and subsequently awards funding based on its criteria. The application process and timing of grant terms do not align with state or federal fiscal years. The start date of a grant is based on the month in which each grant's original federal agreement was issued. This results in Continuum of Care Program grant start dates, and subsequent renewal approval requests, occurring in various months throughout the year.

The purpose of this request is to provide a Permanent Housing Program that delivers permanent housing and supportive services as well as associated administrative services to individuals facing homelessness to increase the ability of participants to live more independently.

The vendor will provide permanent housing and supportive services targeted to serve a minimum of seven (7) individuals who are experiencing homelessness, at any given time, from February 1, 2020 through January 31, 2021.

The attached agreement represents one (1) of thirty (30) total agreements, all of which have renewal dates dispersed throughout the calendar year. The thirty (30) agreements are with vendors who are located throughout the state to ensure statewide delivery of housing services through New Hampshire's Continuum of Care Program.

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

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

The Department ensures contract compliance and vendor performance in the following ways:

- (1) Annual compliance reviews are performed and include the collection of data relating to compliance with administrative rules and contractual agreements.
- (2) Statistical reports are submitted by the vendor on a semi-annual basis which include various demographic information and income and expense reports, including match dollars.
- (3) The vendor is required to maintain timely and accurate data entry in the New Hampshire Homeless Management Information System, which is the primary reporting tool for outcomes and activities of shelter and housing programs funded through these contracts.

As referenced in Exhibit C-1 of this contract, the parties have the option to extend contract services for up to one (1) additional year, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Executive Council.

Should the Governor and Executive Council not authorize this request, Permanent Housing and supportive services for homeless individuals may not be available in their communities, and there may be an increase in demand for services placed upon the region's local welfare authorities. Lack of services may also cause individuals to become homeless.

Area served: Statewide

Source of funds: 100% Federal Funds from the U.S. Department of Housing and Urban Development, Office of Community Planning and Development, Catalog of Federal Domestic Assistance Number (CFDA) #14.267. FAIN # TBD.

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
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In the event that the Federal funds become no longer available, General funds will not be requested to support this program.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'KAR', written over a horizontal line.

Kerrin A. Rounds
Acting Commissioner

Subject: Continuum of Care, Summer Street Permanent Housing (SS-2020-BHS-04-PERMA-12)

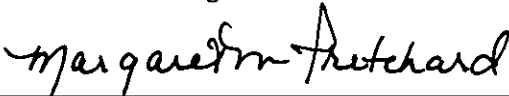
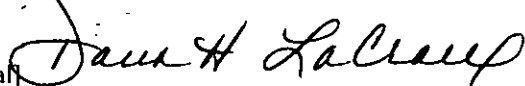
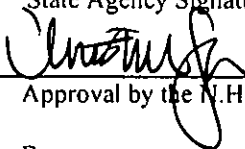

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name The Lakes Region Mental Health Center, Inc.		1.4 Contractor Address 40 Beacon Street East Laconia, NH 03246	
1.5 Contractor Phone Number (603) 524-1100	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date 01/31/2021	1.8 Price Limitation \$41,048
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Margaret M. Pritchard Chief Executive Officer	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Belknap</u> On <u>January 3, 2020</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;">  [Seal] </div> <div style="text-align: center;"> DAWN H. LACROIX Notary Public - New Hampshire My Commission Expires March 22, 2022 </div> </div>			
1.13.2 Name and Title of Notary or Justice of the Peace Dawn H. LaCroix, Notary			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Date: <u>1/10/20</u> <u>Christine Santanelli, Director</u>	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  <u>CATHERINE PINOS, Attorney</u> On: <u>1/7/20</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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



Exhibit A

SCOPE OF SERVICES

Permanent Housing Program

1. Provisions Applicable to All Services

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:

NH DHHS
Bureau of Housing Supports
105 Pleasant Street
Concord, NH 03301
- 1.2. 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, through the Bureau of Housing Supports (BHS), has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.300.
- 1.4. Notwithstanding the confidentiality procedures established under 24 CFR 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the Continuum of Care (CoC) grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.5. The Contractor shall adhere to federal and state financial and confidentiality laws, and comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the applicable Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.6. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR 578 and other written, appropriate HUD policies and directives.
- 1.7. The Contractor shall ensure all programs are licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Contractor shall comply with Exhibit I, Health Insurance Portability and Accountability Act Business Associate Agreement and Exhibit K, DHHS Security Requirements, which are attached hereto and incorporated by reference herein.
- 1.8. The Contractor shall cooperate fully with and answer all questions related to this contract from representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.
- 1.9. The Contractor shall support the primary goal of this program, which is to facilitate the movement of homeless and chronically homeless individuals and families to permanent housing and maximum self-sufficiency.

2. Scope of Work

- 2.1. The Contractor shall implement a Coordinated Entry System for all projects funded by the CoC Program, Emergency Solutions Grants Program, and Housing Opportunities for Persons with AIDS Program, in accordance with CoC interim rule, 24 CFR 578.

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Exhibit A

- 2.2. The Contractor shall provide a Permanent Housing program that is targeted to serve seven (7) individuals who are experiencing homelessness or chronic homelessness, and which includes, but is not limited to:
- 2.2.1. Utilizing the Housing First model, ensuring:
 - 2.2.1.1. Barriers to entering housing are not imposed beyond those required by regulation or statute; and
 - 2.2.1.2. Participation will only terminate for the most severe reasons, once available options have been exhausted to help a participant maintain housing; and
 - 2.2.2. Developing of a stabilization plan and crisis management plan with the participant at intake and, at a minimum, annually. An ongoing Assessment of Housing and Supportive Services is required, with the ultimate goal being assistance to the participant in obtaining the skills necessary to live in the community independently.
- 2.3. The Contractor shall establish and maintain standard operating procedures to ensure CoC program funds are used in accordance with 24 CFR 578 and shall establish and maintain sufficient records to enable HUD and BHS to determine Contractor requirement compliance, including:
- 2.3.1. Continuum of Care Records: The Contractor shall maintain the following documentation related to establishing and operating a CoC:
 - 2.3.1.1. Records of Homeless Status. The Contractor shall maintain acceptable evidence of homeless status in accordance with 24 CFR 576.500(b);
 - 2.3.1.2. Records of at Risk of Homelessness Status. The Contractor shall maintain records that establish "at risk of homelessness" status of each individual or family who receives CoC homelessness prevention assistance, as identified in 24 CFR 576.500(c); and
 - 2.3.1.3. Records of Reasonable Belief of Imminent Threat of Harm. The Contractor shall maintain documentation of each program participant who moved to a different CoC due to imminent threat of further domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR 578.51(c)(3). The Contractor shall retain documentation that includes, but is not limited to:
 - 2.3.1.3.1 The original incidence of domestic violence, dating violence, sexual assault, or stalking, only if the original violence is not already documented in the program participant's case file. This may be written observation of the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; medical or dental records; court records or law enforcement records; or written certification by the program participant to whom the violence occurred or by the head of household; and
 - 2.3.1.3.2 The reasonable belief of imminent threat of further domestic violence, dating violence, or sexual assault or stalking, which would include threats from a third-party, such as a friend or family member of the perpetrator of the violence. This may be written observation by the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider,

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Exhibit A

pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; current restraining order; recent court order or other court records; law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts; or a written certification by the program participant to whom the violence occurred or the head of household.

2.3.1.4. Records of Annual Income. For each program participant who receives housing assistance where rent or an occupancy charge is paid by the program participant, the Contractor shall keep the following documentation of annual income:

2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor;

2.3.1.4.2. Source documents, which may include the most recent wage statement, unemployment compensation statement, public benefits statement, and bank statements for the assets held by the program participant and income received before the date of the evaluation; and

2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party, which may include an employer or a government benefits administrator, or the written certification by the Contractor's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period; or

2.3.1.4.4. To the extent that source documents and third-party verification are unobtainable, the written certification by the program participant of the amount of income that the program participant is reasonably expected to receive over the three (3) month period following the evaluation.

2.3.1.5. Program Participant Records. In addition to evidence of homelessness status or at-risk-of-homelessness status, as applicable, the Contractor shall keep records for each program participant that document:

2.3.1.5.1. The services and assistance provided to that program participant, including evidence that the Contractor conducted an annual assessment of services for those program participants that remain in the program for more than a year and adjusted the service package accordingly, and including case management services as provided in 24 CFR 578.37(a)(1)(ii)(F); and

2.3.1.5.2. Where applicable, compliance with the termination of assistance requirement in 24 CFR 578.91.

2.3.1.6. Housing Standards. The Contractor shall retain documentation of compliance with the housing standards in 24 CFR 578.75(b), including inspection reports.

2.3.1.7. Services Provided. The Contractor shall document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor shall keep documentation that the records were

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New Hampshire Department of Health and Human Services
Continuum of Care, Summer Street Permanent Housing

Exhibit A

reviewed at least annually and that the service package offered to program participants was adjusted as necessary.

- 2.4. The Contractor shall maintain records that document compliance with:
 - 2.4.1. The Organizational conflict-of-interest requirements in 24 CFR 578.95(c);
 - 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b); and
 - 2.4.3. The Other Conflicts requirements in 24 CFR 578.95(d).
- 2.5. The Contractor shall develop, implement and retain a copy of the personal conflict-of-interest policy that complies with the requirements in 24 CFR 578.95, including records supporting any exceptions to the personal conflict-of-interest prohibitions.
- 2.6. The Contractor shall comply and retain documentation of compliance with:
 - 2.6.1. The Homeless Participation requirements in accordance with 24 CFR 578.75(g);
 - 2.6.2. The Faith-based Activities requirements in accordance with 24 CFR 578.87(b);
 - 2.6.3. Affirmatively Furthering Fair Housing by maintaining copies of all marketing, outreach, and other materials used to inform eligible persons of the program in accordance with 24 CFR 578.93(c);
 - 2.6.4. Other Federal Requirements in 24 CFR 578.99, as applicable;
 - 2.6.5. Other Records Specified by HUD. The Contractor must keep other records as specified by HUD; and
 - 2.6.6. Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting specific confidentiality and security requirements for HMIS data (76 FR 76917), the Contractor shall develop and implement written procedures to ensure:
 - 2.7.1. All records containing protected identifying information of any individual or family who applies for and/or receives Continuum of Care assistance shall be kept secure and confidential;
 - 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds are not to be made public, except with written authorization of the person responsible for the operation of the project; and
 - 2.7.3. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality.
- 2.8. Period of Record Retention. The Contractor shall ensure all records, originals or copies made by microfilming, photocopying, or other similar methods, pertaining to Continuum of Care funds are retained for five (5) years following the Contract Completion Date and receipt of final payment by the Contractor unless records are otherwise required to be maintained for a period in excess of the five (5) year period according to state or federal law or regulation.

3. Program Reporting Requirements

- 3.1. The Contractor shall submit the following reports:
 - 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in

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Exhibit A

the manner proposed in the application submitted to HUD for the relevant fiscal year NOFA. The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and

3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

4. Contract Administration

4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.

4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.

5. Performance Measures

5.1. The Contractor shall adhere to all terms and conditions as set forth in the applicable HUD Project Application #SF-424.

5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to the following:

5.1.1.1. <https://www.hudexchange.info/programs/coc/system-performance-measures/#guidance>;

5.1.1.2. 24 CFR 578; Continuum of Care Program; and

5.1.1.3. Public Law 102-550.

5.1.2. The Contractor shall be accountable to all performance measures as detailed in Section 3., Program Reporting Requirements, Exhibit A.

5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

6. Deliverables

6.1. The Contractor shall implement and participate in the Coordinated Entry System, as detailed in Section 2 Scope of Work, Subsection 2.1., above, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.

6.2. The Contractor shall provide a permanent housing program as outlined in Section 2 Scope of Work, Subsection 2.2., above, and other written HUD policies and directives as appropriate.

6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, above.

6.4. The Contractor shall be subject to all performance measures as outlined in Section 5, Performance Measures, above.

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METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Permanent Housing Program Funding

- 1.1. The State shall pay the Contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided pursuant to Exhibit A, Scope of Services.
- 1.2. This Agreement is funded with federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
 - 1.2.1. Federal Funds: 100%
 - 1.2.2. CFDA #: 14.267
 - 1.2.3. FAIN #: TBD
- 1.3. The Contractor shall provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the Contractor's current and/or future funding.

2. Financial Reports

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
 - 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
 - 2.1.2. One (1) copy of the Audited Financial Report within thirty (30) days of the completion of said report to the State at the following address:
NH DHHS
Bureau of Housing Supports
105 Pleasant Street
Concord, NH 03301
- 2.2. Conformance with 2 CFR part 200: The Contractor shall use grant funds only, in accordance with procedures, requirements, and principles specified in 2 CFR part 200.
- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after contract completion date.

3. Project Costs: Payment Schedule; Review by the State

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" means all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

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3.3. Match Funds:

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements shall be documented with each payment request.
- 3.3.3. The Contractor shall match all grant funds except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources.
- 3.3.4. The Contractor shall utilize cash match for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
 - 3.3.4.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73.
 - 3.3.4.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted.
 - 3.3.4.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived.
 - 3.3.4.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

3.4. Payment of Project Costs:

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this agreement, and shall be in accordance with the approved line items as specified in Exhibit B-1, Budget, and as defined by HUD under the provisions of Public Law 102-550 and other applicable regulations, subject to the availability of sufficient funds.
- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 4. Expense Eligibility, below. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in form P-37, General Provisions.

3.4.4. Schedule of Payments:

- 3.4.4.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the fifteenth (15th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.4.2. 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.

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- 3.4.4.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.
- 3.4.4.4. In lieu of hard copies submitted to the address listed in Paragraph 2.1.2., above., all invoices may be assigned an electronic signature and emailed to: housing-supports-invoices@dhhs.nh.gov

3.5. Review of the State Disallowance of Costs:

- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, informing the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. 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, products, required report submissions, as detailed in Exhibits A and B, or NH-HMIS data entry requirements have not been satisfactorily completed in accordance with terms and conditions of this Agreement.

4. Expense Eligibility

- 4.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care Program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.
- 4.2. Operating Expenses:
 - 4.2.1. Eligible operating expenses include:
 - 4.2.1.1. Maintenance and repair of housing.
 - 4.2.1.2. Property taxes and insurance (including property and car).
 - 4.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost).
 - 4.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds.
 - 4.2.1.5. Utilities, including electricity, gas and water.
 - 4.2.1.6. Furniture and equipment.
 - 4.2.2. Ineligible costs include:
 - 4.2.2.1. Rental assistance and operating costs in the same project.
 - 4.2.2.2. Operating costs of emergency shelter and supportive service-only facilities.

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4.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

4.3. Supportive Services

4.3.1. Eligible supportive services costs shall comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

4.3.2. Eligible costs shall include:

4.3.2.1. Annual assessment of Service Needs. The costs of the assessment required by 578.53(a) (2).

4.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company.

4.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs.

4.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible.

4.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible.

4.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost.

4.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible.

4.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible.

4.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing.

4.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training.

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New Hampshire Department of Health and Human Services
Continuum of Care, Summer Street Permanent Housing
Exhibit B



- 4.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.
- 4.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals.
- 4.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible.
- 4.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible.
- 4.3.2.15. Transportation Services, as described in 24CFR 578(e) (15).
- 4.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid directly to utility companies.
- 4.3.2.17. Direct provision of services. If the service described in 24 CFR 578.53(e) (1)-(16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17).
- 4.3.2.18. Ineligible costs. Any cost not described as eligible under this section 4.3.2 is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs.
- 4.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

4.4. Rental Assistance

- 4.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 4.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 4.4.3. Rental assistance shall be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 4.4.3.1. Short term, up to 3 months of rent;
 - 4.4.3.2. Medium term, for 3-24 months; or

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- 4.4.3.3. Long-term, for longer than 24 months.
- 4.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 4.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 4.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 4.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits.
- 4.4.8. Housing shall be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.
- 4.4.9. The Contractor shall provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.
 - 4.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.
 - 4.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
 - 4.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
 - 4.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

4.5. Administrative Costs:

- 4.5.1. Eligible administrative costs include:

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Exhibit B



- 4.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities.
- 4.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
 - 4.5.1.2.1. Salaries, wages, and related costs of the Contractor's staff, or other staff engaged in program administration.
 - 4.5.1.2.1.1. In charging costs to this category, the Contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:
 - 4.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
 - 4.5.1.2.1.1.2. Developing systems for ensuring compliance with program requirements;
 - 4.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and Contractors to carry out program activities;
 - 4.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
 - 4.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
 - 4.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
 - 4.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
 - 4.5.1.2.1.1.8. Evaluating program results against stated objectives;
 - 4.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 4.5.1.2.1.1.1. through 4.5.1.2.1.1.8. above;

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- 4.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 4.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 4.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 4.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 4.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

4.6. Leasing:

4.6.1. When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

4.6.2. Requirements:

- 4.6.2.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 4.6.2.2. Leasing individual units. When the grant funds are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 4.6.2.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by the landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.

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- 4.6.2.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
 - 4.6.2.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
 - 4.6.2.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
 - 4.6.2.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
 - 4.6.2.8. Transition. Refer to 24CFR 578.49(b)(8).
 - 4.6.2.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
 - 4.6.2.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
 - 4.6.2.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
 - 4.6.2.12. Property damages may only be paid from money paid to the landlord for security deposits.
 - 4.6.2.13. The Contractor cannot lease a building that it already owns to itself.
 - 4.6.2.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.
- 4.7. The Contractor may charge program participants rent and utilities (heat, hot water). However, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 4.8. The Contractor shall have any staff charged in full or part to this contract, or counted as match, complete weekly or bi-weekly timesheets.

5. Contractor Financial Management System

- 5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures that ensure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 5.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

SFY20 - 2/1/20-6/30/20

Activity Name	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Operations - Maintenance/Repair	\$ 9,067	\$	\$	\$	\$	\$	\$ 9,067	\$	\$
Operations - Property Taxes/Insurance	\$ 542	\$	\$	\$	\$	\$	\$ 542	\$	\$
Operations - Building/Security	\$ 924	\$	\$	\$	\$	\$	\$ 924	\$	\$
Operations - Electricity, Gas, & Water	\$ 5,833	\$	\$	\$	\$	\$	\$ 5,833	\$	\$
Operations - Furniture	\$ 335	\$	\$	\$	\$	\$	\$ 335	\$	\$
Administration	\$ 402	\$	\$	\$	\$	\$	\$ 402	\$	\$
25% Required Match	\$ 4,216	\$	\$	\$ 4,216	\$	\$	\$	\$	\$
TOTAL HUD FUNDS/BALANCE	\$ 21,319	\$	\$	\$ 4,216	\$	\$	\$ 17,103	\$	\$

\$17,103.

SFY21 - 7/1/20-1/31/21

Activity Name	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Operations - Maintenance/Repair	\$ 12,693	\$	\$	\$	\$	\$	\$ 12,693	\$	\$
Operations - Property Taxes/Insurance	\$ 758	\$	\$	\$	\$	\$	\$ 758	\$	\$
Operations - Building/Security	\$ 1,294	\$	\$	\$	\$	\$	\$ 1,294	\$	\$
Operations - Electricity, Gas, & Water	\$ 8,167	\$	\$	\$	\$	\$	\$ 8,167	\$	\$
Operations - Furniture	\$ 469	\$	\$	\$	\$	\$	\$ 469	\$	\$
Administration	\$ 584	\$	\$	\$	\$	\$	\$ 584	\$	\$
25% Required Match	\$ 5,902	\$	\$	\$ 5,902	\$	\$	\$	\$	\$
TOTAL HUD FUNDS/BALANCE	\$ 29,847	\$	\$	\$ 5,902	\$	\$	\$ 23,945	\$	\$

TOTAL - 2/1/20-1/31/21

Activity Name	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Operations - Maintenance/Repair	\$ 21,760	\$	\$	\$	\$	\$	\$ 21,760	\$	\$
Operations - Property Taxes/Insurance	\$ 1,300	\$	\$	\$	\$	\$	\$ 1,300	\$	\$
Operations - Building/Security	\$ 2,218	\$	\$	\$	\$	\$	\$ 2,218	\$	\$
Operations - Electricity, Gas, & Water	\$ 14,000	\$	\$	\$	\$	\$	\$ 14,000	\$	\$
Operations - Furniture	\$ 804	\$	\$	\$	\$	\$	\$ 804	\$	\$
Administration	\$ 966	\$	\$	\$	\$	\$	\$ 966	\$	\$
25% Required Match	\$ 10,118	\$	\$	\$ 10,118	\$	\$	\$	\$	\$
TOTAL HUD FUNDS/BALANCE	\$ 51,166	\$	\$	\$ 10,118	\$	\$	\$ 41,048	\$	\$

Total W/O Match \$ 41,048

SFY20 - 2/1/20-6/30/20

Activity Name	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Operations - Maintenance/Repair	\$ 9,067	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,067	\$ -	\$ -
Operations - Property Taxes/Insurance	\$ 542	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 542	\$ -	\$ -
Operations - Building/Security	\$ 924	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 924	\$ -	\$ -
Operations - Electricity, Gas, & Water	\$ 5,833	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,833	\$ -	\$ -
Operations - Furniture	\$ 335	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 335	\$ -	\$ -
Administration	\$ 402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 402	\$ -	\$ -
25% Required Match	\$ 4,218	\$ -	\$ -	\$ 4,218	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL HUD FUNDS/BALANCE	\$ 21,319	\$ -	\$ -	\$ 4,218	\$ -	\$ -	\$ -	\$ -	\$ -

\$17,103.
m/p/20

SFY21 - 7/1/20-1/31/21

Activity Name	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Operations - Maintenance/Repair	\$ 12,693	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,693	\$ -	\$ -
Operations - Property Taxes/Insurance	\$ 758	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 758	\$ -	\$ -
Operations - Building/Security	\$ 1,294	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,294	\$ -	\$ -
Operations - Electricity, Gas, & Water	\$ 8,167	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,167	\$ -	\$ -
Operations - Furniture	\$ 489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 489	\$ -	\$ -
Administration	\$ 584	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 584	\$ -	\$ -
25% Required Match	\$ 5,902	\$ -	\$ -	\$ 5,902	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL HUD FUNDS/BALANCE	\$ 29,847	\$ -	\$ -	\$ 5,902	\$ -	\$ -	\$ 23,945	\$ -	\$ -

TOTAL - 2/1/20-1/31/21

Activity Name	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Operations - Maintenance/Repair	\$ 21,760	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,760	\$ -	\$ -
Operations - Property Taxes/Insurance	\$ 1,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,300	\$ -	\$ -
Operations - Building/Security	\$ 2,218	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,218	\$ -	\$ -
Operations - Electricity, Gas, & Water	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,000	\$ -	\$ -
Operations - Furniture	\$ 804	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 804	\$ -	\$ -
Administration	\$ 966	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 966	\$ -	\$ -
25% Required Match	\$ 10,118	\$ -	\$ -	\$ 10,118	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL HUD FUNDS/BALANCE	\$ 51,166	\$ -	\$ -	\$ 10,118	\$ -	\$ -	\$ 41,048	\$ -	\$ -

Total W/O Match \$ 41,048

Contractor Initials mf
 Date 1/3/20



SPECIAL PROVISIONS

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

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



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
 - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
 - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
 - 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



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

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

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

16. **Equal Employment Opportunity Plan (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEO on file and submit an EEO Certification Form to the OCR, certifying that its EEO is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEO Certification Form to the OCR certifying it is not required to submit or maintain an EEO. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEO requirement, but are required to submit a certification form to the OCR to claim the exemption. EEO Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis

Date 1/3/20



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

20. Contract Definitions:

- 20.1. **COSTS:** Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.
- 20.2. **DEPARTMENT:** NH Department of Health and Human Services.
- 20.3. **PROPOSAL:** If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the services and/or goods to be provided by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.
- 20.4. **UNIT:** For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.
- 20.5. **FEDERAL/STATE LAW:** Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from time to time.
- 20.6. **SUPPLANTING OTHER FEDERAL FUNDS:** Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.

mp
1/3/20



REVISIONS TO STANDARD CONTRACT LANGUAGE

1. Revisions to Form P-37, General Provisions

1.1. Section 4, Conditional Nature of Agreement, is replaced as follows:

4. CONDITIONAL NATURE OF AGREEMENT.

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

1.2. Section 10, Termination, is amended by adding the following language:

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

2. Renewal

2.1. The Department reserves the right to extend this agreement for up to one (1) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

MP

1/3/20



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



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.

Vendor Name: *The Lakes Region
Mental Health Center, INC*

1/3/20
Date

Margaret M. Pritchard
Name: *Margaret M. Pritchard*
Title: *Chief Executive Officer*

Vendor Initials *MP*
Date 1/3/20



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: *The Lakes Region Mental Health Center, Inc*

1/3/20
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Chief Executive Officer



**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



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

Vendor Name: *The Lakes Region Mental Health Center, INC.*

1/3/20
Date

Margaret M. Pritchard
Name: *Margaret M. Pritchard*
Title: *Chief Executive Officer*



**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

mf

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

1/3/20

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.

Vendor Name: *The Lakes Region Mental Health Center, Inc.*

1/3/20
Date

Margaret M. Pritchard
Name: *Margaret M. Pritchard*
Title: *Chief Executive Officer*

Exhibit G

Vendor Initials *mp*

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

Date 1/3/20



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.

Vendor Name: *The Lakes Region Mental Health Center, INC.*

1/3/20
Date

Margaret M. Pritchard
Name: *Margaret M. Pritchard*
Title: *Chief Executive Officer*



Exhibit I

**HEALTH INSURANCE PORTABILITY
ACT BUSINESS ASSOCIATE
AGREEMENT**

The Vendor 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 Vendor and subcontractors and agents of the Vendor 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.



Exhibit I

- I. "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



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.



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) l, 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

Christine Santamelli
Signature of Authorized Representative

Christine Santamelli
Name of Authorized Representative

Director, DEHS
Title of Authorized Representative

1/4/20
Date

The Lakes Region Mental Health Center, Inc.
Name of the Vendor

Margaret M. Pritchard
Signature of Authorized Representative

Margaret M. Pritchard
Name of Authorized Representative

Chief Executive Officer
Title of Authorized Representative

January 3, 2020
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 Vendor 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 Vendor 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.

Vendor Name: *The Lakes Region Mental Health Center, Inc.*

Margaret M. Pritchard
Name: *Margaret H. Pritchard*
Title: *Chief Executive Officer*

1/3/20
Date



FORM A

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

1. The DUNS number for your entity is: 101410652

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

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: _____



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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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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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

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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

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.).



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

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/doi/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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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

DHHS Information Security Requirements



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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

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State of New Hampshire

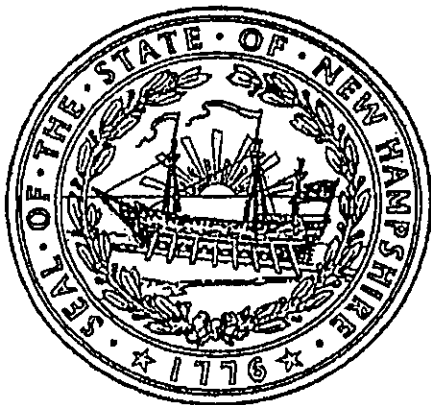
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE LAKES REGION MENTAL HEALTH CENTER, INC is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on July 14, 1969. 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; and the attached is a true copy of the list of documents on file in this office.

Business ID: 64124

Certificate Number: 0004556019



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 25th day of July A.D. 2019.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Matthew Soza, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of The Lakes Region Mental Health Center, Inc.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on January 3, 2020:
(Date)

RESOLVED: That the Margaret M. Pritchard
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to
execute any and all documents, agreements and other instruments, and any amendments, revisions,
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 3rd day of January, 2020.
(Date Contract Signed)

4. Margaret M. Pritchard is the duly elected Chief Executive Officer (Name of Contract
Signatory) (Title of Contract Signatory)

of the Agency.

Matthew Soza
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Belknap

The foregoing instrument was acknowledged before me this 3rd day of January, 2020.

By Matthew Soza
(Name of Elected Officer of the Agency)

Dawn H. LaCroix
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: DAWN H. LAOROIX
Notary Public - New Hampshire
My Commission Expires March 22, 2022



Lakes Region Mental Health Center

Our Mission:

Lakes Region Mental Health Center's mission is to provide integrated mental and physical health care for people with mental illness while creating wellness and understanding in our communities.

Our Vision:

Lakes Region Mental Health Center is the community leader providing quality, accessible and integrated mental and physical health services, delivered with dedication and compassion.

Our Values:

- | | |
|---------------------|--|
| R espect | We conduct our business and provide services with respect and professionalism. |
| A dvocacy | We advocate for those we serve through enhanced collaborations, community relations and political actions. |
| I ntegrity | We work with integrity and transparency, setting a moral compass for the agency. |
| S tewardship | We are effective stewards of our resources for our clients and our agency's health. |
| E xcellence | We are committed to excellence in all programming and services. |

(Revised & Approved by the Board of Directors, 9/15/2015)

The Lakes Region Mental Health Center, Inc.

FINANCIAL STATEMENTS

June 30, 2019

The Lakes Region Mental Health Center, Inc.
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June 30, 2019

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Kittell Branagan & Sargent

Certified Public Accountants

Vermont License # 167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of The Lakes Region Mental Health Center, Inc.

We have audited the accompanying financial statements of The Lakes Region Mental Health Center, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2019, and the related statement of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Lakes Region Mental Health Center, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Analysis of Accounts Receivables, the Analysis of BBH Revenues, Receipts & Receivables and schedules of functional public support, revenues and expenses on pages 13-16 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Effect of Adopting New Accounting Standard

As discussed in Note 13 to the financial statements, the Center conformed to ASU 2016-14, change in accounting principal. The change was adopted retroactively. Our opinion is not modified with respect to that matter.

Kittell, Braragan + Sargent

St. Albans, Vermont
September 16, 2019

The Lakes Region Mental Health Center, Inc.
STATEMENT OF FINANCIAL POSITION
 June 30, 2019

ASSETS

CURRENT ASSETS

Cash	\$ 871,867
Investments	1,676,200
Restricted cash	214,299
Accounts receivable (net of \$906,500 allowance)	1,245,023
Prepaid expenses and other current assets	<u>143,584</u>
TOTAL CURRENT ASSETS	<u>4,150,973</u>

PROPERTY AND EQUIPMENT - NET	<u>5,622,649</u>
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TOTAL ASSETS	<u>\$ 9,773,622</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 161,584
Current portion long-term debt	105,394
Accrued payroll and related	364,517
Deferred income	100,035
Accrued vacation	377,451
Accrued expenses	<u>292,305</u>
TOTAL CURRENT LIABILITIES	<u>1,401,286</u>

LONG-TERM DEBT, less current portion

Notes and Bonds Payable	4,187,210
Less: unamortized debt issuance costs	<u>(90,156)</u>
TOTAL LONG-TERM LIABILITIES	<u>4,097,054</u>

TOTAL LIABILITIES	<u>5,498,340</u>
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NET ASSETS

Net assets without donor restrictions	<u>4,275,282</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 9,773,622</u>
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See Notes to Financial Statements

The Lakes Region Mental Health Center, Inc.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2019

	<u>Net Assets without Donor Restrictions</u>
PUBLIC SUPPORT AND REVENUES	
Public support -	
Federal	\$ 572,299
State of New Hampshire - BBH	406,208
Other public support	<u>435,857</u>
Total Public Support	<u>1,414,364</u>
 Revenues -	
Program service fees	11,700,600
Rental income	84,867
Other revenue	<u>263,839</u>
Total Revenues	<u>12,049,305</u>
 TOTAL PUBLIC SUPPORT AND REVENUES	 <u>13,463,669</u>
 EXPENSES	
BBH funded program services -	
Children Services	3,090,476
Multi-service	5,628,380
ACT	1,280,968
Emergency Services	1,063,295
Housing Services	501,160
Non-Eligible	508,556
Non-BBH funded program services	<u>1,570,427</u>
 TOTAL EXPENSES	 <u>13,643,262</u>
 DECREASE IN NET ASSETS FROM OPERATIONS	 <u>(179,593)</u>
 OTHER INCOME	
Loss on sale of fixed asset	(170,446)
Investment income	<u>130,763</u>
 TOTAL OTHER INCOME (LOSS)	 <u>(39,683)</u>
 TOTAL DECREASE IN NET ASSETS	 <u>(219,276)</u>
 NET ASSETS, beginning	 <u>4,494,558</u>
 NET ASSETS, ending	 <u>\$ 4,275,282</u>

See Notes to Financial Statements.

The Lakes Region Mental Health Center, Inc.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
(Decrease) in net assets	\$ (219,276)
Adjustments to reconcile to net cash provided by operations:	
Depreciation and Amortization	328,568
Loss on sale of asset	170,466
Value of Donated Assets	(26,925)
Unrealized gain on investments	(1,417)
(Increase) decrease in:	
Accounts receivable	402,937
Prepaid expenses	(45,288)
Restricted Cash	34,234
Increase (decrease) in:	
Accounts payable & accrued liabilities	73,329
Deferred income	<u>(22,344)</u>
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 <u>694,284</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(51,238)
Net investment activity	<u>(122,355)</u>
 NET CASH (USED) BY INVESTING ACTIVITIES	 <u>(173,593)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES	
Principal payments on long-term debt	<u>(801,932)</u>
 NET DECREASE IN CASH	 (281,241)
 CASH AT BEGINNING OF YEAR	 <u>1,367,407</u>
 CASH AT END OF YEAR	 <u>\$ 1,086,166</u>
 SUPPLEMENTAL DISCLOSURE	
Cash Payments for Interest	<u>\$ 172,108</u>

See Notes to Financial Statements

The Lakes Region Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Lakes Region Mental Health Center, Inc. (the Center) is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs; it is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code. In addition, the Center qualifies for the charitable contribution deduction under Section 170 (b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Estimates

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

Depreciation

The cost of property, equipment and leasehold improvements is depreciated over the estimated useful life of the assets using the straight line method. Estimated useful lives range from 3 to 40 years.

State Grants

The Center receives a number of grants from and has entered into various contracts with the State of New Hampshire related to the delivery of mental health services.

Vacation Pay and Fringe Benefits

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

Revenue

Revenue from federal, state and other sources is recognized in the period earned.

Client Service Revenue

The Center recognizes client service revenue relating to services rendered to clients that have third-party payer coverage and are self-pay. The Center receives reimbursement from Medicare, Medicaid and Insurance Companies at defined rates for services to clients covered by such third-party payer programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received. For services rendered to uninsured clients (i.e., self-pay clients), revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay clients, a provision for bad debts is recorded based on experience and the effects of newly identified circumstances and trends in pay rates. Client service revenue (net of contractual allowances and discounts but before taking account of the provision for bad debts) recognized during the year ended June 30, 2019 totaled \$10,463,319, of which \$10,211,374 was revenue from third-party payers and \$251,945 was revenue from self-pay clients.

The Lakes Region Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Third Party Contractual Arrangements

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

Basis for Presentation

The financial statements of the Center have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August, 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective March 1, 2018.

Under the provisions of the Guide, net assets and revenues and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net asset of the Center and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor imposed restrictions and may be expended for any purpose in performing the primary objectives of the Center. The Center's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Center or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Accounts Receivable

Accounts receivable are recorded based on the amount billed for services provided, net of respective allowances.

The Lakes Region Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Policy for Evaluating Collectability of Accounts Receivable

In evaluating the collectability of accounts receivable, the Center analyzes past results and identifies trends for each major payer source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts. Data in each major payer source is regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to clients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established for amounts outstanding for an extended period of time and for third-party payers experiencing financial difficulties; for receivables relating to self-pay clients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of clients to pay amounts for which they are financially responsible.

Based on management's assessment, the Center provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Center has used reasonable collection efforts are written off through a change to the valuation allowance and a credit to accounts receivable.

The allowance for doubtful accounts was \$906,500 and \$760,000 for the years ended June 30, 2019 and 2018. Total patient accounts receivable decreased to \$1,871,450 as of June 30, 2019 from \$1,950,374 at June 30, 2018. As a result of changes to payer mix present at year end the allowance as a percentage of total accounts receivable increased from 39% to 48% of total patient accounts receivable.

Advertising

Advertising costs are expensed as incurred. Total costs were \$83,347 at June 30, 2019 and consisted of \$41,322 for recruitment, \$37,242 for agency advertising and \$4,784 related to fundraising.

New Accounting Pronouncement:

On August 18, 2016, FASB issued 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. The Center has adjusted the presentation of these statements.

NOTE 2 PROPERTY AND EQUIPMENT

The Center elects to capitalize all purchases with a useful life of greater than one year and a cost of \$1,000 or more. Property and equipment, at cost, consists of the following:

The Lakes Region Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 2 PROPERTY AND EQUIPMENT (continued)

Land, buildings and improvements	\$ 6,588,630
Computer equipment	1,064,066
Furniture, fixtures and equipment	685,916
Vehicles	139,738
Artwork	26,925
Construction in progress	<u>700</u>
	8,505,975
Accumulated depreciation	<u>(2,883,326)</u>
NET BOOK VALUE	<u><u>\$ 5,622,649</u></u>

NOTE 3 ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE – TRADE

Due from clients	\$ 140,436
Receivable from insurance companies	494,624
Medicaid receivables	990,582
Medicare receivables	<u>245,808</u>
	1,871,450
Allowance for doubtful accounts	<u>(906,500)</u>
Total Receivable - Trade	<u>964,950</u>

ACCOUNTS RECEIVABLE – OTHER

Housing Rent	1,840
HUD	42,899
Mount Prospect Academy	5,200
Capital Campaign Pledges	2,584
NFI North, Inc.	2,325
SAMSHA	32,031
BBH - Bureau of Behavioral Health	81,102
Lakes Region Healthcare	31,815
Other Grants and Contracts	<u>80,277</u>
Total Receivable - Other	<u>280,073</u>

TOTAL ACCOUNTS RECEIVABLE \$ 1,245,023

The Lakes Region Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 4 LINE OF CREDIT

As of June 30, 2019, the Center had available a line of credit with an upper limit of \$1,000,000 with a local area bank. At that date, \$-0- had been borrowed against the line of credit. These funds are available at a variable rate of interest, with a floor no less than 4.0% per annum, currently 5.50%. The availability under this line will be limited to 70% of the current market value of the Vanguard Funds which have been pledged to the local area bank. This line of credit expires June 9, 2021, and is secured by all business assets.

NOTE 5 COMMITMENTS

The corporation leases real estate and equipment under various operating leases. Minimum future rental payments under non cancelable operating leases as of June 30, 2019 for each of the next four years and in the aggregate are:

<u>June 30,</u>	<u>Amount</u>
2020	\$ 79,935
2021	40,773
2022	38,604
2023	38,043
2024	38,043

Total rent expense for the year ended June 30, 2019, including rent expense for leases with a remaining term of one year or less was \$114,964.

NOTE 6 EMPLOYEE BENEFIT PLAN

The Center has the option to make contributions to a defined contribution 403(b) plan on behalf of its employees. This program covers substantially all full-time employees. During the year ended June 30, 2019 the total contributions into the plan were \$131,726. Total administrative fees paid into the plan for the year ended June 30, 2019 were \$10,843.

NOTE 7 LONG-TERM DEBT

As of June 30, 2019, long-term debt consisted of the following:

2.97% bond payable - Meredith Village Savings Bank due in monthly installments of \$19,288 (principal and interest) beginning in June 2019. Secured by building through June, 2047.	\$4,292,604
Unamortized debt issuance costs	<u>(90,156)</u>
Total long-term debt	4,202,448
Less: Current Portion	<u>(105,394)</u>
Long-term debt, excluding current installments	<u>\$4,097,054</u>

The Lakes Region Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 7 LONG-TERM DEBT (continued)

Expected maturities for the next five years are as follows:

Year Ending June 30,		
2020	\$	105,394
2021		108,568
2022		111,836
2023		115,203
2024		118,672
Thereafter		3,732,931
	\$	4,292,604

NOTE 8 CONTINGENT LIABILITIES

The Center receives money under various State and Federal grants. Under the terms of these grants, the Center is required to use the money within the grant period for purposes specified in the grant proposal and is subject to compliance reviews and audits by the grantor agencies. It is the opinion of management that any liability, resulting from future grantor agency audits of completed grant contracts, would not be material in relation to the overall financial statements.

NOTE 9 INVESTMENTS

Investments consist of amounts invested in various Vanguard Equity and Bond Funds. At June 30, 2019, the status of these funds were as follows:

	Cost	Unrealized Gain (Loss)	Market
Large Blend	\$ 393,044	\$ 231,451	\$ 624,495
Health	266,910	32,814	299,724
Large Growth	167,367	(960)	166,407
Mid-Cap Value	171,706	149,540	321,246
Short-Term Bond	206,462	57,866	264,328
	\$ 1,205,489	\$ 470,711	\$ 1,676,200

The Lakes Region Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 9 INVESTMENTS (continued)

The related unrealized gain (losses) have been included in the investment income line on the accompanying statement of activities. Investment income is as follows:

Interest and Dividends	\$ 33,512
Realized Gains	95,834
Unrealized Gains	<u>1,417</u>
	<u>\$ 130,763</u>

NOTE 10 FAIR VALUE MEASUREMENTS

Professional accounting standards require a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under these professional accounting standards are described below:

Basis of Fair Value Measurement

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

All investments are categorized as Level 1 and recorded at fair value, as of June 30, 2019. As required by professional accounting standards, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

NOTE 11 CONCENTRATIONS OF CREDIT RISK

At June 30, 2019, the carrying amount of the cash deposits is \$1,086,166 and the bank balance totaled \$1,174,696. Of the bank balance, \$485,033 was insured by Federal Deposit Insurance and \$689,664 was offset by debt.

The Lakes Region Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 11 CONCENTRATIONS OF CREDIT RISK (continued)

The Center grants credit without collateral to its clients, most of who are area residents and are insured under third-party payor agreements. The mix of receivables due from clients and third-party payors at June 30, 2019 is as follows:

Due from clients	8 %
Insurance companies	26
Medicaid	53
Medicare	<u>13</u>
	<u>100 %</u>

NOTE 12 LIQUIDITY

The following reflects the Center's financial assets available within one year of June 30, 2019 for general expenditures:

Cash	\$ 871,867
Investments	1,676,200
Accounts receivable	1,245,023
Various Deposits	<u>6,000</u>
	<u>\$3,799,090</u>

Restricted deposits and reserves are restricted for specific purposes and therefore not available for general expenditures.

As part of the Center's liquidity management, it has a policy to structure its financial assets available as its general expenditures, liabilities and other obligations come due.

NOTE 13 CHANGE IN ACCOUNTING PRINCIPAL – RETROSPECTIVE APPLICATION

On January 1, 2018, the Center changed its method of accounting for net assets to conform with ASU 2016-14, effective for fiscal years beginning after December 15, 2017. The change was adopted retroactively. Under the new accounting method, the Center must now report their net assets as either with donor restrictions or without donor restrictions. As a result, the cumulative effect of applying the new method, the following amounts increased/ (decreased):

	<u>2018</u>
Unrestricted Net Assets	\$ (4,494,558)
Net Assets without Donor Restrictions	\$ 4,494,558

The Lakes Region Mental Health Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 14 SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Center has evaluated subsequent events through September 16, 2019 which is the date the financial statement was available to be issued. All events requiring recognition as of June 30, 2019, have been incorporated into the financial statements herein.

SUPPLEMENTARY INFORMATION

The Lakes Region Mental Health Center, Inc.
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Year Ended June 30, 2019

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Accounts Receivable End of Year
CLIENT FEES	\$ 128,119	\$ 1,930,321	\$ (1,678,376)	\$ (239,628)	\$ 140,436
BLUE CROSS / BLUE SHIELD	304,382	784,226	(596,139)	(333,786)	158,683
MEDICAID	1,018,470	14,182,948	(5,220,473)	(8,990,363)	990,582
MEDICARE	185,899	1,510,927	(837,531)	(613,487)	245,808
OTHER INSURANCE	313,504	979,757	(592,341)	(364,979)	335,941
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(760,000)</u>	-	-	-	<u>(906,500)</u>
TOTAL	<u>\$ 1,190,374</u>	<u>\$ 19,388,179</u>	<u>\$ (8,924,860)</u>	<u>\$ (10,542,243)</u>	<u>\$ 964,950</u>

The Lakes Region Mental Health Center, Inc.
ANALYSIS OF BBH REVENUES, RECEIPTS AND RECEIVABLES
For the Year Ended June 30, 2019

	Receivable (Deferred Income) From BBH Beginning of Year	BBH Revenues Per Audited Financial Statements	Receipts for Year	Receivable (Deferred Income) From BBH End of Year
CONTRACT YEAR, June 30, 2019	<u>\$ 1,408</u>	<u>\$ 406,208</u>	<u>\$ (326,514)</u>	<u>\$ 81,102</u>

Analysis of Receipts Date of Receipt Deposit Date	Amount
07/16/18	\$ 1,260
07/20/18	148
08/10/18	9,603
08/21/18	51,180
09/06/18	52,510
09/13/18	7,848
10/04/18	57,076
10/31/18	13,505
11/21/18	5,602
11/29/18	4,221
12/07/18	95,759
12/13/18	16,553
12/21/18	7,848
12/31/18	34,198
01/04/19	6,087
01/09/19	7,848
01/31/19	14,340
02/08/19	7,848
03/06/19	7,995
04/03/19	10,081
04/08/19	7,995
05/01/19	2,624
05/21/19	21,553
05/30/19	7,848
06/14/19	22,972
06/26/19	19,388
Less: Federal Monies	<u>(167,376)</u>
	<u>\$ 326,514</u>

The Lakes Region Mental Health Center, Inc.
STATEMENT OF FUNCTIONAL PUBLIC SUPPORT AND REVENUES
For the Year Ended June 30, 2019

Total Agency	Admin.	Total Programs	Children	Multi-Service	ACT	Emergency Services	Housing Services		Non Eligible	Non BBH Funded Programs
							Apts. S.L. Summer	Apts. S.L. McGrath		
\$ 251,945	\$ -	\$ 251,945	\$ 45,340	\$ 68,935	\$ 27,354	\$ 35,288	\$ -	\$ -	\$ 75,028	\$ -
188,087	-	188,087	80,169	75,024	9,600	75,774	-	-	(52,480)	-
8,962,475	-	8,962,475	3,027,437	4,958,600	542,120	363,699	-	-	70,619	-
673,396	-	673,396	1	588,453	24,330	3,343	-	-	57,269	-
387,416	-	387,416	83,163	135,621	5,092	49,941	-	-	113,599	-
1,237,279	-	1,237,279	78,779	82,400	-	7,400	-	-	5,160	1,063,540
1,525	-	1,525	-	1,525	-	-	-	-	-	-
140,970	-	140,970	-	-	-	117,970	-	-	23,000	-
215,828	215,278	550	-	-	-	-	275	275	-	-
76,454	37,200	39,254	22,604	11,250	2,250	2,025	-	-	450	675
1,080	-	1,080	-	1,080	-	-	-	-	-	-
154,435	-	154,435	-	-	-	-	60,123	94,312	-	-
417,864	3,023	414,841	-	-	-	-	-	-	-	414,841
84,867	3,827	81,040	2,952	2,952	492	-	35,760	38,392	-	492
365,544	-	365,544	5,964	25,410	240,000	94,170	-	-	-	-
664	-	664	664	-	-	-	-	-	-	-
40,000	40,000	-	-	-	-	-	-	-	-	-
642	642	-	-	-	-	-	-	-	-	-
263,197	186,639	76,558	18,533	42,019	-	15,993	-	-	13	-
13,463,669	486,609	12,977,060	3,365,606	5,993,269	851,239	765,603	96,158	132,979	292,658	1,479,548
-	(486,609)	486,609	126,203	224,733	31,919	28,708	3,606	4,986	10,974	55,480
\$ 13,463,669	\$ -	\$ 13,463,669	\$ 3,491,809	\$ 6,218,002	\$ 883,158	\$ 794,311	\$ 99,764	\$ 137,965	\$ 303,632	\$ 1,535,028

The Lakes Region Mental Health Center, Inc.
 STATEMENT OF FUNCTIONAL EXPENSES
 For the Year Ended June 30, 2019

Total Agency	Administration	Total Programs	Children	Multi-Service	ACT	Emergency Services	Housing Services		Non-Eligible	Non BBH Funded Programs
							Apts. S.L. Summer	Apts. S.L. McGrath		
\$ 8,518,992	\$ 666,530	\$ 7,852,462	\$ 1,774,022	\$ 3,141,327	\$ 811,890	\$ 668,074	\$ 101,860	\$ 110,595	\$ 267,932	\$ 976,762
1,905,776	127,746	1,778,030	413,683	778,806	162,296	147,577	(5)	332	128,085	147,256
584,335	46,416	537,919	118,677	230,038	53,388	47,714	7,646	9,054	19,577	51,825
153,938	596	153,342	2,557	106,799	894	6,945	-	-	199	35,948
58,530	58,530	-	-	-	-	-	-	-	-	-
26,754	23,210	3,544	48	3,423	18	16	29	-	4	6
131,900	7,430	124,470	3,315	4,179	43	39	25,600	25,865	9	65,420
976	134	842	13	825	-	-	-	-	3	1
10,822	560	10,262	2,364	5,731	888	789	-	-	196	294
83,015	6,213	76,802	13,151	36,955	4,163	3,649	63	63	379	18,379
34,973	1,028	33,947	7,352	17,742	266	6,002	-	-	268	2,317
90,136	3,253	86,883	29,975	46,852	812	722	-	-	5,911	2,611
169,762	168,277	1,485	-	1,337	74	-	-	-	-	74
46,186	11,124	35,062	6,121	8,412	757	281	10,726	7,294	700	771
93,566	24,541	69,025	16,819	19,659	1,856	-	13,669	13,587	1,105	2,330
175,940	44,572	131,368	41,059	44,568	7,187	2,372	12,664	16,014	927	6,577
18,910	18,910	-	-	-	-	-	-	-	-	-
32,086	8,996	23,090	7,640	9,631	1,428	1,531	136	131	1,454	1,139
58,658	13,797	44,861	6,076	11,366	1,928	1,889	3,814	18,172	854	762
11,093	-	11,093	-	3,716	-	-	-	-	-	7,377
176,851	9,484	167,367	41,528	82,660	15,622	13,909	-	-	3,428	10,220
89,872	17,816	72,056	23,209	31,221	5,317	2,971	1,076	3,648	968	3,646
238,696	84,007	154,689	48,840	48,878	8,070	13	15,166	25,554	3	8,165
22,410	5,798	16,612	6,377	6,667	966	737	-	-	850	1,015
41,238	2,469	38,769	9,877	19,754	3,704	3,292	-	84	823	1,235
83,347	7,667	75,680	14,699	50,040	4,457	3,963	-	-	1,024	1,487
1,549	69	1,480	307	857	119	116	-	-	47	34
237,764	32,311	205,453	61,222	82,179	9,236	21,687	9,180	228	13,692	8,029
13,904	986	12,918	3,483	6,660	1,061	943	-	-	363	408
247,839	1,210	246,629	61,202	132,444	36,903	5,296	1,850	1,854	2,869	4,211
21,635	-	21,635	-	21,635	-	-	-	-	-	-
38,138	-	38,138	19,134	16,776	20	-	630	1,474	-	104
56,652	14,650	42,002	10,284	20,163	4,711	2,510	-	-	620	3,714
4,496	-	4,496	369	3,785	144	126	-	-	29	43
34,689	20,969	13,700	2,988	5,928	1,073	976	1,029	1,040	287	369
38,587	1,288	37,299	671	705	132	118	-	-	29	35,644
89,267	60,834	28,433	5,568	11,393	1,515	2,804	4,775	1,478	328	572
13,643,262	1,491,419	12,151,843	2,752,640	5,013,111	1,140,938	947,061	209,908	236,467	452,963	1,398,755
-	(1,491,419)	1,491,419	337,836	615,269	140,030	116,234	25,763	29,022	55,593	171,672
\$ 13,643,262	\$ -	\$ 13,643,262	\$ 3,090,476	\$ 5,628,380	\$ 1,280,968	\$ 1,063,295	\$ 235,671	\$ 265,489	\$ 508,556	\$ 1,570,427

Lakes Region Mental Health Center, Inc.

Board of Directors Listing

December, 2019

Maggie Pritchard Cell 630-7175 - Dawn Lacroix 524-1100 Ext. 132

Position	First Name	Last Name	Address	City	State	Zip Code	Phone #	Email Address	Joined Board	Term #/ End Date	Committee Assignments
President	Jannine	Sutcliffe		Holderness	NH	03245		[REDACTED]	2011	3, October 2020	Executive, Development
Vice President	Gail	Mears		Holderness	NH	03245		[REDACTED]	2019	2, October 2022	Executive, Governance (Chair)
Co-Treasurer	Ed	McFarland		Laconia	NH	03246		[REDACTED]	2017	1, October 2020	Finance (Co-Chair)
Co-Treasurer	Matt	Soza		Laconia	NH	03247		[REDACTED]	2011	3, October 2020	Finance (Co-Chair), Development, QI, Governance
Secretary	Susan	Stearns		Sanbornton	NH	03269		[REDACTED]	2017	1, October 2020	Executive, Governance, Development (Chair)
Member at Large	Marsha	Bourdon		Laconia	NH	03246		[REDACTED]	2018	1, October 2021	Finance
Member at Large	Marlin	Collingwood		Plymouth	NH	03264		[REDACTED]	2019	1, October 2022	Development
Member at Large	Peter	Minkow						[REDACTED]	2019	1, October 2022	Governance
Member at Large	Laura	LeMien		Laconia	NH	03246		[REDACTED]	2019	1, October 2022	Development
Member at Large	Deborah	Pendergast		New Hampton	NH	03256		[REDACTED]	2011	3, October 2020	Executive
Member at Large	Seifu	Ragassa		Gilford	NH	03249		[REDACTED]	2019	2, October 2022	QI
Member at Large	James	Stapp		Holderness	NH	03245		[REDACTED]	2017	1, October 2020	Development
Member at Large	Rev. Judith	Wright		Laconia	NH	03246		[REDACTED]	2017	1, October 2010	QI Committee
Committee Member	Jerry	Fleischman		Laconia	NH	03246		[REDACTED]			Finance Committee

Alison K. O'Neill, MS, LCMHC

State of New Hampshire Licensed Clinical Mental Health Counselor, License #795

Work Experience:

Alison K. O'Neill, MS, LCMHC, PLLC, Concord, NH **1/2013 - current**
• **Licensed Clinical Mental Health Counselor**

I currently have a private practice located in Concord, NH. I provide individual, couples, and family therapy as I work with children, adolescents, adults, parents, families, and couples. I work with individuals struggling with anxiety, low self-esteem, anger, aggression, depression, suicide and self-harming behaviors, trauma, abuse, impulsivity, life changes, and relational issues, including peer, sibling, parent-child, couple and family. My most used therapeutic approach is Cognitive Behavioral Therapy and I am also open to a variety of therapeutic techniques and approaches that I have learned, such as, but not limited to Play Therapy, Strength Based Therapy, and Family Systems Therapy. I believe it is important to keep in mind the client and what would best meet the needs and goals of the client. I have a gentle yet direct and affirming style. I am enthusiastic and take pride in the work that my clients and I do together.

Northbridge Counseling, Bedford and Concord, NH **6/2012 - 3/2013**
• **Licensed Clinical Mental Health Counselor**

I was working in a small group practice, approximately six therapists, and spending time in both the Concord and Bedford office. I provided individual, couples, and family therapy, as well as seeing clients through their employer EAP using Solution Focused Therapy. I worked with children, adolescents, and adults. I have worked with individuals struggling with anxiety, low self-esteem, anger, aggression, depression, suicide and self-harming behaviors, trauma, abuse, impulsivity, life changes, and relational issues, including peer, sibling, parent-child, couple and family. The therapeutic approaches I used were Cognitive Behavioral Therapy, Solution Focused Therapy, Strength Based Therapy, Play Therapy, and Family Systems Therapy.

Riverbend Community Mental Health Center, Children's Intervention Program, Concord, NH
• **Licensed Clinical Mental Health Counselor** **9/2007 - 6/2012**

- **Child and Family Therapist, 4/11 - 6/12**
Office-based individual and family therapy. Responsibilities referenced below.
- **Family Support Therapist, 9/07 - 4/11**
Community based family supports and services provided in the home and school based. Responsibilities referenced below.

Responsibilities:

Provided clinical services to children ages 4 to 18, and their families.

Engaged in individual and family therapy using (but not limited to) generally accepted theories such as cognitive behavioral, strength based, motivational, talk, reality, family therapy, filial therapy and play therapy.

- > Trained in Helping the Non-Compliant Child program.
- > Trained in Dialectical Behavior Therapy.
- > Issues for clients seen: anxiety, depression, stress, self-esteem, peer/social skills, body image, anger management, grief and loss, suicide and self-harming behaviors, divorce/separation, parenting skills, and family relations.
- > Responsible for psychosocial assessments, mental status exam, establishing eligibility, diagnosis utilizing the DSM-IV-TR, and reviewing, assessing, and updating documentation annually.
- > Created treatment plans in collaboration with the client and family; reviewed the treatment plan as needed to discuss progress and make changes to meet the needs of the client and family.
- > Responsible for writing daily progress notes
- > Provided psychological education and information to the client and family.
- > Ongoing collaboration with multi-disciplinary treatment team and community agencies.

Education:

Springfield College of Human Services, St. Johnsbury, VT
Master of Science in Mental Health Counseling, 2007

Springfield College of Human Services, Manchester, NH
Bachelor of Science in Human Services, 2005

Internship:

Riverbend Community Mental Health Center, Concord, NH. January 2007 - August 2007
Provided office and home based therapy to children and families. Reference responsibilities above. In addition, I planned and co-facilitated an eight week social skills group.

Familystrength, Concord, NH May 2006 - December 2006
Planned and co-facilitated 2 eight week adolescent groups for children identified by the school counselor as needing assistance with the transition to middle school. Responsible for completing assessments, progress notes, and determining if additional services were warranted and providing family support when needed.

Katy Hillsgrove

Work Experience

Optical Assistant	Visionworks	09/2015 – present
<ul style="list-style-type: none">• Booking appointments and managing the doctors daily schedule• Processing insurance, entering data, and running the front desk• Working with customers and outside networks to increase exam volume and increase sales		
Sales Associate	Coach	09/2014 – 09/2015
<ul style="list-style-type: none">• Increasing sales and obtaining customer contact information• Increasing customer satisfaction scores by creating an excellent customer service experience• Working as a team unit to improve customer service experience and increase sales		
Sales Associate	Lucky Brand	09/2014 – 2015
<ul style="list-style-type: none">• Increasing sales through product knowledge and expertise• Increasing revenue through obtaining customer contact information• Creating visually dynamic and appealing displays for store use		
Customer Service Representative	Sunbodies Spa LLC	01/2014 – 07/2014
<ul style="list-style-type: none">• Increasing revenue and reducing company costs• Marketing and running current promotions• Scheduling and overseeing flow of daily production		
Assistant Manager Tanning Consultant	Sun Tan City	08/2013 – 01/2014
<ul style="list-style-type: none">• Increasing sales and revenue through personal sales• Meeting and exceeding daily, weekly, and monthly sales quotas• Managing staff and ensuring completion of daily tasks and routines		
Pharmacy Technician Wellness Ambassador	Rite Aid Pharmacy	05/2008 – 09/2013
<ul style="list-style-type: none">• Liaison between front end and pharmacy to increase sales and ensure customer turnover• Organizing and executing community outreach events• Assisting pharmacist in daily tasks to increase script count and daily productivity		

Education

B.S in Education	Plymouth State University	08/2008 – 05/2012
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Bachelor Degree of Science of Education with a focus on Teacher Certification grades K - 8
Student teaching completed at Canterbury Elementary School, Second Grade
Graduated May 2012 – GPA 3.51

Additional Experience and Awards

Inducted into Kappa Delta Pi – National Honor Society for Educators in 2011, Member of Delta Zeta Nationally Affiliated Sorority and Vice President 2011-2012, Published in Who's Who in American Colleges in 2012, Member of the International Service Trip at Plymouth State University where we traveled to Bolivia in 2012 to perform community service.

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Alison O'Neill	Director, Long Term Services	\$64,000	0%	0%
Katy Hillsgrove	Housing Facilitator	\$43,000	0%	0%