



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

Lori A. Shibinette
 Commissioner

Christine L. Santaniello
 Director

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

April 22, 2020

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Economic and Housing Stability, to amend existing **Sole Source** contracts with the vendors listed below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to individuals and families who are experiencing homelessness through the Federal Continuum of Care Program, by exercising contract renewal options by increasing the total price limitation by \$1,657,969 from \$1,606,764 to \$3,264,733 and by extending the completion dates from June 30, 2020 to June 30, 2021 effective July 1, 2020 or upon Governor and Council approval, whichever is later. The original contracts were approved by Governor and Council on June 19, 2019, item #46. 100% Federal Funds.

Vendor Name	Vendor Code	Area Served	Current Amount	Increase (Decrease)	Revised Amount
Community Action Partnership Strafford County, Dover, NH	177200-B004	Statewide	\$38,524	\$38,524	\$77,048
Community Action Program Belknap-Merrimack Counties, Inc., Concord, NH	177203-B003	Statewide	\$86,722	\$86,722	\$173,444
FIT/NHNH, Inc., Manchester, NH	157730-B001	Concord	\$99,046	\$101,469	\$200,515
FIT/NHNH, Inc., Manchester, NH	157730-B001	Concord	\$68,585	\$68,585	\$137,170

The Lakes Region Mental Health Center, Inc., Laconia, NH	154480- B001	Laconia	\$99,835	\$102,211	\$202,046
Southwestern Community Services, Inc., Keene, NH	177511- R001	Cheshire & Sullivan Counties	\$85,230	\$87,728	\$172,958
Southwestern Community Services, Inc., Keene, NH	177511- R001	Statewide	\$86,552	\$86,552	\$173,104
Southwestern Community Services, Inc., Keene, NH	177511- R001	Cheshire & Sullivan Counties	\$281,824	\$288,544	\$570,368
The Mental Health Center for Southern New Hampshire Derry, NH	174116- R001	Western Rockingham County	\$267,435	\$273,459	\$540,894
The Mental Health Center for Southern New Hampshire Derry, NH	174116- R001	Western Rockingham County	\$273,230	\$303,674	\$576,904
Tri-County Community Action Program Inc., Berlin, NH	177195- B009	Statewide	\$130,822	\$130,822	\$261,644
Tri-County Community Action Program Inc., Berlin, NH	177195- B009	Grafton, Coos, and Carroll Counties	\$88,959	\$89,679	\$178,638
		Total:	\$1,606,764	\$1,657,969	\$3,264,733

Funds are available in the following account for State Fiscal Year 2021, with the authority to adjust budget line items within the price limitation through the Budget Office, if needed and justified.

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

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2020	102-500731	Contracts for Prog Svc	TBD	\$1,606,764	\$0	\$1,606,764
2021	102-500731	Contracts for Prog Svc	TBD	\$0	\$1,657,696	\$1,657,696
			Total	\$1,606,764	\$1,657,969	\$3,264,733

EXPLANATION

This request is **Sole Source** because federal regulations require the Department to specify each vendor's name during the annual, federal Continuum of Care Program renewal application process, prior to the grant award being issued. Annually, the US Department of Housing and Urban Development (HUD) oversees a Continuum of Care Program competitive application process. As part of this process, the Department is required to provide HUD with each potential vendor and HUD evaluates vendor applications. Based on that evaluation process, HUD directs the Department to provide grant awards and the specific amounts to vendors. As previously stated, the original contract was approved by Governor and Council on June 19, 2019, Item #46.

The purpose of this request is to continue providing Permanent Housing and Coordinated Entry Programs that deliver rental and leasing assistance, access to supportive services and other services to individuals who are experiencing homelessness.

Approximately 3,000 individuals will be served from July 1, 2020 to July 1, 2021.

Vendors facilitate movement of participants into sustained permanent housing while providing connections with community and mainstream services in order to maximize participants' abilities to live more independently. 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 and homelessness in a coordinated, comprehensive and strategic manner.

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

- Annual reviews relating to compliance with administrative rules and contractual agreements.
- Semi-annual statistical reports, including various demographic information and income and expense reports, to include match dollars.
- All vendors funded through these contracts will report through the timely and accurate entry of data into the New Hampshire Homeless Management Information

System, unless the vendor is required by law to use an alternate means of data collection. This will be the primary reporting tool for outcomes and activities of shelter and housing programs.

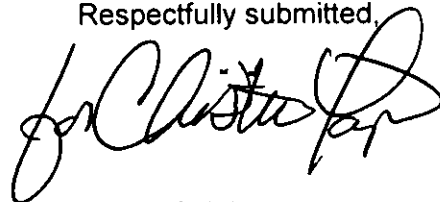
As referenced in Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal, of the original contracts, the parties have the option to extend the agreements for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and Governor and Council approval. The Department is exercising its option to renew services for one (1) of the two (2) years available.

Should the Governor and Executive Council not authorize this request, there will be fewer permanent housing options and homeless outreach services available, leaving individuals and families that are vulnerable in unsafe and deadly situations without a safety net. Additionally, if data is not collected as required by these contracts, the Department will be in non-compliance with federal regulations, which could result in a loss of federal funding for these and other types of homeless and permanent supportive services.

Area served: Statewide

Source of Funds: CFDA# 14.267/FAIN# NH0014L1T001912, NH0057L1T001910,
NH0060L1T001907, NH0096L1T001904

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lori A. Shibinette", written in a cursive style.

Lori A. Shibinette
Commissioner



**New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program**

**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Continuum of Care, Coordinated Entry Program**

This 1st Amendment to the Continuum of Care, Coordinated Entry Program contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Community Action Partnership of Strafford County, (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 577 Central Ave, Suite 10, Dover, NH, 03820.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2, Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37 General Provisions, Block 1.4, Contractor Address, to read:
577 Central Avenue, Suite 10, Dover, NH, 03820
2. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2021.
3. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$77,048.
4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2, Paragraph 1.2.4. to read:
1.2.4. Grant Numbers
1.2.4.1. NH0096L1T001803 (Grant Year 1)
1.2.4.2. NH0096L1T001904 (Grant Year 2)
5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2., Paragraph 1.2.7., Subparagraph 1.2.7.1. to read:
1.2.7.1 Not to exceed \$77,048
6. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2, Paragraph 1.2.8., to read:
1.2.8. Funds allocation under this agreement for Continuum of Care Program;

		<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1.	Rental Assistance	\$0	\$0
1.2.8.2.	Supportive Services	\$37,584	\$37,584
1.2.8.3.	Administrative Expenses	<u>\$940</u>	<u>\$940</u>
1.2.8.4.	Total Program Amount	\$38,524	\$38,524



**New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program**

All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

4/5/20
Date

Christine Santaniello
Name: Christine Santaniello
Title: Director DEHS

Community Action Partnership of Strafford County

3-30-20
Date

Betsy Andrews Parker
Name: Betsy Andrews Parker
Title: CEO

New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program



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

OFFICE OF THE ATTORNEY GENERAL

4/16/20
Date

[Signature]
Name:
Title:

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

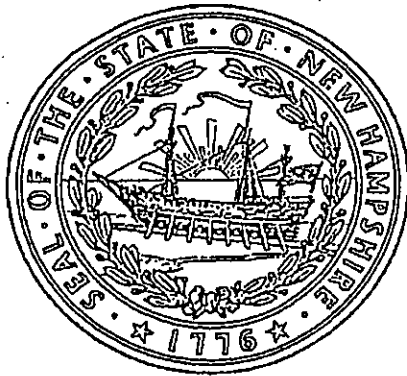
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 25, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 65583

Certificate Number : 0004489362



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 5th day of April A.D. 2019.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

(Corporate Authority)

I, Jean Miccolo, Clerk/Secretary of Community Action Partnership of Strafford County

(hereinafter the "Corporation"), a New Hampshire corporation, hereby certify that: (1) I am the duly elected and acting Clerk/Secretary of the Corporation; (2) I maintain and have custody and am familiar with the minute books of the Corporation; (3) I am duly authorized to issue certificates with respect to the contents of such books; (4) that the Board of Directors of the Corporation have authorized, on September 18, 2019,

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

___ Betsey Andrews Parker ___
(name)

___ CEO ___
(position)


___ Hope Flynn ___
(name)

___ Board Chair ___
(position)

(5) the meeting of the Board of Directors was held in accordance with New Hampshire

Law and the by-laws of the Corporation; and (6) said authorization has not been modified, amended or rescinded and continues in full force and effect as of the date hereof.

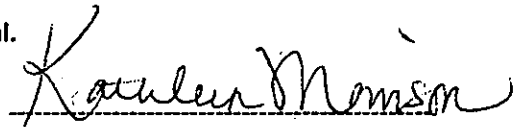
IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the corporation this ___30___ day of ___March___, 2020.


Jean Miccolo Clerk/Secretary

STATE OF New Hampshire
COUNTY OF Strafford

On this ___30___ day of ___March___, 2020, before me, ___Kathleen Morrison the Undersigned Officer, personally appeared ___Jean Miccolo___ who acknowledged her/himself To be the Secretary of Community Action Partnership of Strafford County, a corporation and that She/he as such Secretary being authorized to do so, executed the foregoing instrument for the Purposes therein contained.

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


Notary Public/Kathleen Morrison

Commission Expiration Date: August 5th 2020





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/30/2020

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

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

PRODUCER CGI Business Insurance 171 Londonderry Turnpike Hooksett NH 03108		CONTACT NAME: Teri Davis PHONE (A/C, Ho, Ext): (866) 841-4800 FAX (A/C, No): (603) 622-4618 E-MAIL: TDavis@CGIBusinessInsurance.com ADDRESS: TDavis@CGIBusinessInsurance.com	
INSURED Community Action Partnership of Strafford County, DBA: Strafford CAP PO Box 160 Dover NH 03821-1080		INSURER(S) AFFORDING COVERAGE INSURER A: Hanover Insurance Company NAIC #: 22292 INSURER B: Eastern Alliance (fmr Great Falls) INSURER C: Victor O Schinnerer & Co Inc INSURER D: INSURER E: INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 19-20 Master

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Physical/Sexual Abuse Incl GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ZHVA192135	12/31/2019	12/31/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMPROP AGG \$ Included Professional Liability \$ 1,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			AWVA156930	12/31/2019	12/31/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ Zero			UHVA192136	12/31/2019	12/31/2020	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	03-0000133794-02	12/31/2019	12/31/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Directors & Officers			PHSD1445251	06/24/2019	06/24/2020	Per Occurrence 3,000,000 Aggregate 6,000,000

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

Workers Comp 3A State: NH

CERTIFICATE HOLDER

CANCELLATION

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

To educate, advocate and assist people
in Strafford County to help meet
their basic needs and promote
self-sufficiency



VISION

Working to eliminate poverty in
Strafford County

Financial Statements

COMMUNITY ACTION PARTNERSHIP OF
STRAFFORD COUNTY

**FOR THE YEARS ENDED
DECEMBER 31, 2018 AND 2017
AND
INDEPENDENT AUDITORS' REPORTS**

**Leone,
McDonnell
& Roberts**
PROFESSIONAL ASSOCIATION

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COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

DECEMBER 31, 2018 AND 2017

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

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Action Partnership of Strafford County as of December 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 11, 2019, on our consideration of Community Action Partnership of Strafford County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Partnership of Strafford County's internal control over financial reporting and compliance.

Leone, McDonnell + Roberts
Professional Association

September 11, 2019
Wolfeboro, New Hampshire

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 749,630	\$ 361,179
Accounts receivable	1,106,724	1,094,461
Contributions receivable	63,800	115,800
Tax credits receivable	250,000	172,000
Inventory	13,420	11,532
Prepaid expenses	<u>58,266</u>	<u>9,609</u>
Total current assets	<u>2,241,840</u>	<u>1,764,581</u>
NONCURRENT ASSETS		
Security deposits	5,350	5,350
Property, net of accumulated depreciation	3,827,963	1,195,445
Other noncurrent assets	<u>27,500</u>	<u>12,500</u>
Total noncurrent assets	<u>3,860,813</u>	<u>1,213,295</u>
TOTAL ASSETS	<u>\$ 6,102,653</u>	<u>\$ 2,977,876</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Demand note payable	\$ 165,432	\$ 105,377
Accounts payable	408,959	217,582
Accrued payroll and related taxes	161,566	137,448
Accrued compensated absences	94,084	100,965
Refundable advances	415,335	391,376
Other current liabilities	<u>79,421</u>	<u>20,789</u>
Total current liabilities	<u>1,324,797</u>	<u>973,537</u>
NONCURRENT LIABILITIES		
Long term debt	<u>2,814,690</u>	<u>-</u>
Total liabilities	<u>4,139,487</u>	<u>973,537</u>
NET ASSETS		
Without donor restrictions	1,307,042	1,568,159
With donor restrictions	<u>656,124</u>	<u>436,180</u>
Total net assets	<u>1,963,166</u>	<u>2,004,339</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,102,653</u>	<u>\$ 2,977,876</u>

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
CHANGE IN NET ASSETS			
REVENUES AND OTHER SUPPORT			
Grant revenue	\$ 7,846,142	\$ -	\$ 7,846,142
Fees for service	1,773,136	-	1,773,136
Rent revenue	25,109	-	25,109
Public support	189,972	228,410	418,382
In-kind donations	645,330	-	645,330
Interest	2,582	-	2,582
Fundraising	34,146	-	34,146
Total revenues and support	10,516,417	228,410	10,744,827
NET ASSETS RELEASED FROM RESTRICTIONS	<u>8,466</u>	<u>(8,466)</u>	<u>-</u>
Total revenues, support, and net assets released from restrictions	<u>10,524,883</u>	<u>219,944</u>	<u>10,744,827</u>
EXPENSES			
Program services			
Child services	3,890,640	-	3,890,640
Community services	861,420	-	861,420
Energy assistance	2,746,649	-	2,746,649
Housing	514,700	-	514,700
Weatherization	1,610,027	-	1,610,027
Workforce development	135,528	-	135,528
Total program services	9,758,964	-	9,758,964
Supporting activities			
Management and general	956,693	-	956,693
Fundraising	70,343	-	70,343
Total expenses	<u>10,786,000</u>	<u>-</u>	<u>10,786,000</u>
CHANGE IN NET ASSETS	(261,117)	219,944	(41,173)
NET ASSETS, BEGINNING OF YEAR	<u>1,568,159</u>	<u>436,180</u>	<u>2,004,339</u>
NET ASSETS, END OF YEAR	<u>\$ 1,307,042</u>	<u>\$ 656,124</u>	<u>\$ 1,963,166</u>

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
CHANGES IN UNRESTRICTED NET ASSETS			
REVENUES AND OTHER SUPPORT			
Grant revenue	\$ 7,454,864	\$ -	\$ 7,454,864
Fees for service	333,487	-	333,487
Rent revenue	19,472	-	19,472
Public support	147,071	342,260	489,331
In-kind donations	735,069	-	735,069
Interest	127	-	127
Fundraising	87,215	-	87,215
Other revenue	(2,106)	-	(2,106)
Total revenues and support	8,775,199	342,260	9,117,459
NET ASSETS RELEASED FROM RESTRICTIONS	<u>9,360</u>	<u>(9,360)</u>	<u>-</u>
Total revenues, support, and net assets released from restrictions	<u>8,784,559</u>	<u>332,900</u>	<u>9,117,459</u>
EXPENSES			
Program services			
Child services	3,973,078	-	3,973,078
Community Services	780,471	-	780,471
Energy assistance	2,154,833	-	2,154,833
Housing	409,543	-	409,543
Weatherization	391,107	-	391,107
Workforce development	150,178	-	150,178
Total program services	7,859,210	-	7,859,210
Supporting activities			
Management and general	790,496	-	790,496
Fundraising	78,112	-	78,112
Total expenses	<u>8,727,818</u>	<u>-</u>	<u>8,727,818</u>
CHANGE IN NET ASSETS	56,741	332,900	389,641
NET ASSETS, BEGINNING OF YEAR	<u>1,511,418</u>	<u>103,280</u>	<u>1,614,698</u>
NET ASSETS, END OF YEAR	<u>\$ 1,568,159</u>	<u>\$ 436,180</u>	<u>\$ 2,004,339</u>

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (41,173)	\$ 389,641
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	116,390	84,399
(Increase) decrease in assets:		
Accounts receivable	(12,263)	97,494
Contributions receivable	52,000	(115,800)
Tax credits receivable	(78,000)	(164,000)
Inventory	(1,888)	(2,808)
Prepaid expenses	(48,657)	10,068
Security deposits	-	18,790
Other noncurrent assets	(15,000)	-
Increase (decrease) in liabilities:		
Accounts payable	191,377	(145,482)
Accrued payroll and related taxes	24,118	(4,305)
Accrued compensated absences	(6,881)	21,475
Refundable advances	23,959	(46,909)
Other current liabilities	58,632	20,789
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>262,614</u>	<u>163,352</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	<u>(80,315)</u>	<u>(352,793)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(80,315)</u>	<u>(352,793)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Return of deposit on building	200,000	-
Cash paid for debt issuance costs	(53,903)	-
Net borrowings on demand note payable	<u>60,055</u>	<u>32,704</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>206,152</u>	<u>32,704</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	388,451	(156,737)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>361,179</u>	<u>517,916</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 749,630</u>	<u>\$ 361,179</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 40,830</u>	<u>\$ 6,251</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Property and equipment financed by long term debt	<u>\$ 2,867,874</u>	<u>\$ -</u>

See Notes to Financial Statements

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STAFFORD COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017

	Child Support	Community Services	Family Advocacy	Housing	Welfare Administration	Food Program Administration	Intervention (Adoption) Liaison	Management General	Other
Payroll	\$ 1,881,987	\$ 331,780	\$ 240,617	\$ 57,607	\$ 47,079	\$ 76,821	\$ 113,037	\$ 516,173	\$ 27,903
Payroll taxes	154,407	72,972	2,492	4,722	3,509	6,367	2,260	10,462	2,396
Medical insurance	171,465	35,973	46,349	4,302	6,208	11,153	12,162	31,437	7,865
Medical expenses	85,980	22,320	1,724,551	169,575	2,322	14,291	-	-	-
Child care expenses	395,627	162,966	6,661	106,135	620	671	16,167	52,008	11,003
Contractual and consultant fees	302,876	9,468	36,911	26,911	1,650	723,453	14,136	17,065	705,670
Contractual expenses	209,945	70,205	2,402	1,959	1,650	310,630	14,136	17,065	3,021
Travel	207,033	22,718	29,557	6,107	6,000	25,791	30,473	36,142	3,520
Supplies and maintenance	11,520	16,116	10,077	13,606	1,150	1,448	10,373	22,481	7,152
Utilities	84,427	5,020	1,757	4,270	1,150	1,448	10,373	22,481	7,152
Insurance	39,410	70,410	1,757	4,270	1,150	1,448	10,373	22,481	7,152
Telephone, fax and postage	50,410	25,910	2,305	7,722	1,777	2,305	3,861	30,358	3,117
Travel	50,410	25,910	2,305	7,722	1,777	2,305	3,861	30,358	3,117
Food and beverage	60,410	25,910	2,305	7,722	1,777	2,305	3,861	30,358	3,117
Equipment and supplies	7,001	16,081	4,028	24	478	801	12,537	4,014	34
Equipment and computer	12,888	7,140	1,169	478	478	801	12,537	4,014	34
Other program support	2,434	3,114	-	-	-	-	-	-	-
Total expenses	\$ 3,973,078	\$ 760,411	\$ 2,154,003	\$ 409,243	\$ 791,197	\$ 1,901,176	\$ 7,490,210	\$ 790,496	\$ 8,127,616

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Community Action Partnership of Strafford County (the Agency) is a 501(c)(3) private New Hampshire non-profit organization established under the provisions of the Equal Opportunity Act of 1964. Without services provided by the Agency, many local residents would be without a means to provide for their basic needs, including food, education, child care, utilities assistance, transportation, housing, emergency shelter and access to other services. The mission of the Agency is to educate, advocate and assist people in Strafford County to help meet their basic needs and promote self-sufficiency. The vision of the Agency is to eliminate poverty in Strafford County through compassion, education, self-sufficiency, transparency, accountability, team work, client focus and professionalism.

In addition to its administrative office located in Dover, the Agency maintains its outreach capacity by operating program offices in Farmington, Milton, Rochester, Dover and Somersworth. The Agency is funded by Federal, state, county and local funds, as well as United Way grants, public utilities, foundation and charitable grant funds, fees for service, private business donations, and donations from individuals. The Agency is governed by a tripartite board of directors made up of elected officials, community leaders from for-profit and non-profit organizations and residents who are low income. The board is responsible for assuring that the Agency continues to assess and respond to the causes and conditions of poverty in its community, achieve anticipated family and community outcomes, and remain administratively and fiscally sound. The Agency administers a wide range of coordinated programs to more than 15,000 people annually, and the programs are designed to have a measurable impact on poverty and health status among the most vulnerable residents: those under the age of 6, the elderly and those living in poverty. This coordinated approach is accomplished by providing a broad array of services that are locally defined, planned and managed with community agencies.

Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) of the United States.

Financial Statement Presentation

The financial statement presentation follows the recommendations of the Accounting Standard Codification No. 958-210, *Financial Statements of Not-For-Profit Organizations*. Under FASB ASC No. 958-210, the Agency is required to report information regarding its financial position and activities according to the following net asset classifications:

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 Agency. These net assets may be used at the discretion of the Agency's management and board of directors.

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 Agency or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

At December 31, 2018 and 2017, the Agency had net assets without donor and with donor restrictions.

Refundable Advances

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

Contributions

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

Contributed Services

Donated services are recognized as contributions in accordance with FASB ASC No. 958, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance non-financial assets or (b) require specialized skills and would otherwise be purchased by the Agency.

Volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC No. 958 were not met.

Fair Value of Financial Instruments

Accounting Standard Codification No. 825, "Financial Instruments," requires the Agency to disclose estimated fair value for its financial instruments. The carrying amounts of cash, accounts receivable, inventory, prepaid expenses, accounts payable, accrued expenses, and refundable advances approximate fair value because of the short maturity of those instruments.

Inventory

Inventory materials are fixtures for installation and recorded at cost or contributed value, using the first-in, first-out method.

Property and Depreciation

Property and equipment, which have a cost greater than \$5,000, are capitalized at cost or, if donated, at the approximate fair value at the date of donation. Specific grants and awards may have a threshold lower than this amount and that program will abide by those guidelines. Assets are depreciated over their estimated useful lives using the straight-line method as follows:

Buildings and improvements	15 - 40 years
Furniture, equipment and machinery	3 - 10 years
Vehicles	5 - 7 years

Depreciation expense aggregated \$116,390 and \$84,398 for the years ended December 31, 2018 and 2017, respectively.

Accrued Earned Time

The Agency has accrued a liability of \$94,084 and \$100,965 at December 31, 2018 and 2017, respectively, for future compensated leave time that its employees have earned and which is vested with the employee.

Income Taxes

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Agency to be other than a private foundation. The Agency is also exempt from the New Hampshire Business Enterprise Tax.

Accounting Standard Codification No. 740, "Accounting for Income Taxes", establishes the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. Management has analyzed the Agency's tax position taken on its information returns for the years 2015 through 2018 and has concluded that no additional provision for income taxes is necessary in the Agency's financial statements.

Cash and Cash Equivalents

The Agency considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

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 Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Use of Estimates

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

Advertising Expenses

The Agency expenses advertising costs as they are incurred. Total advertising costs for the years ended December 31, 2018 and 2017 amounted to \$22,000 and \$22,984, respectively.

Debt Issuance Costs

As required under FASB Accounting Standards Update No. 2015-03, amortization expense of \$719 has been included with interest expense in the statement of activities for 2018. There were no debt issuance costs for 2017. The unamortized deferred financing costs have been included as a reduction of the long term debt (See Note 9).

In-kind Donations

The Agency pays below-market rent for the use of certain facilities. In accordance with generally accepted accounting principles, the difference between amounts paid for the use of the facilities and the fair value of the rental space has been recorded as an in-kind donation and as an in-kind expense in the accompanying financial statements. The estimated fair value of the donation was determined to be \$255,313 and \$232,667 for the years ended December 31, 2018 and 2017, respectively.

The Agency also receives contributed professional services that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these services was determined to be \$150,442 and \$86,313 for the years ended December 31, 2018 and 2017, respectively.

The Agency also receives contributed food commodities and other goods that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these food commodities and goods was determined to be \$181,461 and \$58,114, respectively, for the year ended December 31, 2018. For the year ended December 31, 2017, the estimated fair value of these food commodities and goods was determined to be \$121,757 and \$294,332, respectively.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, costs have been allocated among the program services and supporting activities benefited. Occupancy costs have been grouped and allocated to the programs as a line item. Such allocations have been determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of allocation</u>
Salaries and benefits	Time and effort
Occupancy	Square footage/revenues
Depreciation	Square footage
All other expenses	Approved indirect rate

NOTE 2. PROPERTY

As of December 31, 2018 and 2017, property consisted of the following:

	<u>2018</u>	<u>2017</u>
Land, buildings and improvements	\$ 3,993,017	\$ 1,268,065
Furniture, equipment and machinery	562,450	539,213
Vehicles	<u>249,779</u>	<u>249,779</u>
Total	4,805,246	2,057,057
Less accumulated depreciation	<u>977,283</u>	<u>861,612</u>
Net property	<u>\$ 3,827,963</u>	<u>\$ 1,195,445</u>

NOTE 3. AVAILABILITY AND LIQUIDITY

The following represents the Agency's financial assets as of December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Financial assets at year end:		
Cash	\$ 749,630	\$ 361,179
Accounts receivable	1,106,724	1,094,461
Contributions receivable	63,800	115,800
Tax credits receivable	<u>250,000</u>	<u>172,000</u>
Total financial assets	2,170,154	1,743,440
Less amounts not available to be used within one year:		
Board restricted assets	<u>307,315</u>	<u>307,315</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,862,839</u>	<u>\$ 1,436,125</u>

The Agency's goal is generally to maintain financial assets to meet 30 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

NOTE 4. ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at December 31, 2018 and 2017. The Agency has no policy for charging interest on overdue accounts.

NOTE 5. CONTRIBUTIONS RECEIVABLE

Contributions receivable represent promises to give, which have been made by donors but have not yet been received by the Agency. The Agency considers contributions receivable to be fully collectible; accordingly, no allowance for contributions receivable has been recorded. Total unconditional promises to give were as follows at December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Within one year	\$ 28,300	\$ 52,400
In two to five years	35,500	26,400
Thereafter	<u>-</u>	<u>37,000</u>
	<u>\$ 63,800</u>	<u>\$ 115,800</u>

NOTE 6. TAX CREDIT PROGRAM

The New Hampshire Community Development Finance Authority's Tax Credit Program allows New Hampshire businesses to contribute to not-for-profit community, housing and economic development projects and receive a 75% New Hampshire state tax credit that can be applied against New Hampshire business profits, business enterprise and insurance premium taxes. Through this Tax Credit Program, the Agency recognized contribution revenue of \$78,000 and \$164,000 for the years ended December 31, 2018 and 2017, respectively. The total cumulative contribution revenue raised to date is \$250,000 as of December 31, 2018. At December 31, 2018 and 2017, the Agency had tax credits receivable of \$250,000 and \$172,000, respectively.

NOTE 7. PLEDGED ASSETS

As described in Note 8, all assets of the Agency are pledged as collateral under the Agency's demand note payable agreement. As described in Note 9, the building of the Agency is pledged as collateral under the Agency's mortgage note payable agreement.

NOTE 8. DEMAND NOTE PAYABLE

The Agency has available a revolving line of credit with a bank in the amount of \$250,000. The note is payable upon demand, but in the absence of demand, is due in September 2019. Interest is stated at the prime rate plus 1% which resulted in an interest rate of 6.50% and 5.50% at December 31, 2018 and 2017, respectively. The note is collateralized by all the assets of the Agency.

NOTE 9. LONG TERM DEBT

The long term debt at December 31, 2018 consisted of the following:

4.90% mortgage payable to Kennebunk Savings Bank with interest only payments for 36 months followed by principal and interest payments for 264 months for the first ten years. In 2028 principal and interest payments will adjust to 1.50% above the highest five-year Federal Home Loan Bank of Boston. The mortgage note payable is collateralized by the building and leases and rents of 577 Central Ave.

\$ 2,347,874

5.00% mortgage payable to the New Hampshire Community Loan Fund of interest only payments at for 36 months followed by principal and interest payments for 264 months. The mortgage note payable is collateralized by the building and leases and rents of 577 Central Ave.

520,000

Total long term debt before unamortized debt

issuance costs

2,867,874

Unamortized deferred financing costs

53,184

Total long term debt

\$ 2,814,690

The schedule of maturities of long term debt at December 31, 2018 is as follows:

<u>Year Ended</u> <u>December 31</u>	<u>Amount</u>
2019	\$ -
2020	-
2021	18,343
2022	75,657
2023	79,448
Thereafter	<u>2,641,242</u>
Total	<u>\$ 2,814,690</u>

NOTE 10. NET ASSETS

At December 31, 2018 and 2017, net assets with donor restrictions consisted of the following:

	<u>2018</u>	<u>2017</u>
Summer Meals	\$ 51,621	\$ 3,094
Building Campaign - Pledges	238,385	121,908
Building Campaign - Tax Credits	250,000	172,000
Security deposits	32,145	18,425
New Hampshire Charitable Foundation	-	58,024
Revolving loan fund	52,736	-
Fuel assistance	23,566	-
Weatherization	7,671	-
Other programs	-	62,729
Total	<u>\$ 656,124</u>	<u>\$ 436,180</u>

At December 31, 2018 and 2017, net assets without donor restrictions consisted of the following:

	<u>2018</u>	<u>2017</u>
Undesignated	\$ 999,727	\$ 1,260,844
Board designated	<u>307,315</u>	<u>307,315</u>
Total net assets without donor restrictions	<u>\$ 1,307,042</u>	<u>\$ 1,568,159</u>

NOTE 11. LEASE COMMITMENTS

Facilities occupied by the Agency for its community service programs are rented under the terms of various leases. For the years ended December 31, 2018 and 2017, the annual lease/rent expense for the leased facilities was \$119,142 and \$155,065, respectively. Certain equipment is leased by the Agency under the terms of various leases.

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

<u>Year Ended</u> <u>December 31</u>	<u>Amount</u>
2019	\$ 111,847
2020	108,067
2021	19,633
2022	<u>15,698</u>
Total	<u>\$ 255,245</u>

NOTE 12. RETIREMENT PLAN

The Agency maintains a 403(b) Plan and Trust (the Plan) covering substantially all employees. Employee contributions to the Plan are made at predetermined rates elected by employees. Additionally, the Agency provides a matching contribution equal to 25% of the employee's contribution up to 5% of the employee's compensation. Effective April 1, 2016, the Agency instituted an auto enrollment feature mandating a minimum 1% employee contribution; however, employees reserve the right to decline the auto enrollment. Employer matching contributions for the years ended December 31, 2018 and 2017 totaled \$21,727 and \$25,570, respectively.

NOTE 13. CONCENTRATION OF RISK

A large percentage of the Agency's total revenue was received from two contractors, the Federal Government and the State of New Hampshire. It is always considered to be at least reasonably possible that either contractor could be lost in the near term; however, Management feels this risk is of no particular concern at this time.

NOTE 14. CONCENTRATION OF CREDIT RISK

The Agency maintains its cash balances at several financial institutions in New Hampshire. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Agency maintains an agreement with its primary financial institution to collateralize the balances in excess of \$250,000.

NOTE 15. CONTINGENCIES

The Agency receives grant funding from various sources. Under the terms of these agreements, the Agency is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Agency might be required to repay the funds. No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed as of December 31, 2018 and 2017.

NOTE 16. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date but arose after that date. Management has evaluated subsequent events through September 11, 2019, the date the December 31, 2018 financial statements were available for issuance.

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

See Figure 1a for details of expenditures of Federal Agency

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Community Action Partnership of Strafford County under programs of the federal government for the year ended December 31, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Community Action Partnership of Strafford County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3. INDIRECT COST RATE

Community Action Partnership of Strafford County has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4. FOOD DONATION

Nonmonetary assistance is reported in the Schedule at the fair value of the commodities received and disbursed.

NOTE 5. SUBRECIPIENTS

Community Action Partnership of Strafford County had no subrecipients for the year ended December 31, 2018.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE ELECTRICAL ASSISTANCE PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2018

Revenues	\$ 170,862
Expenditures	
Payroll	\$ 96,235
Payroll taxes	6,526
Fringe benefits	15,532
Weatherization material, fuel and client assistance	301
Consumable supplies	876
Indirect costs	24,021
Insurance	335
Equipment and computer	3,674
Occupancy	15,828
Consultants and contract labor	3,414
Repairs and maintenance	7
Travel	1,179
Meetings, events and training	2,725
Copying & postage	1,152
Retirement	485
PR service	958
	<u>\$ 173,248</u>

Note:

For the year ended December 31, 2018, the Electric Assistance Program, which is funded through the New Hampshire Public Utilities Commission with funds from the utility companies operating in the State of New Hampshire, was tested for compliance with the requirements of laws and regulations applicable to the contract with the Public Utilities Commission. In our opinion, Community Action Partnership of Strafford County complied, in all material respects, with the requirements outlined in the contract for the year ended December 31, 2018.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows, and the related notes to the financial statements, and have issued our report thereon dated September 11, 2019.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material

weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2018-001 and 2018-002 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action Partnership of Strafford County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Community Action Partnership of Strafford County's Response to Findings

Community Action Partnership of Strafford County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Community Action Partnership of Strafford County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Leone, McDonnell + Roberts
Professional Association

September 11, 2019
Wolfeboro, New Hampshire

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

We have audited Community Action Partnership of Strafford County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Action Partnership of Strafford County's major federal programs for the year ended December 31, 2018. Community Action Partnership of Strafford County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Community Action Partnership of Strafford County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Action Partnership of Strafford County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Action Partnership of Strafford County's compliance.

Opinion on Each Major Federal Program

In our opinion, Community Action Partnership of Strafford County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

Report on Internal Control Over Compliance

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

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

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

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

Leone, McDonald + Roberts
Professional Association

September 11, 2019
Wolfeboro, New Hampshire

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the financial statements of Community Action Partnership of Strafford County were prepared in accordance with GAAP.
2. Two significant deficiencies disclosed during the audit of the financial statements are reported in the *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Community Action Partnership of Strafford County, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Community Action Partnership of Strafford County expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this Schedule.
7. The programs tested as major were: U.S. Department of Health and Human Services, Low-Income Home Energy Assistance Program, CFDA 93.568, and Head Start, CFDA 93.600.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Community Action Partnership of Strafford County was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

2018-001 General Ledger Close and Adjusting Journal Entries

Condition: A significant quantity of adjusting journal entries were provided by the Organization during the audit. Significant adjusting entries related to the following areas: cash, accrued payroll, pledges receivable and property. The adjusting entries were provided by management, and in certain cases, identified by the auditor.

Criteria: Internal controls should be in place to ensure that the activity of the Organization is being recorded in a timely and accurate manner.

Cause: Controls are not in place to ensure all required month and year end journal entries are being recorded in a timely and accurate manner.

Effect: Financial information utilized by management in making decisions may not be timely or accurate.

Recommendation: Procedures should be implemented to ensure all required month and year end journal entries are being recorded in a timely and accurate manner.

Views of Responsible Officials and Planned Corrective Action: It is our sad duty to report that Doug Surina, Finance Director, passed away in April 2019. He had been ill for two years and was in the process of transitioning his responsibilities to the new Finance Director when he passed. He was an important part of our team and projects. As a result of the timing of his illness and passing, some of the journal entries and general ledger close processes were not conducted in a timely manner in 2018.

CAPSC has transitioned to a new Finance Director, has a full complement of staff in the Finance Department and has taken steps to strengthen month end and year end processes including, but not limited to, additional documentation of completion, backups recorded to 365 (our secure server), and review of entries to ensure timely and accurate journal entries.

2018-002 Monthly Reconciliations

Condition: Various statement of financial position accounts were not being reconciled to their subsidiary ledgers on a monthly basis.

Criteria: Internal controls should be in place to ensure that all statement of financial position accounts are reconciled on a monthly basis.

Cause: Internal controls are currently not in place to ensure monthly reconciliations are being completed on a consistent basis.

Effect: Financial information utilized by management in making decisions may not be timely or accurate.

Recommendation: Procedures should be implemented to ensure all monthly reconciliations are being performed.

Views of Responsible Officials and Planned Corrective Action: It is our sad duty to report that Doug Surina, Finance Director, passed away in April 2019. He had been ill for two years and was in the process of transitioning his responsibilities to the new Finance Director when he passed. He was an important part of our team and projects. As a result of the timing of his illness and passing, monthly reconciliations were not conducted in a timely manner in 2018.

CAPSC hired an outside bookkeeper on the recommendation of our auditor who, in conjunction with the Finance Department, brought the agency into compliance with reconciliations for 2019. Monthly reconciliations are on track and completed by the Finance Department as part of the monthly close out procedures. The auditor completed a visit with CAPSC to review reconciliation progress as well as the system put in place to continue timely reconciliations. The Finance Committee of the Board of Directors also receives updates at the finance meetings on the progress and any outstanding issues.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

None

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2018

A. FINDINGS – FINANCIAL STATEMENTS AUDIT

2017-001 General Ledger Close and Adjusting Journal Entries

Condition: A significant quantity of adjusting journal entries were provided by the Organization during the audit. Significant adjusting entries related to the following areas: cash, accrued payroll, pledges receivable, and pledge contributions. The adjusting entries were provided by management and in certain cases identified by the auditor.

Criteria: Internal controls should be in place to ensure that the activity of the Organization is being recorded in a timely and accurate manner.

Cause: Controls are not in place to ensure all required month and year end journal entries are being recorded in a timely and accurate manner.

Effect: Financial information utilized by management in making decisions may not be timely or accurate.

Recommendation: Procedures should be implemented to ensure all required month and year end journal entries are being recorded in a timely and accurate manner.

Current status: This finding was a repeat finding in 2018. See finding 2018-001 on pages 25-26.



2020 Board of Directors

Hope Morrow Flynn, Chair
Alan Brown, Vice Chair
Kristen Collins, Treasurer
Jean Miccolo, Secretary
Alison Dorow
Marci Theriault
Petros Lazos
Terry Jarvis
Thomas Levasseur
Jason Thomas
Becky Sherburne
Cindy Brown
Don Chick
Alli Morris
Maureen Staples

Lauren Jan Berman

Professional Experience

2015-Present

Program Director, Community Action Partnership of Strafford County, NH

- Manage programs, Outreach Services, Coordinated Entry, Emergency Solutions Grant(ESG) Homeless outreach, Weatherization
- Prepare and develop budgets
- Write grants for current and new programs
- Employ and manage staff, lead staff meetings, trained and supervised, participated in employee reviews and supported staff in all aspects of their jobs.

2010-2015

Welfare Officer, City of Somersworth, Somersworth, NH

- Administer the general assistance program in accordance with the written City of Somersworth Assistance Guidelines
- Adhere to the RSA:165
- Establish and maintain relationships with other agencies and organizations in the community to ensure that services are not duplicated.
- Work with applicants to ensure that all necessary information is submitted to determine the eligibility.
- Make referrals when necessary, i.e Homeless shelters, food pantries.
- Updated the current City Guidelines 2015
- Maintain records, notes and confidently.

2004-2010

Founder and Partner, Good Works Employment Services York County

- Co-founder and partner of Gook Work Employment Services (GWES), a locally-run company committed to assisting individuals in finding gainful employment, continuing their education and/or securing volunteer opportunities, housing, or other community supports per requests from referral sources. Clients referred to GWES by Bureau of Vocational Rehabilitation (VR), DHHS ASPIRE and Child Protective Services, school districts and private insurers.
- Prepared, balanced and oversaw budget and financial records
- Educated referrals in the area of job development, creating resumes, interviewing skills, career exploration and provide job coaching for successful employment outcomes.
- Maintained knowledge of local resources, made referrals for community supports, attended team meetings and Region 1 VR provider meetings.
- Completed requirements for 3-year certification to provide services via Bureau of Vocational Rehabilitation, (DOL)

Lauren Jan Berman

2003-04 Vocational Resource Specialist, Work Opportunities Unlimited, Saco, ME

- Assisted clients referred by the Bureau of Vocational Rehabilitation in job development, creating resumes, interviewing skills and job coaching for successful employment outcomes.
- Completed necessary daily paperwork, including progress notes and monthly and quarterly reports.
- Participated in management training programs.

2002-03 Physical Therapy Assistant, HealthSouth Corp., Boston, MA

- Provided physical therapy services to individuals with spinal cord injury, brain injury, cancer, stroke, and cardiac health-related issues.
- Co-led running exercise groups and personal exercise programs.

2001-02 Supervisor, Starbucks Coffee Corp, Brighton, MA

- Supervised employees and managed the store to ensure efficient customer service.
- Placed weekly orders with account vendors; balanced daily cash receipts and coordinated daily deployment duties.
- Trained new employees.

Lauren Jan Berman

Education & Professional Development

- 1995 B.S. Therapeutic Recreation Ithaca College Ithaca, NY
- 2013-2015 Board of Directions for Strafford County Community Action
- 2010 Ticket to Work Training and Support for Maine Employment Networks,
USM, Muskie School, Augusta, ME
- 2009 Domestic Violence Training, Community Counseling Center Portland, ME
- 2009 Building Relationships with Businesses Training, USM, Muskie School,
Lewiston, ME
- 2008 Positive Employment Practices for Vocational Rehabilitation Training, ICI
UMASS/Boston
- 2008 Certificate for Mentoring in a Job Development Training Program
UMASS/Boston
- 2008 Best Practices in Employment Services for People with Co-Occurring Mental
Illness and Substance Abuse Training, ICI, UMASS/Boston
- 2007 MaineCare Eligibility Workshop, Consumers for Affordable Health Care
Sanford, ME
- 2007 Neuro-Linguistic Programming Training, Univ. of Maine, Biddeford, ME
- 2007 ACRE Certificate, ICI, UMASS/Boston
- 2004 Certificate Effective Job Development, Institute on Disability, UNH
- 2004 Certificate Assistive Technology in the Workplace, Institute on Disability UNH
- 2004 Management Training Work Opportunities, Saco, ME

SARAH JONES

PROFESSIONAL SUMMARY

Trustworthy and compassionate human service professional. Dedicated, quick to learn and works well in stressful situations. 2 years of experience working with homeless individuals/families, individuals who have an SUD and/or individuals who have been diagnosed with a serious mental illness to help those clients meet their needs for survival, success and stability.

SKILLS

- Intakes and assessments
- Policies and procedures
- Team leadership
- Advocacy
- Valid NH HMIS License
- Training coordination
- Suicide prevention training
- Case Management

WORK HISTORY

Homeless Outreach Coordinator

Community Action Partnership of Strafford County – Dover, NH

06/2019 - Current

- Triage and refer clients who are referred through NH 211 system to shelter
- Utilize NH HMIS to document interactions with clients and coordinate care
- Protect client's Private Health Information through adherence to HIPPA and Part 42 laws
- Provide assertive street outreach to clients in their tents, cars and other public places
- Collaborate with other social service agencies such as, DCYF, BEAS & C4H to ensure positive health and social outcomes for clients
- Participate in community engagement strategies, such as speaking at churches, DARLA and other events aimed at public awareness and social policy regarding homelessness
- Utilize appropriate de-escalation strategies to communicate effectively with clients experiencing acute mental health and/or substance use related crises
- Advocate for clients who are experiencing housing crises at city welfare and in the shelter intake system
- Conduct and coordinate Housing and Urban Development's annual Point-In-Time Survey of homelessness across Stafford County

Volunteer Outreach Worker

Hand Up Health Services - Dover, NH

06/2018 – 11/2019

- Worked with leadership to define volunteer mission and set standards.
- Participated in organizational and strategic planning for 2019
- Oversaw training and mentoring of up to 4 new team members each quarter

- Met with participants to conduct assessments of their current situations and establish practical harm reduction strategies.
- Educated individuals and communities to utilize naloxone as an overdose reversal agent.
- Completed required documentation in a timely manner
- Displayed sensitivity to the cultural and linguistic needs of participants and communities served
- Served as the main point of contact for Monday, Tuesday and Wednesday night needle exchange

Production Worker

Savers - Portsmouth, NH

09/2013 - 04/2015

- Located and brought donated merchandise to appropriate areas in storefront
- Sorted donations according to standardized procedures
- Checked all donated garments for functionality and quality
- Determined quality and priced handbags.
- Organized and rotated stock from Men's clothing area in storefront daily

Canvasser

NextGen Climate - Dover

08/2014 - 11/2014

- Interacted with voters in the seacoast area to promote awareness of candidate's positions pertaining to climate change
- Fostered a positive work environment by consistently treating all employees and voters with respect and consideration
- Accurately logged all daily voter interactions

Care Provider

GSIL - Dover, NH

08/2011 - 11/2012

- Promoted the social, emotional and physical health of clients through diverse activities
- Completed all daily living tasks to enhance the quality of life of clients
- Adapted environments to meet changing physical needs of clients
- Kept clients safe by removing hazards and correcting problems
- Planned and cooked nutritious meals to meet specific dietary needs

EDUCATION

High School Diploma

Oyster River High School - Durham, NH

2009

Associate of Arts: Liberal Arts

Southern New Hampshire University - Hooksett, NH

2017

Bachelor of Arts: Human Services

Southern New Hampshire University - Hooksett, NH

Present

- Coursework in Addictions, Law & Ethics, Sociology and Psychology
- Concentration in Substance Abuse Counseling

AFFILIATIONS

Member of NHDACA

REFERENCES

Emily Edgerly, LADC – Hand Up Health Services [REDACTED]

Kerry Nolte, PhD – Hand Up Health Services [REDACTED]

Sharon Tarelton – Community Action Partnership of Strafford County [REDACTED]

Joyce Bisco – Personal Reference [REDACTED]

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Lauren Berman	Programs Director	\$66,000.00	0%	0%
Sarah Jones	Homeless Outreach Worker	\$45,032.00	62%	\$28,000.00



Jeffrey A. Meyers
Commissioner

Christine L. Santaniello
Director

JUN06'19 PM 2:27 DAS

HL mac

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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHNNH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHNNH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

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

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are **sole source** because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

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

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

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

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.

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.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jeffrey A. Meyers', written in a cursive style.

Jeffrey A. Meyers
Commissioner

Subject: Continuum of Care, Coordinated Entry Program, SS-2020-BHS-05-Coord-03

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 Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Community Action Partnership of Strafford County		1.4 Contractor Address 642 Central Avenue Dover, NH 03820 Mailing Address: P.O. Box 160, Dover, NH 03821-0160	
1.5 Contractor Phone Number (603)435-2500	1.6 Account Number 05-95-42-423010-7927 102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$38,524
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature <i>EA Andrew Parker</i>		1.12 Name and Title of Contractor Signatory <i>Betsy Andrews Parker, CEO</i>	
1.13 Acknowledgement: State of <i>NH</i> , County of <i>Strafford</i> On <i>May 23, 2019</i> , 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 <i>Kathleen Morrison</i> [Seal] <i>Kathleen Morrison, Notary</i> Notary or Justice of the Peace			
1.14 State Agency Signature <i>Christina Wulfsberg</i>		1.15 Name and Title of State Agency Signatory <i>Christine Santanietta, Director, DE-18</i>	
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: <i>Christina Wulfsberg</i> On: <i>June 4, 2019</i>			
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

Coordinated Entry Program

1. Provisions Applicable to All Services

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided 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
129 Pleasant Street
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may 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. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.7. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.
- 1.8. Failure to submit required reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by BHS.

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Exhibit A

2. Scope of Services

- 2.1. Based on the continued receipt/availability of federal funds from HUD Continuum of Care Program, the Contractor shall provide a Coordinated Entry program that shall serve approximately three-hundred (300) homeless individuals or individuals at imminent risk of homelessness.
- 2.2. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 2.3. The Contractor shall support the primary goal of this program which is to identify and engage unsheltered homeless persons and persons at imminent risk of homelessness, and to provide basic interventions such as food and referrals to services and to facilitate their movement to shelter, permanent housing and maximum self-sufficiency.
- 2.4. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations, or at imminent risk of homelessness. The Contractor must obtain and retain appropriate documentation.
- 2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.
- 2.6. The contractor shall participate in their regional Coordinated Entry process.

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/Grant 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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.
- 4.3. All contract records (originals or copies made by microfilming, photocopying, or other similar methods) shall be retained for a period of five (5) years or as required by state or federal law, following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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Exhibit A

5. Performance Measures

- 5.1. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and all terms and conditions, and amendments thereto, as detailed in the relevant fiscal year Notice of Funding Available (NOFA) CoC Project Application approved by HUD; and
 - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
 - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.



New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Coordinated Entry Program

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
 - 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0096L1T001803
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Coordinated Entry
 - 1.2.7. Total Amount Continuum of Care;
 - 1.2.7.1. not to exceed \$38,524
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Leasing Expenses: \$0.000
 - 1.2.8.2. Rental Assistance: \$0,000
 - 1.2.8.3. Operating Expenses: \$0,000
 - 1.2.8.4. Supportive Services: \$37,584
 - 1.2.8.5. Administrative Expenses: \$940
 - 1.2.8.6. Total program amount: \$38,524
- 1.3. The Contractor agrees to 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
129 Pleasant Street
Concord, NH 03301

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used 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/Grant completion date:

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

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).
- 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 are to be documented with each payment request.
 - 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
 - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
 - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
 - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
 - 3.3.3.4. 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, subject to the availability of sufficient funds.

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.
- 3.4.5. Schedule of Payments:
- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:
housingsupportsinvoices@dhhs.nh.gov
- 3.4.5.3. 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.
- 3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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 or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, and may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

5. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

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

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 5.3.2.4. 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;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. 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;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. 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;
- 5.3.2.10. 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 the 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;
- 5.3.2.11. 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;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. 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;
- 5.3.2.14. 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;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
- 5.3.2.19. 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.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. 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.
- 5.4.6. 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.
- 5.4.7. 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.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

5.4.9.1. 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.

5.4.9.2. 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.

5.4.9.3. 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.

5.4.9.4. 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.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

5.5.1.1. 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; and

5.5.1.2. 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:

5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.

5.5.1.2.1.1. 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:

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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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.

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5.6.1. Requirements:

- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. 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.

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- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

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

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SPECIAL PROVISIONS

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

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

Exhibit C – Special Provisions

Contractor Initials

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

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

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

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

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

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more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP 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 EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP 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

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- 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.

[Handwritten Signature]
Date 5/23/19



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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

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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 GRANTEEES OTHER THAN INDIVIDUALS

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

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

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

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

New Hampshire Department of Health and Human Services
Exhibit D



has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

5/23/19
Date

Vendor Name Community Action Partnership of
Strafford County
9A Andrews Park
Name: Betsey Andrews Parker
Title: CEO

Vendor Initials eat
Date 5/23/19



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-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Vendor Name: *Community Action Partnership of
Stratford County*

5/23/19
Date

EA Andrews Parker
Name: *Betsy Andrews Parker*
Title: *CEO*



**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

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5/23/19



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

5/23/19
Date

Vendor Name: Community Action Partnerships of
Strafford County
EA Andrew Parker
Name: Betsy Andrews Parker
Title: CEO

Vendor Initials: EAP
Date: 5/23/19



**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

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

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.

5/23/19
Date

Vendor Name: Community Action Partnership of
Stratford County
EA Andrew Parker
Name: Betsy Andrews Parker
Title: CEO

Exhibit G

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

Vendor Initials

EAP

Date

5/23/19



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: Community Action Partnership of
Strafford County

5/23/19
Date

Betsy Andrews Parker
Name: Betsy Andrews Parker
Title: CEO



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

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

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

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

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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

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5/23/19



Exhibit I

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

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

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Vendor Initials

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Date

5/23/19



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.

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Exhibit I

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

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

Department of Health and Human Services

The State

Christine Santannello

Signature of Authorized Representative

Christine Santannello

Name of Authorized Representative

Director, DEHS

Title of Authorized Representative

5/28/19

Date

Community Action Partnership of Strafford County

Name of the Vendor

EA Andrea Parker

Signature of Authorized Representative

Betsy Andrews Parker

Name of Authorized Representative

CEO

Title of Authorized Representative

5/23/19

Date

EAP

Date *5/23/19*



**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: Community Action Partnership of
Stratford County

5/23/19
Date

Betsy Andrews Parker
Name: Betsy Andrews Parker
Title: CEO

New Hampshire Department of Health and Human Services
Exhibit J



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

X NO _____ YES

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

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

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

_____ NO _____ YES

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

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

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

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

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

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

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

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

II. METHODS OF SECURE TRANSMISSION OF DATA

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

A. Retention

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

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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5/23/19

New Hampshire Department of Health and Human Services

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DHHS Information Security Requirements



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

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

V. LOSS REPORTING

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

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

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

New Hampshire Department of Health and Human Services

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DHHS Information Security Requirements



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

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

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov



**New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program**

**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Continuum of Care, Coordinated Entry Program**

This 1st Amendment to the Continuum of Care, Coordinated Entry Program contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Community Action Program Belknap and Merrimack Counties, Inc., (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 2 Industrial Park Drive, P.O. Box 1016, Concord, NH, 03302.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2021.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$173,444.
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2, Paragraph 1.2.4. to read:
1.2.4. Grant Numbers:
1.2.4.1. NH0096L1T001803 (Grant Year 1)
1.2.4.2. NH0096L1T001904 (Grant Year 2)
4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2., Paragraph 1.2.7., Subparagraph 1.2.7.1. to read:
1.2.7.1 Not to exceed \$173,444
5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2., Paragraph 1.2.8., to read:
1.2.8. Funds allocation under this agreement for Continuum of Care Program;

		<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1.	Leasing Expenses	\$1,272	\$1,272
1.2.8.2.	Supportive Services	\$83,335	\$83,335
1.2.8.3.	Administrative Expenses	\$2,115	\$2,115
1.2.8.4.	Total Program Amount	\$86,722	\$86,722

[Signature]
4/1/20

**New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program**

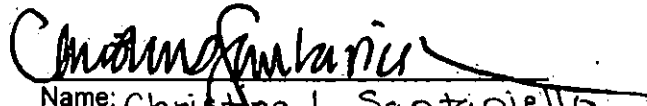


All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

4/8/20
Date


Name: Christine L. Santaniello
Title: Director DEHS

Community Action Program Belknap and Merrimack
Counties, Inc.

4/1/2020
Date


Name: Michael Tabory
Title: Deputy Director

**New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program**



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

OFFICE OF THE ATTORNEY GENERAL

4/16/20
Date

[Signature]
Name:
Title:

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

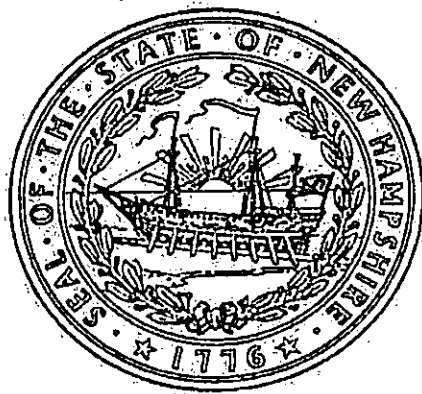
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that COMMUNITY ACTION PROGRAM BELKNAP AND MERRIMACK COUNTIES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 28, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 63021

Certificate Number: 0004877148



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April A.D. 2020.

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

William M. Gardner
Secretary of State

Community Action Program Belknap-Merrimack Counties, Inc.

CERTIFICATE OF VOTE

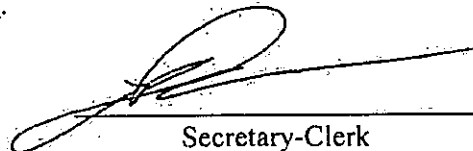
I, Robert Krieger, Secretary-Clerk of Community Action Program Belknap-Merrimack Counties, Inc. (hereinafter the "Corporation"), a New Hampshire corporation, hereby certify that: (1) I am the duly elected and acting Secretary-Clerk of the Corporation; (2) I maintain and have custody and am familiar with the minute books of the Corporation; (3) I am duly authorized to issue certificates with respect to the contents of such books; (4) that the Board of Directors of the Corporation have authorized, on 03/12/2020, such authority to be in force and effect until 6/30/2021
(contract termination date)
(see attached)

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

Jeanne Agri, Executive Director
Michael Tabory, Deputy Director
Steven E. Gregoire, Budget Analyst
Dennis Martino, President, Board of Directors

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

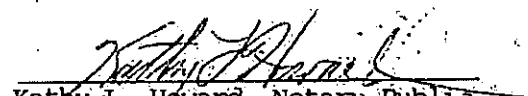
IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the corporation this 1st day of April, 2020.


Secretary-Clerk

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

On this 1st day of April, 2020, before me, Kathy L. Howard the undersigned Officer, personally appeared Robert Krieger who acknowledged himself to be the Secretary-Clerk of Community Action Program Belknap-Merrimack Counties, Inc., a corporation and that she/he as such Secretary-Clerk being authorized to do so, executed the foregoing instrument for the purposes therein contained.

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


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

Commission Expiration Date:

KATHY L. HOWARD Notary Public, NH
My Commission Expires October 17, 2023

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

CORPORATE RESOLUTION

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

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

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

This Resolution was approved by the Board of Directors of Community Action Program Belknap-Merrimack Counties, Inc. on March 12, 2020, and has not been amended or revoked and remains in effect as of the date listed below.

4/1/2020

Date


Robert Krieger
Secretary/Clerk

SEAL



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

04/01/2020

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

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

PRODUCER FIAI/Cross Insurance 1100 Elm Street Manchester NH 03101	CONTACT NAME: Karen Shaughnessy PHONE (A/C, No, Ext): (603) 669-3218 FAX (A/C, No): (603) 645-4331 E-MAIL ADDRESS: kshaughnessy@crossagency.com												
INSURED Community Action Programs Belknap-Merrimack Counties Inc. P. O. Box 1018 Concord NH 03302	INSURER(S) AFFORDING COVERAGE <table border="1"><tr><td>INSURER A: Philadelphia Ins Co</td><td>NAIC #</td></tr><tr><td>INSURER B: Granite State Health Care and Human Services Self-</td><td></td></tr><tr><td>INSURER C: Federal Ins Co</td><td>20281</td></tr><tr><td>INSURER D:</td><td></td></tr><tr><td>INSURER E:</td><td></td></tr><tr><td>INSURER F:</td><td></td></tr></table>	INSURER A: Philadelphia Ins Co	NAIC #	INSURER B: Granite State Health Care and Human Services Self-		INSURER C: Federal Ins Co	20281	INSURER D:		INSURER E:		INSURER F:	
INSURER A: Philadelphia Ins Co	NAIC #												
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INSURER C: Federal Ins Co	20281												
INSURER D:													
INSURER E:													
INSURER F:													

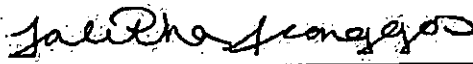
COVERAGES**CERTIFICATE NUMBER:** 19-20 All Lines**REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS														
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER		PHPK2041343	10/01/2019	10/01/2020	<table border="1"><tr><td>EACH OCCURRENCE</td><td>\$ 1,000,000</td></tr><tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td>\$ 100,000</td></tr><tr><td>MED EXP (Any one person)</td><td>\$ 5,000</td></tr><tr><td>PERSONAL & ADV INJURY</td><td>\$ 1,000,000</td></tr><tr><td>GENERAL AGGREGATE</td><td>\$ 3,000,000</td></tr><tr><td>PRODUCTS - COMPROP AGG</td><td>\$ 3,000,000</td></tr><tr><td></td><td>\$</td></tr></table>	EACH OCCURRENCE	\$ 1,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000	MED EXP (Any one person)	\$ 5,000	PERSONAL & ADV INJURY	\$ 1,000,000	GENERAL AGGREGATE	\$ 3,000,000	PRODUCTS - COMPROP AGG	\$ 3,000,000		\$
EACH OCCURRENCE	\$ 1,000,000																			
DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000																			
MED EXP (Any one person)	\$ 5,000																			
PERSONAL & ADV INJURY	\$ 1,000,000																			
GENERAL AGGREGATE	\$ 3,000,000																			
PRODUCTS - COMPROP AGG	\$ 3,000,000																			
	\$																			
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY		PHPK2041342	10/01/2019	10/01/2020	<table border="1"><tr><td>COMBINED SINGLE LIMIT (Ea accident)</td><td>\$ 1,000,000</td></tr><tr><td>BODILY INJURY (Per person)</td><td>\$</td></tr><tr><td>BODILY INJURY (Per accident)</td><td>\$</td></tr><tr><td>PROPERTY DAMAGE (Per accident)</td><td>\$</td></tr><tr><td>Uninsured motorist</td><td>\$ 1,000,000</td></tr></table>	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000	BODILY INJURY (Per person)	\$	BODILY INJURY (Per accident)	\$	PROPERTY DAMAGE (Per accident)	\$	Uninsured motorist	\$ 1,000,000				
COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000																			
BODILY INJURY (Per person)	\$																			
BODILY INJURY (Per accident)	\$																			
PROPERTY DAMAGE (Per accident)	\$																			
Uninsured motorist	\$ 1,000,000																			
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000		PHUB894682	10/01/2019	10/01/2020	<table border="1"><tr><td>EACH OCCURRENCE</td><td>\$ 5,000,000</td></tr><tr><td>AGGREGATE</td><td>\$ 5,000,000</td></tr><tr><td></td><td>\$</td></tr></table>	EACH OCCURRENCE	\$ 5,000,000	AGGREGATE	\$ 5,000,000		\$								
EACH OCCURRENCE	\$ 5,000,000																			
AGGREGATE	\$ 5,000,000																			
	\$																			
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input checked="" type="checkbox"/> N N/A		HCHS202000000185 (3a.) NH	02/01/2020	02/01/2021	<table border="1"><tr><td><input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER</td><td></td></tr><tr><td>E.L. EACH ACCIDENT</td><td>\$ 1,000,000</td></tr><tr><td>E.L. DISEASE - EA EMPLOYEE</td><td>\$ 1,000,000</td></tr><tr><td>E.L. DISEASE - POLICY LIMIT</td><td>\$ 1,000,000</td></tr></table>	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER		E.L. EACH ACCIDENT	\$ 1,000,000	E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000	E.L. DISEASE - POLICY LIMIT	\$ 1,000,000						
<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER																				
E.L. EACH ACCIDENT	\$ 1,000,000																			
E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000																			
E.L. DISEASE - POLICY LIMIT	\$ 1,000,000																			
C	Directors & Officers Liability		82471794	04/01/2020	04/01/2021	<table border="1"><tr><td>Limit</td><td>\$1,000,000</td></tr><tr><td>Deductible</td><td>\$5,000</td></tr></table>	Limit	\$1,000,000	Deductible	\$5,000										
Limit	\$1,000,000																			
Deductible	\$5,000																			

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

CERTIFICATE HOLDER**CANCELLATION**

State of New Hampshire; Department of Health & Human Services 129 Pleasant Street Concord NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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**COMMUNITY ACTION PROGRAM
BELKNAP-MERRIMACK COUNTIES, INC.**

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

ALTON		CONCORD		EPSOM		LACONIA		NEWBURY		SUNCOOK	
Senior Center	875-7102	Area Center	225-6880	Meadow Brook Housing	736-8250	Area Center	524-5512	Newbury Commons		Area Center	485-7824
Prospect View Housing	875-3111	Head Start	224-6492			Head Start	528-5324	Housing	763-0360	Senior Center	485-4254
		Early Head Start	224-6492			Early Head Start	528-5324				
BELMONT				FRANKLIN				PEMBROKE		TILTON	
Heritage Terr. Housing	267-8801	Concord Area		Area Center	934-3444	Senior Center	524-7689	Village at Pembroke Farm		Senior Center	527-8291
		Meads on Wheel	225-9092	Head Start	934-2161	Family Planning	524-5453	Housing	485-1842		
		Concord Area Transit	225-1989	Early Head Start	934-2161	Workplace Success	524-4367				
		Horseshoe Pond Place	228-6956	Senior Center	934-4151					WARNER	
		WJC/SFP	225-2050	Riveride Housing	934-3340					Area Center	456-2207
		Workplace Success	224-2305			MEREDITH		PITTSFIELD		Head Start	456-2208
Senior Center	938-2104					Area Center	279-4096	Senior Center	435-8482	North Ridge Housing	456-3398
								Head Start	435-6618		
								Early Head Start	435-6611		

Financial Statements

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

**FINANCIAL STATEMENTS
FOR THE YEARS ENDED FEBRUARY 28, 2019 AND 2018
AND
INDEPENDENT AUDITORS' REPORTS**

COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.

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FINANCIAL STATEMENTS

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

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Community Action Program Belknap-Merrimack Counties, Inc. (a nonprofit organization), which comprise the statements of financial position as of February 28, 2019 and 2018, and the related statements of activities, functional expenses and cash flows, and notes to the financial statements for the years then ended.

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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Action Program Belknap-Merrimack Counties, Inc. as of February 28, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2020, on our consideration of Community Action Program Belknap-Merrimack Counties, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Program Belknap-Merrimack Counties, Inc.'s internal control over financial reporting and compliance.

Leone McDonnell & Roberts
Professional Association

Concord, New Hampshire
January 16, 2020

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

STATEMENTS OF FINANCIAL POSITION
FEBRUARY 28, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 1,411,762	\$ 1,751,685
Accounts receivable	2,321,041	2,993,405
Inventory	22,800	26,567
Prepaid expenses	52,632	88,287
Investments	<u>102,522</u>	<u>98,753</u>
Total current assets	<u>3,910,757</u>	<u>4,958,697</u>
PROPERTY		
Land, buildings and improvements	4,749,673	4,634,220
Equipment, furniture and vehicles	<u>5,979,320</u>	<u>6,227,722</u>
Total property	10,728,993	10,861,942
Less accumulated depreciation	<u>6,330,580</u>	<u>6,936,808</u>
Property, net	<u>4,398,413</u>	<u>3,925,134</u>
OTHER ASSETS		
Due from related party	<u>139,441</u>	<u>139,441</u>
Total other assets	<u>139,441</u>	<u>139,441</u>
TOTAL ASSETS	<u>\$ 8,448,611</u>	<u>\$ 9,023,272</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Current portion of notes payable	\$ 183,269	\$ 172,745
Accounts payable	1,069,165	1,443,697
Accrued expenses	1,066,748	1,056,676
Refundable advances	<u>998,332</u>	<u>1,187,333</u>
Total current liabilities	3,317,514	3,860,451
LONG TERM LIABILITIES		
Notes payable, less current portion shown above	<u>781,385</u>	<u>962,781</u>
Total liabilities	<u>4,098,899</u>	<u>4,823,232</u>
NET ASSETS		
Without Donor Restrictions	3,842,297	3,497,187
With Donor Restrictions	<u>507,415</u>	<u>702,853</u>
Total net assets	<u>4,349,712</u>	<u>4,200,040</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 8,448,611</u>	<u>\$ 9,023,272</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED FEBRUARY 28, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Total</u>
REVENUES AND OTHER SUPPORT			
Grant awards	\$ 19,205,554	\$ -	\$ 19,205,554
Other funds	4,706,408	169,246	4,875,654
In-kind	829,464	-	829,464
United Way	<u>18,227</u>	<u>-</u>	<u>18,227</u>
Total revenues and other support	24,759,653	169,246	24,928,899
NET ASSETS RELEASED FROM RESTRICTIONS	<u>364,684</u>	<u>(364,684)</u>	<u>-</u>
Total	<u>25,124,337</u>	<u>(195,438)</u>	<u>24,928,899</u>
EXPENSES			
Salaries and wages	8,905,642	-	8,905,642
Payroll taxes and benefits	2,428,774	-	2,428,774
Travel	324,491	-	324,491
Occupancy	1,310,477	-	1,310,477
Program services	8,941,429	-	8,941,429
Other costs	1,707,999	-	1,707,999
Depreciation	330,491	-	330,491
In-kind	<u>829,924</u>	<u>-</u>	<u>829,924</u>
Total expenses	<u>24,779,227</u>	<u>-</u>	<u>24,779,227</u>
CHANGE IN NET ASSETS	345,110	(195,438)	149,672
NET ASSETS, BEGINNING OF YEAR	<u>3,497,187</u>	<u>702,853</u>	<u>4,200,040</u>
NET ASSETS, END OF YEAR	<u>\$ 3,842,297</u>	<u>\$ 507,415</u>	<u>\$ 4,349,712</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED FEBRUARY 28, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2018 Total</u>
REVENUES AND OTHER SUPPORT			
Grant awards	\$ 17,935,847	\$ -	\$ 17,935,847
Other funds	1,538,501	2,870,131	4,408,632
In-kind	1,147,978	-	1,147,978
United Way	<u>30,517</u>	<u>-</u>	<u>30,517</u>
Total revenues and other support	20,652,843	2,870,131	23,522,974
NET ASSETS RELEASED FROM RESTRICTIONS	<u>2,811,389</u>	<u>(2,811,389)</u>	<u>-</u>
Total	<u>23,464,232</u>	<u>58,742</u>	<u>23,522,974</u>
EXPENSES			
Salaries and wages	8,295,198	-	8,295,198
Payroll taxes and benefits	2,054,965	-	2,054,965
Travel	281,239	-	281,239
Occupancy	1,222,773	-	1,222,773
Program services	7,979,371	-	7,979,371
Other costs	1,636,269	-	1,636,269
Depreciation	236,706	-	236,706
In-kind	<u>1,147,978</u>	<u>-</u>	<u>1,147,978</u>
Total expenses	<u>22,854,499</u>	<u>-</u>	<u>22,854,499</u>
CHANGE IN NET ASSETS	609,733	58,742	668,475
NET ASSETS, BEGINNING OF YEAR	<u>2,887,454</u>	<u>644,111</u>	<u>3,531,565</u>
NET ASSETS, END OF YEAR	<u>\$ 3,497,187</u>	<u>\$ 702,853</u>	<u>\$ 4,200,040</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED FEBRUARY 28, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 149,672	\$ 668,475
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	330,491	236,706
Decrease (increase) in current assets:		
Accounts receivable	672,364	(831,433)
Inventory	3,767	(5,037)
Prepaid expenses	35,655	6,028
Decrease (increase) in current liabilities:		
Accounts payable	(374,532)	595,990
Accrued expenses	10,072	37,250
Refundable advances	<u>(189,001)</u>	<u>28,002</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>638,488</u>	<u>735,981</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property	(803,770)	(523,729)
Investment in partnership	<u>(3,769)</u>	<u>(13,528)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(807,539)</u>	<u>(537,257)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term debt	<u>(170,872)</u>	<u>(179,383)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(170,872)</u>	<u>(179,383)</u>
NET (DECREASE) INCREASE IN CASH	(339,923)	19,341
CASH BALANCE, BEGINNING OF YEAR	<u>1,751,685</u>	<u>1,732,344</u>
CASH BALANCE, END OF YEAR	<u>\$ 1,411,762</u>	<u>\$ 1,751,685</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u>\$ 63,133</u>	<u>\$ 73,582</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED FEBRUARY 28, 2019

	<u>Program</u>	<u>Management</u>	<u>Total</u>
Salaries and wages	\$ 8,682,073	\$ 223,569	\$ 8,905,642
Payroll taxes and benefits	2,320,432	108,342	2,428,774
Travel	323,333	1,158	324,491
Occupancy	1,293,439	17,038	1,310,477
Program Services	8,941,429	-	8,941,429
Other costs:			
Accounting fees		57,892	57,892
Legal fees	19,554	3,520	23,074
Supplies	284,548	-	284,548
Postage and shipping	53,134	-	53,134
Equipment rental and maintenance	2,208	-	2,208
Printing and publications	45,786	3,732	49,518
Conferences, conventions and meetings	22,840	27,848	50,688
Interest	46,478	16,655	63,133
Insurance	143,136	6,760	149,896
Membership fees	9,891	9,093	18,984
Utility and maintenance	214,214	-	214,214
Computer services	37,562	1,304	38,866
Other	701,232	612	701,844
Depreciation	330,491	-	330,491
In-kind	829,924	-	829,924
Total functional expenses	\$ 24,301,704	\$ 477,523	\$ 24,779,227

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED FEBRUARY 28, 2018

	<u>Program</u>	<u>Management</u>	<u>Total</u>
Salaries and wages	\$ 8,026,291	\$ 268,907	\$ 8,295,198
Payroll taxes and benefits	1,948,839	106,126	2,054,965
Travel	279,829	1,410	281,239
Occupancy	1,107,004	115,769	1,222,773
Program Services	7,979,371	-	7,979,371
Other costs:			
Accounting fees	24,915	27,549	52,464
Legal fees	5,137	-	5,137
Supplies	236,553	26,718	263,271
Postage and shipping	49,153	1,052	50,205
Equipment rental and maintenance	1,680	-	1,680
Printing and publications	3,643	27,649	31,292
Conferences, conventions and meetings	13,730	9,544	23,274
Interest	68,274	5,308	73,582
Insurance	123,457	35,257	158,714
Membership fees	19,045	8,668	27,713
Utility and maintenance	185,882	64,390	250,272
Computer services	21,517	17,179	38,696
Other	645,081	14,888	659,969
Depreciation	231,959	4,747	236,706
in-kind	<u>1,147,978</u>	<u>-</u>	<u>1,147,978</u>
Total functional expenses	<u>\$ 22,119,338</u>	<u>\$ 735,161</u>	<u>\$ 22,854,499</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED FEBRUARY 28, 2019 AND 2018**

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

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

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United State of America.

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 Organization has presented these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles, which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions include net assets that are not subject to any donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.

Net assets with donor restrictions include 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 Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When restrictions expire, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. The Organization had net assets with donor restrictions of \$507,415 and \$702,853 at February 28, 2019 and 2018, respectively. See **Note 13**.

Income Taxes

The Organization is organized as a nonprofit corporation and is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Internal Revenue Service has determined them to be other than a private foundation.

The Organization files information returns in the United States and the State of New Hampshire. The Organization is no longer subject to examinations by tax authorities for years before 2015.

Accounting Standard Codification No. 740 (ASC 740), *Accounting for Income Taxes*, established the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. The Organization has analyzed its tax position taken on its information returns for the years (2016 through 2019), and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

Property

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

Buildings and improvements	40 years
Equipment, furniture and vehicles	3 - 7 years

Use of Estimates

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

Cash and Cash Equivalents

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

Contributed Services

Donated services are recognized as contributions in accordance with FASB ASC No. 958, *Accounting for Contributions Received and Contributions Made*, if the services (a)

create or enhance non-financial assets or (b) require specialized skills, and would otherwise be purchased by the Agency.

Volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC No. 958 were not met.

In-Kind Donations / Noncash Transactions

Donated facilities, services and supplies are reflected as revenue and expense in the accompanying financial statements, if the criteria for recognition is met. This represents the estimated fair value for the service, supplies and space that the Organization might incur under normal operating activities. The Organization received \$829,924 and \$1,147,978 in donated facilities, services and supplies for the years ended February 28, 2019 and 2018, respectively, as follows:

The Organization receives contributed professional services that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these services was determined to be \$35,519 and \$292,141 for the years ended February 28, 2019 and 2018, respectively.

The Organization also receives contributed food commodities and other goods that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these food commodities and goods was determined to be \$793,945 and \$846,237 for the years ended February 28, 2019 and 2018, respectively.

The Agency pays below-market rent for the use of certain facilities. In accordance with generally accepted accounting principles, the difference between amounts paid for the use of the facilities and the fair market value of the rental space has been recorded as an in-kind donation and as an in-kind expense in the accompanying financial statements. The estimated fair value of the donation was determined to be \$9,600 for the year ended February 28, 2018. There was no donation for the year ended February 28, 2019.

Advertising

The Organization expenses advertising costs as they are incurred. Total advertising costs for the years ended February 28, 2019 and 2018 totaled \$54,461 and \$32,655, respectively.

Inventory

Inventory consists of weatherization supplies and work in process and is valued at the lower of cost or net realizable value, using the first-in, first-out method.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been presented in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Expenses are charged to each program based on the direct expenses incurred or estimated usage based on time spent on each program by staff.

<u>Expense</u>	<u>Method of allocation</u>
Wages and benefits	Time and effort
Depreciation	Actual assets used by program
All other expenses	Direct assignment

2. **LIQUIDITY AND AVAILABILITY**

The following represents the Organization's financial assets as of February 28, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Financial assets at year end:		
Cash and cash equivalents, undesignated	\$ 1,411,762	\$ 1,751,685
Accounts receivable	2,321,041	2,993,405
Investments	102,522	98,753
Line of credit available	<u>200,000</u>	<u>200,000</u>
Total financial assets	<u>4,035,325</u>	<u>5,043,843</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	507,415	702,853
Less net assets with time restrictions to be met in less than a year	<u> </u>	<u> </u>
Amounts not available within one year	<u>507,415</u>	<u>702,853</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 3,527,910</u>	<u>\$ 4,340,990</u>

It is the Organization's goal to maintain financial assets to meet 60 days of operating expenses which approximates \$3,880,000 and \$3,530,000 respectively, at February 28, 2019 and 2018.

3. **ACCOUNTS RECEIVABLE**

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at February 28, 2019 and 2018. The Organization has no policy for charging interest on overdue accounts.

4. **REFUNDABLE ADVANCES**

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or incurred. Funds received in advance of grantor conditions being met aggregated \$998,332 and \$1,187,333 as of February 28, 2019 and 2018, respectively.

5. **RETIREMENT PLAN**

The Organization has a qualified contributory pension plan which covers substantially all employees. The cost of the plan is charged to programs administered by the Organization. The expense of the plan for the year ended February 28, 2019 and 2018 totaled \$184,961 and \$202,725, respectively.

6. **LEASED FACILITIES**

Facilities occupied by the Organization for its community service programs are leased under various operating leases. The lease terms range from month to month to twenty years. For the year ended February 28, 2019 and 2018, the annual lease expense for the leased facilities was \$480,258 and \$479,964, respectively.

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

<u>Year Ended</u> <u>February 28</u>	<u>Amount</u>
2020	\$ 468,715
2021	368,835
2022	104,206
2023	103,206
2024	103,206
Thereafter	<u>972,603</u>
Total	<u>\$ 2,120,771</u>

7. **ACCRUED EARNED TIME**

The Organization has accrued a liability for future annual leave time that its employees have earned and vested with the employees in the amount of \$377,163 and \$369,827 at February 28, 2019 and 2018, respectively.

8. **BANK LINE OF CREDIT**

The Organization has a \$200,000 revolving line of credit agreement (the line) with a bank that is due on demand. The line calls for monthly variable interest payments based on the Wall Street Journal Prime Rate (5.50% and 4.50% at February 28, 2019 and 2018, respectively) plus 1%, but not less than 6% per annum. The line is secured by all the Organization's assets. There was no outstanding balance on the line at February 28, 2019 and 2018.

9. **LONG TERM DEBT**

Long term debt consisted of the following as of February 28, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
5.75% note payable to a financial institution in monthly installments for principal and interest of \$13,912 through July 2023. The note is secured by property of the Organization for Lakes Region Family Center.	\$ 649,372	\$ 773,551

3.00% note payable to the City of Concord for leasehold improvements in monthly installments for principal and interest of \$747 through May 2027. The note is secured by property of the Organization for the agency administrative building renovations.

64,943 71,843

7.00% note payable to a bank in monthly installments for principal and interest of \$4,842 through May 2023. The note is secured by a first real estate mortgage and assignment of rents and leases on property located in Concord, New Hampshire for Early Head Start.

250,339 290,132

Total
Less amounts due within one year

964,654 1,135,526
183,269 172,745

Long term portion

\$ 781,385 \$ 962,781

The scheduled maturities of long-term debt as of February 28, 2019 were as follows:

Year Ending
February 28

Amount

2020	\$ 183,269
2021	194,445
2022	206,317
2023	218,926
2024	133,205
Thereafter	28,492
	<u>\$ 964,654</u>

10. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of February 28, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Land	\$ 168,676	\$ 168,676
Building and improvements	4,580,996	4,465,544
Equipment and vehicles	<u>5,979,321</u>	<u>6,227,722</u>
	10,728,993	10,861,942
Less accumulated depreciation	<u>6,330,580</u>	<u>6,936,808</u>
Property and equipment, net	<u>\$ 4,398,413</u>	<u>\$ 3,925,134</u>

Depreciation expense for the years ended February 28, 2019 and 2018 was \$330,491 and \$236,706, respectively.

11. **CONTINGENCIES**

The Organization receives grant funding from various sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Organization might be required to repay the funds. No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed as of February 28, 2019.

During the year ended February 28, 2018, the Corporation for National and Community Service (CNCS) conducted a monitoring of its program and found that the Organization was not in full compliance with the program requirements. As a result, CNCS disallowed \$37,000 of grant expenditures. The Organization returned the funds in full during April 2018.

12. **CONCENTRATION OF RISK**

For the years ended February 28, 2019 and 2018, approximately \$12,000,000 (48%) and \$11,000,000 (47%), respectively, of the Organization's total revenue was received from the Department of Health and Human Services. The future scale and nature of the Organization is dependent upon continued support from this department.

13. **NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following specific program services as of February 28, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
NH Food Pantry Coalition	\$ 663	\$ 663
Senior Center	137,743	127,746
Elder Services	200,912	390,089
NH Rotary Food Challenge	5,068	5,068
Common Pantry	5,534	5,912
Caring Fund	11,811	14,272
Agency – FAP	6,342	14,746
Agency Head Start	137,967	140,979
Other Programs	<u>1,375</u>	<u>3,378</u>
Total net assets with donor restrictions	<u>\$ 507,415</u>	<u>\$ 702,853</u>

14. **RELATED PARTY TRANSACTIONS**

The Organization is related to the following corporation as a result of common management:

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

There was \$139,441 due from CAPBMC Development Corporation at both February 28, 2019 and 2018.

The Organization serves as the management agent for the following organizations:

<u>Related Party</u>	<u>Function</u>
Belmont Elderly Housing, Inc.	HUD Property
Epsom Elderly Housing, Inc.	HUD Property
Alton Housing for the Elderly, Inc.	HUD Property
Pembroke Housing for the Elderly, Inc.	HUD Property
Newbury Elderly Housing, Inc.	HUD Property
Kearsarge Elderly Housing, Inc.	HUD Property
Riverside Housing Corporation	HUD Property
Sandy Ledge Limited Partnership	Low Income Housing Tax Credit Property
Twin Rivers Community Corporation	Property Development
Ozanam Place, Inc.	Transitional Supportive Services
TRCC Housing Limited Partnership I	Low Income Housing Tax Credit Property

The services performed by the Organization included, marketing, accounting, tenant selection (for the HUD properties), HUD compliance (for the HUD properties), and maintenance of property.

The total amount due from the related parties (collectively) at February 28, 2019 and 2018 was \$185,937 and \$114,032, respectively and is included in accounts receivables.

15. **RECLASSIFICATION**

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

16. **FAIR VALUE OF FINANCIAL INSTRUMENTS**

Community Action Program Belknap-Merrimack Counties, Inc. has also invested money relating to its Fix-it program in certain mutual funds. The fair value of the mutual funds totaled \$101,522 and \$97,753 at February 28, 2019 and 2018, respectively.

ASC Topic No. 825-10, Financial Instruments, provides a definition of fair value which focuses on an exit price rather than an entry price, establishes a framework in generally accepted accounting principles for measuring fair value which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with FASB ASC 820, the Organization may use valuation techniques consistent with market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, FASB ASC 820 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

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

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

At February 28, 2019 and 2018, the Organization's investments were classified as Level 1 and were based on fair value.

Fair Value Measurements using Significant Observable Inputs (Level 1)

	<u>2019</u>	<u>2018</u>
Beginning balance – mutual funds	\$ 97,753	\$ 84,225
Total gains (losses) – mutual funds	3,769	9,528
Purchases	<u>-</u>	<u>4,000</u>
Ending balance – mutual funds	<u>\$ 101,522</u>	<u>\$ 97,753</u>

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

The Organization also has \$1,000 invested in a Partnership, The Lakes Region Partnership for Public Health, at February 28, 2019 and 2018.

17. FISCAL AGENT

Community Action Program Belknap-Merrimack Counties, Inc. acts as the fiscal agent for the following community organizations: Franklin Community Services Building (Franklin), the Common Pantry (Laconia), the Caring Fund (Meredith), the NH Food Pantry Coalition, the NH Rotary Food Challenge and FGP/SCP Association Region 1. The Agency provides the management and oversight of the revenues received (donations) and the expenses (utilities, food and emergency services).

18. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before the financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Non-recognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through January 16, 2020, the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

(See Independent Auditors' Report)

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED FEBRUARY 28, 2012**

<u>FEDERAL GRANTOR/ PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>PASS THROUGH NAME</u>	<u>IDENTIFYING NUMBER</u>	<u>FEDERAL EXPENDITURES</u>	<u>PASSED THROUGH TO SUB-RECIPIENTS</u>
<u>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>					
Head Start	93.000		01CH2052-04-01/01CH2052-05-01	\$ 4,242,642	
Low Income Home Energy Assistance Program	93.568	State of New Hampshire	G-17/1881NHLEIA	4,378,859	
Low Income Home Energy Assistance Program-WX	93.568	State of New Hampshire	G-17/1881NHLEIA	255,523	
Low Income Home Energy Assistance Program-HRRP	93.568	State of New Hampshire	G-17/1881NHLEIA	171,400	
			TOTAL	4,805,582	
Community Services Block Grant	93.569	State of New Hampshire	G-1881NHCO5R	405,924	
Social Services Block Grant-Home Delivered & Congregate	93.667	State of New Hampshire	05-95-48-481010-9255	314,788	
Social Services Block Grant-Service Link	93.667	State of New Hampshire	545-500387	18,497	
			TOTAL	333,285	
<u>TANF CLUSTER</u>					
Temporary Assistance for Needy Families-Family Planning	93.558	State of New Hampshire	05-95-45-450010-8146	2,821	
Temporary Assistance for Needy Families-Workplace Success	93.558	Southern New Hampshire Services	05-95-45-450010-81270000	245,825	
			CLUSTER TOTAL	248,646	
<u>AGING CLUSTER</u>					
Title III, Part B-Senior Transportation	93.044	State of New Hampshire	05-95-48-481010-7872	187,813	
Title III, Part B-SEAS	93.044	State of New Hampshire	G-17/1881NHLEIA	10,004	
Title III, Part C-Congregate Meals	93.045	State of New Hampshire	05-95-48-481010-7872	133,828	
Title III, Part C-Home Delivered	93.045	State of New Hampshire	05-95-48-481010-7872	290,410	
NSIP	93.053	State of New Hampshire	1056477	397,522	
			CLUSTER TOTAL	1,019,378	
<u>CHILD CARE AND DEVELOPMENT FUND CLUSTER</u>					
Child Care & Development Block Grant	93.575	State of New Hampshire		514,188	
Child Care Mandatory & Matching Funds of the CCDF	93.596	State of New Hampshire		44,808	
			CLUSTER TOTAL	558,974	
<u>MEDICAID CLUSTER</u>					
Medical Assistance Program	93.778	State of New Hampshire	102-500731	92,382	
Family Planning - Services	93.217	State of New Hampshire	05-95-90-902010-5530	84,386	
HIV Preventative Activities - Health Dept. Based-Family Planning	93.940	State of New Hampshire	U627PS003655	8,518	
<u>MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING CLUSTER</u>					
ACA - Maternal, Infant, & Early Childhood Home Visiting Program	93.505	State of New Hampshire	05-95-90-902010-0831	111,058	
ACA - Aging & Disability Resource Center	93.517	State of New Hampshire	102-500731	12,521	
National Family Caregiver Support, Title III, Part E-Service Link	93.052	State of New Hampshire	102-500731	47,245	
Special Programs for Aging, Title IV-Service Link	93.048	State of New Hampshire	102-500731	15,506	
CMS Research Demonstrations & Evaluations	93.779	State of New Hampshire	102-500731	24,230	
Medicare Enrollment Assistance Program	93.071	State of New Hampshire	102-500731	7,878	
			HHS TOTAL	\$ 12,018,155	
<u>US DEPARTMENT OF AGRICULTURE</u>					
Special Suppl. Nutrition Program for Women, Infants & Children	10.557	State of New Hampshire	184NH7003W1003	\$ 760,851	
WIC Grants to States	10.576	State of New Hampshire	174NH781W5413	28,555	
Senior Farmers Market	10.576	State of New Hampshire	15154NH083Y8303	71,243	
Child & Adult Care Food Program	10.558	State of New Hampshire	NONE PROVIDED	238,155	
<u>CHILD NUTRITION CLUSTER</u>					
Summer Food Service Program For Children	10.559	State of New Hampshire	NONE PROVIDED	157,273	

See Notes to Schedule of Expenditures of Federal Awards

FEDERAL GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS THROUGH NAME	IDENTIFYING NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUB-RECIPIENTS
FOOD DISTRIBUTION CLUSTER					
Commodity Supplemental Food Program	10.585	State of New Hampshire	15154NH014Y8005	\$ 544,048	\$ 345,945
Emergency Food Assistance Program-Administration	10.588	State of New Hampshire	81750000	218,285	
Emergency Food Assistance Program	10.589	State of New Hampshire	81750000	1,592,512	1,592,513
			CLUSTER TOTAL	2,354,826	
Trade Mitigation	10.178	State of New Hampshire	NONE PROVIDED	503,391	503,391
Rural Housing Preservation Grant	10.433			9,826	
			USDA TOTAL	\$ 4,123,920	\$ 2,441,845
CORPORATION FOR NATIONAL & COMMUNITY SERVICES					
FOSTER GRANDPARENTS/SENIOR COMPANION CLUSTER					
Senior Companion Program	94.018		18SCANH001	\$ 380,743	
			CNCS TOTAL	\$ 380,743	
US DEPARTMENT OF TRANSPORTATION					
Formula Grants for Rural Areas-Concord Transit	20.509	State of New Hampshire-Department of Transportation	NH-18-X046	\$ 561,001	
TRANSIT SERVICES PROGRAMS CLUSTER					
Enhanced Mobility of Seniors & Ind. W/Disabilities-CAT	20.513	State of New Hampshire-Department of Transportation	NH-18-X043	41,190	
Enhanced Mobility of Seniors & Ind. W/Disabilities-Rural Transportation	20.513	State of New Hampshire-Department of Transportation	NH-18-X043	42,168	
Enhanced Mobility of Seniors & Ind. W/Disabilities-Rural Transportation	20.513	State of New Hampshire-Department of Transportation	2 buses	475,998	
Enhanced Mobility of Seniors & Ind. W/Disabilities-Volunteer Drivers	20.513	Hammock County	NH-85-X001	48,499	
			CLUSTER TOTAL	607,855	
FEDERAL TRANSIT CLUSTER				6,985	
Bus and Bus Facilities Formula & Discretionary Program	20.526			DOT TOTAL	\$ 1,175,841
US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Supportive Housing Program-Outreach	14.235	State of New Hampshire	05-95-42-423010-7927-102-500731	\$ 169,659	
Supportive Housing Program-Homeless	14.235	State of New Hampshire	NONE PROVIDED	25,916	
Supportive Housing Program	14.235	State of New Hampshire	05-95-42-423010-7927-102-500731	96,639	
			TOTAL	292,413	
Emergency Solutions Grant	14.231	State of New Hampshire	05-95-42-423010-7927-102-500731	110,347	
Continuum of Care Program	14.267	State of New Hampshire	05-95-42-423010-7927-102-500731	92,226	
			HUD TOTAL	\$ 494,985	
US DEPARTMENT OF ENERGY					
Weatherization Assistance for Low Income Persons	81.042	State of New Hampshire	EE0006169	\$ 183,288	
			DOE TOTAL	\$ 183,288	
US DEPARTMENT OF LABOR					
Senior Community Service Employment Program	17.235	State of New Hampshire	1044701	\$ 422,884	
WIA/WIOA CLUSTER					
WIA/WIOA - Adult Program	17.258	Southern New Hampshire Services	0510-53360000-102-500731	60,308	
WIA/WIOA - Dislocated Worker Formula Grants	17.278	Southern New Hampshire Services	0510-53360000-102-500731	47,081	
			CLUSTER TOTAL	107,389	
			DOL TOTAL	\$ 530,073	
			TOTAL	\$ 18,907,006	\$ 2,441,845

See Notes to the Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED FEBRUARY 28, 2019**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Community Action Program Belknap-Merrimack Counties, Inc. under programs of the federal government for the year ended February 28, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Community Action Program Belknap-Merrimack Counties, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 INDIRECT COST RATE

Community Action Program Belknap-Merrimack Counties, Inc. has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 FOOD COMMODITIES AND VEHICLES

Nonmonetary assistance is reported in the Schedule at the fair value of the commodities received and disbursed.

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Action Program Belknap-Merrimack Counties, Inc. (a nonprofit organization), which comprise the statement of financial position as of February 28, 2019 and 2018, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated January 16, 2020.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2019-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action Program Belknap-Merrimack Counties, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Leone McDonnell & Roberts
Professional Association

Concord, New Hampshire
January 16, 2020

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

We have audited Community Action Program Belknap-Merrimack Counties, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Action Program Belknap-Merrimack Counties, Inc.'s major federal programs for the year ended February 28, 2019. Community Action Program Belknap-Merrimack Counties, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Community Action Program Belknap-Merrimack Counties, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Action Program Belknap-Merrimack Counties, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Community Action Program Belknap-Merrimack Counties, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended February 28, 2019.

Report on Internal Control Over Compliance

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

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

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

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

Seane McDonnell & Roberts
Professional Association

Concord, New Hampshire
January 16, 2020

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED FEBRUARY 28, 2019**

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the financial statements of Community Action Program Belknap-Merrimack Counties, Inc. were prepared in accordance with generally accepted accounting principles.
2. One material weakness relating to the audit of the financial statements is reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Community Action Program Belknap-Merrimack Counties, Inc., which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and On Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Community Action Program Belknap-Merrimack Counties, Inc. expresses an unmodified opinion on all major programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs include:
 - U.S. Department of Health and Human Services, Low Income Home Energy Assistance Program 93.568, Aging Cluster, 93.044, 93.045 and 93.053, Social Services Block Grant 93.667, U.S. Department of Agriculture, Women, Infants and Children 10.557, U.S. Department of Transportation, Formula Grants for Rural Areas 20.509, Enhanced Mobility of Seniors and Individuals with Disabilities 20.513.
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Community Action Program Belknap-Merrimack Counties, Inc. was determined to not be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

MATERIAL WEAKNESS

2019-001

Condition: The financial statements presented to the auditor at the beginning of fieldwork understated net income by a material amount. This was primarily the result of improper cut off due to revenue related to the fiscal year under audit being recorded to the subsequent period.

Criteria: The Organization's internal control procedures should be structured so that accounts are reconciled and reviewed on a timely basis and a review is completed prior to closing the financial records for the year.

Cause: The Organization lost staff and their accumulated knowledge of Fiscal Department processes and procedures. This led to general ledger entries being posted late or mis-posted.

Effect: Significant adjusting journal entries were proposed by the auditor to ensure accurate revenue cut off for the period under audit. Additionally, the auditor proposed a significant adjusting entry to reduce expenses as a result of workers' compensation insurance expenses being over-accrued.

Recommendations: The auditors recommend that the Organization implement procedures so that balance sheet accounts are reconciled and reviewed by management on a monthly basis. Further, the auditors recommend that the financial closing process be simplified and include a review of all significant balance sheet and profit and loss accounts.

Views of Responsible Officials: Staff turnover and short staffing resulted in the errors leading to this finding. Agency Officials recognize the need to ensure the presence of qualified staff for operational continuity. The Organization will implement procedures so that balance sheet accounts are reconciled and reviewed by management on a monthly basis. The Director of Finance will also develop procedures to produce financial reports on a periodic basis.

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS AUDIT

None



Effective March 2020

COMMUNITY ACTION PROGRAM
BELKNAP-MERRIMACK COUNTIES, INC.

BOARD OF DIRECTORS

Dennis Martino, <i>President</i>	Heather Brown
David Siff, Esq., <i>Vice President</i>	Theresa M. Cromwell
Robert (Bob) Krieger, <i>Secretary-Clerk</i>	Christine Averill
Safiya Wazir, <i>Treasurer</i>	Ben Wilson, AAMS®
Sara A. Lewko	Bruce Carri
Kathy Goode	

Current fiscal year (3/1/20 – 2/28/21) board meetings – 3/12/20, 5/14/20, 9/10/20, 11/12/20, 1/14/21

Jeanne Agri

PROFESSIONAL PROFILE

Versatile and experienced leader with highly developed communication skills: written, verbal and presentational. Adept in coaching and mentoring employees and colleagues as evidenced by my selection by the National Office of Head Start to serve as a mentor for new Head Start Directors. Committed to continuous improvement of activities to ensure they meet outcomes approved by the board through strategic planning, creating goal-oriented systems and conformance with all local, state and federal guidance.

WORK EXPERIENCE

Community Action Program Belknap-Merrimack Counties, Concord, NH
Executive Director

2018-present

- Assures the organization has long-range strategy which makes consistent and timely progress towards meeting the Agencies overall mission
- Responsible for the general supervision of all grant awards, ensuring that all statutory, regulatory, and /or program and financial requirements are met, that generally accepted accounting principles are applied, and that all program and financial policies and procedures are adhered to.
- Provide leadership in developing programs, organizational structures and financial systems that carry out the instructions and policies authorized by the Board
- Establish sound working relationships and cooperative arrangements with community groups, organizations and all funding sources important to the development of the agency and programs.
- See that the Board Director is kept fully informed and up to date on the condition of the organization and all important Federal, State or local requirements impacting on the Agency and/or its programs.

Southern New Hampshire Services, Manchester, NH
Education and Nutrition Operations Director

2016 - 2018

- Coordinate, manage and monitor workings of Child Development, Women Infant and Children, and Literacy Programs, as well as development of an agency wide Two-Generational Approach to services
- Formulate, improve and implement departmental and organizational policies and procedures to maximize output. Monitor adherence to rules, regulations, and procedures
- Assist in the recruitment and placement of required staff; establishment of organizational structure; delegation of tasks and accountabilities
- Supervise staff, including establishment of work schedules and monitoring and evaluating performance in partnership with Executive Director
- Assist in development of strategic plans for operational activity; implement and manage operational plans

Director of Child Development Programs

2001-2016

- Hire, coach and evaluate the performance of Program Managers, Specialists, Coordinators, Center Directors, Teachers and Head Start support staff
- Provide coaching, and learning opportunities for all employees focused on promoting, supporting and improving early development of children from the prenatal stage to five years of age using research-based practices
- Plan and implement strategic interventions with Program Managers, Specialists, Coordinators and Center Directors for sites needing administrative support and direction
- Plan, coordinate and facilitate regular leadership meetings for evaluating and strengthening systems to maintain the highest quality of services in compliance with Head Start Performance Standards
- Develop internal structures, systems, and policies supporting major content areas of Head Start program including education, health, mental health, social services, parent involvement, nutrition, disabilities, and transportation

- Collaborate with managers and internal fiscal department in the monitoring and control of component budgets; identification and interpretation of Head Start and community needs; conformance to the Performance Standards and other regulatory requirements
- Work in partnership with internal departments to support project goals and meet customer expectations
- Establish and maintain relationships and collaborations with public school districts, systems of higher education, and other community agencies and partners
- Ensure adequate systems in place to maintain the highest quality of services to children and families in compliance with Head Start Performance Standards
- Ensure consistency in service delivery across the program with attention to inclusive practices and integration of component areas; encourage continuous improvement of systems.

Quality Assurance Director/Co-Director for Child Development Programs 1999-2001

- Established and managed a robust monitoring, analysis and evaluation system with well-defined results, milestones, and targets inclusive of Continuous Quality Improvement practices
- Monitored for quality and compliance at Grantee and Delegate level
- Worked closely with program Director to review, track and assess monitoring compliance throughout program operations
- Developed and implements a written quality assurance and performance evaluation plan in conjunction with Governing Board, Policy Council
- Interpreted and evaluated a variety of information to present it in meaningful oral or written form for varied audiences and provide reliable analysis leading to sound decision-making

Area Manager/Education Manager 1997-1999

- Supervision of various Child Care sites including direct supervision of Center Directors/Site Managers
- Coordinate personal and professional development and training plans for staff and ensure teaching staff progress towards educational requirements as supported by the Performance Standards
- Documented and administered both positive and negative feedback and utilize Performance Improvement Plans when warranted.

Child Care Center Director/Site Manager 1995-1997

- Supervised, mentored, coach and administered work plans and directives to staff
- Communicated areas of performance improvement to staff and promote training that reflected individual needs of staff members and the team as a whole
- Ensure program compliance with codes of state and local licensing agencies and grant requirements

New Hampshire Technical College, Nashua, NH

Instructor

1995-1997

- Taught Child Growth & Development and assisted in curriculum development for Early Childhood Education Program
- Planned and organized instruction to maximize documented student learning
- Employed appropriate teaching and learning strategies to communicate subject matter to students
- Modified, where applicable, instructional methods and strategies to meet diverse student needs

EDUCATION

Southern New Hampshire University, Manchester, NH
Master's in Business Administration

June 2017

Notre Dame College, Manchester, NH
Bachelors of Arts in Elementary Education

1981

Daniel E. Kern

Core Competencies

Operations Management
General Ledger Accounting
Financial Analysis / Modeling
Financial Statements

Strategy Development
Project Management
Performance Optimization
Risk Management

Relationship Management
Documentation & Reporting
Communications
Excel / Office / Systems Skills

Professional Experience

Community Action Program Belknap-Merrimack Counties, Inc.
Director of Finance

Concord, New Hampshire
July 2019 - Present

- Manage general ledger accounting, accounts receivable, and accounts payable
- Assist with grant administration, including fiscal management and reporting
- Manage cash and investments, including administration and analysis
- Prepare, review, and present financial and investment reports for the Boards of Directors, the Executive Director and the executive leadership team, auditors and regulators
- Develop and implement accounting/financial policies, procedures and processes
- Prepare and report on strategic plans, budgets, and forecasts, including variance analysis
- Analyze financial performance compared to long-term operational goals, budgets and forecasts
- Conduct financial analysis projects and modeling, including program profitability
- Administer systems and software to provide financial and operational information
- Manage accounting, finance, and other staff as required

Bear-Paw Regional Greenways
Executive Director and Chief Financial Officer

Deerfield, New Hampshire
September 2004 – May 2019

- Prepared and reported on strategic plans, budgets, and forecasts, including variance analysis
- Prepared, reviewed, and presented financial, investment, and regulatory reports for the Board of Directors and external auditors
- Managed cash and investments, including administration and analysis
- Administered grants, including application preparation, management, and reporting
- Managed membership development and fundraising – grew total annual contributions from \$28 thousand to more than \$122 thousand, secured over \$5 million in grants
- Managed land protection projects, including budgeting, administration and stewardship – completed over 60 conservation easements for 7,110 acres and 11 acquisitions for 1,674 acres, increased total acres conserved from 546 acres to 9,326 acres
- Managed external relationships with donors, landowners, towns, state agencies, and foundations

Holy Rosary Regional Credit Union
Interim Chief Executive Officer

Rochester, New Hampshire
December 2003 – July 2004

- Served as Interim Chief Executive Officer during position vacancy.

Holy Rosary Regional Credit Union
Chief Financial Officer

Rochester, New Hampshire
May 2000 – September 2004

- Analyzed financial performance compared to long-term operational goals, budgets and forecasts
- Prepared and reported on strategic plans, budgets, and forecasts, including variance analysis
- Conducted financial analysis projects and modeling, including product and cost center profitability
- Prepared, reviewed, and presented financial and investment reports for the Boards of Directors, the CEO and the executive leadership team, auditors and regulators
- Evaluated investment / liability profitability and reviewed security transfers
- Managed cash and investments, including administration and analysis
- Developed and implemented accounting/financial policies, procedures and processes
- Administered general ledger accounting, accounts receivable, and accounts payable
- Implemented systems and software to provide financial and operational information
- Supervised general ledger system and back office operations – deposit accounts, cards, and loans
- Managed accounting, finance, and other staff as required
- Negotiated and administered vendor contracts

Beverly Co-operative Bank
Assistant Treasurer & Comptroller

Beverly, Massachusetts
May 1997 - May 2000

- Analyzed financial performance compared to long-term operational goals, budgets and forecasts
- Prepared and reported on strategic plans, budgets, and forecasts, including variance analysis
- Conducted financial analysis projects and modeling, including product and cost center profitability
- Prepared, reviewed, and presented financial and investment reports for the Boards of Directors, the CEO and the executive leadership team, auditors and regulators
- Evaluated investment / liability profitability and reviewed security transfers
- Managed cash and investments, including administration and analysis
- Developed and implemented accounting/financial policies, procedures and processes
- Administered general ledger accounting, accounts receivable, and accounts payable
- Implemented systems and software to provide financial and operational information
- Supervised general ledger system and back office operations – deposit account, cards, and loans
- Evaluated investment and liability profitability and reviewing security transfers
- Managed accounting, finance, and other staff as required
- Supervised human resource, benefits, and payroll administration
- Administered small company LAN/WANs, personal computers, and software
- Negotiated and administered vendor contracts

Salem Five Cents Savings Bank
Financial Analyst

Salem, Massachusetts
June 1996 - May 1997

- Conducted financial analysis projects and modeling, including product and cost center profitability
- Prepared financial analysis and reports for the Board of Directors and Board sub-committees – including cost center and product profit analyses
- Evaluated investment / liability profitability and reviewed security transfers

PNC Bank, New England
Treasury Analyst

Boston, Massachusetts
May 1995 - June 1996

- Developed budgets and project plans, forecasted financial results
- Prepared financial analysis and reports for the Board of Directors and Board sub-committees – including cost center and product profit analyses

- Evaluated investment / liability profitability and reviewed security transfers
- Managed cash and investments, including administration and analysis

PNC Bank, New England
Accountant

Boston, Massachusetts
May 1994 - May 1995

- Prepared general ledger entries, reconciled accounts, supervised general ledger accounting, accounts receivable, and accounts payable

Federal Deposit Insurance Corporation
Operations Officer/Liquidation Specialist

Westborough, Massachusetts
May 1993 - May 1994

- Administered FDIC accounting/financial policies and procedures for failed bank resolutions
- Evaluated asset and liability financial values
- Prepared and reviewed financial reports
- Prepared general ledger entries

Federal Deposit Insurance Corporation
Operations Officer/Liquidation Technician

Westborough, Massachusetts
October 1992 – May 1993

Workers Compensation Research Institute
Research Associate

Cambridge, Massachusetts
June 1990- August 1991

Educational Experience

Northeastern University
Master of Arts in the Economics of Money and Finance

GPA 3.78
June 1990

Plymouth State College
Bachelor of Arts in Political Science, Minor in Economics

GPA 3.24
May 1988

Publications

Boden, L. I., Kern, D. E., & Gardner, J. A. (1991). Reducing litigation: Using disability guidelines and state evaluators in Oregon. Cambridge, MA: Workers Compensation Research Institute.

Other Skills

Software and Computers: ArcGIS, Microsoft Office with extensive experience with Word and Excel (including macros, indices, conditional lists, arrays, pivot tables, and lookups), Salesforce.com, reporting software, and programming

Volunteer Experience

Board of Directors, Seacoast Land Trust; Selectman and Planning Board, Greenland, NH; Rochester Region Campaign Chair, United Way of the Greater Seacoast

References Provided Upon Request

Elizabeth Heyward

Highlights

- Fundraising and event planning
- Relationship building expert
- Deadline-driven
- Donor database management
- Exceptional multi-tasker
- Decisive problem solver
- Organized and efficient
- Motivated team player
- Cross-functional team management

Experience

Community Services Director- August 2017-Present

- Responsible for the planning, scheduling, implementation and monitoring of the Fuel and Electric Assistance Programs.
- Responsible for the development of internal operating procedures for the Fuel and Electric Assistance Programs compliance with agency and funding requirements
- Responsible for the development of the operating budget for Fuel and Electric Assistance Programs and area center structure with compliance with agency and funding source requirements.
- Responsible for the management, training, supervision and evaluation of Fuel and Electric Assistance and area center staff.
- Responsible for compiling and maintaining accurate records of programs statistics, financial reports, reimbursement requests for agency and various funding sources.
- Responsible for developing and implementing outreach plans and centralize client intake for Fuel and Electric Assistance Programs and other agencies services provided through the area center structure. This will be done in conjunction with agency program and area center directors.
- Responsible for securing adequate funding for Fuel and Electric Assistance Programs and local funding of area center system by local cities and towns.
- Responsible for providing public relations and information related to Fuel and

Electric Assistance Programs and area center services.

- Responsible for coordinating with other program and area center directors on grant development by other agency programs and services to meet local community needs.
- Responsible for preparing, writing, and organizing proposals and applications for Fuel and Electric Assistance Programs and area center programs.
- Responsible for the development and implementation of the information and referral system used by the area center staff.
- Responsible for the development and implementation of a community needs assessment for the Agency and communities served.
- Assist in planning, development and implementation of a data collections software package with the state and other local CAP agencies.

Director of Mission Advancement- June 2016- July 2017

- Work with the Executive Director and other members of senior leadership to develop the annual operating budget and identify the financial needs of the organization that must be met by fundraising;
- Create and manage the annual development plan that encompasses individual and institutional giving (foundations, corporation and partners);
- Track key metrics, where success is measured by growth in contributor numbers, donor retention and dollars raised;
- Manage the development budget and assist the Executive Director in developing individual Board member fundraising plans;
- Manage the portfolio of donor prospects, including identifying, researching, qualifying, cultivating and soliciting gifts from individuals, corporations, and foundations.
- Support the Executive Director in major gift cultivation and solicitation efforts through research, planning, strategy, moves management process..
- Collaborate with the Executive Director to create individualized stewardship plans for top contributors, including customized donor reports and donor recognition.
- Manage the annual giving program, including communications, appeals, and stewardship.
- Personally acknowledge contributors and the impact of their gifts.
- Manage budget [expenses and revenues] and staff on charitable gaming activities and placement and sales of vending machines.
- Effectively position/prepare the Executive Director and Board members for interactions with major contributors and prospects.

- Provide ongoing inspiration, support, resources and training in fundraising to the Board and staff.
- Manage the Development and Communications staff for message management and effective use of the contributor database, moves management and other tools, including cause-related marketing, cultivation events, etc.
- Collaborate with other GBS staff in the timely development of written communications such as annual appeals, direct mail and advertising.
- Travel to meet with top contributors in addition to fundraising events and board meetings.

Director of Community Relations-March 2015-June 2016

- Treasure of the Private Provider Network in Concord NH.
- Assist in all fundraising events for Great Bay. Including plan, and execution.
- Provide active representation at local and state level events and meetings.
- Stay current and report back on recent state and federal disability news.
- Increase community awareness of the organization, client services, and business opportunities,
- Assist with the newsletter, media presentations, marketing materials, and fundraising events.
- Make presentations at High Schools PTA's, and parent groups.
- Seek out other venues where groups of parents attend meetings..
- Meet with area Special Education Directors,
- Develop an active Business Advisory Council.

Associate Director of Programs and Services September 2013- March 2015-Great Bay Services

- Oversees Clinical Services. Supervises Case Managers and Nurses. Oversees Individual Service Plans, progress notes and other program documentation. Assures coordination between case managers and appropriate program staff.
- Conducts interdisciplinary staff meetings with case managers, nurses, residential managers and community center staff to assure coordination of services, client concerns, incidents and trends. Facilitates problem solving and is solution focused.
- Oversees Employment, Day and Residential Services. Reviews consumer progress, written reports and assures coordination between all assigned managers. Supervises all direct care program managers.
- Is responsible for the hiring and dismissal of all direct care staff.

- Responsible for orientation and training of program staff.
 - Oversees Residential Managers
 - Acts as liaison with funding and regulatory agencies including Developmental Disabilities of Maine and New Hampshire.
 - Assists in preparation of annual budget for services Responsible for contract management and compliance for all services reporting to the position.
 - Oversees consumer admission, intake, program management, transfer and discharge decisions and procedures.
 - Works in collaboration with and supports the Executive Director on various projects and initiatives.
 - Assists the Executive Director in matters relating to organizational operations.
- Acts as
- back up for the Executive Director in his/her absence.
 - Coordinates orients and oversees placements of volunteers and interns.

Program Manager for Employment Services October 2011- August 2013-Great Bay Services

Community Employment Coordinator: Great Bay Services, November 2008- October 2011

Secretary: Leddy Center for the Performing Arts, July 2008- March 2009

Marketing and Communications Intern: Amphenol TCS, October 2007- August 2008

Education

- MBA in Leadership: SNHU, Manchester NH
- Graduate Certificate in Leadership in a Not for Profit: SNHU, Manchester, NH
- Bachelor of Science in Business Administration , Hesser College, Manchester, NH
- Associates Degree in Public Relations, Hesser College, Manchester, NH

Skills and Training

- Constant Contact- Monthly newsletter
- Donor Perfect- Use this for our donor database.
- Attended the CASE Summer Institute in Educational Fundraising
- Microsoft Office- Word, Excel, Publisher, and PowerPoint
- Board of Directors for Epping Community Church

FREEMAN TOTH

Results-oriented leader with strong background in hiring, training, management and employee development. Exceptional communication and coaching skills. Effectively motivates employees through consistent feedback, positive reinforcement and leading by example.

HIGHLIGHTS

- Employee onboarding, development and retention - New product launches and trainings - Team building - Multi-media training program development - Fluent in "Earn the Right Sales" process -

ACCOMPLISHMENTS

- Successfully managed all functions related to daily operations of a retail organization. Duties include recruiting, interviewing, hiring and onboarding, the development and implementation of training programs and performance management plans that consistently yield positive results.
- Served in multiple leadership roles, working closely with the executive team to establish organizational goals and maintain forward momentum for the company.
- Workforce management and scheduling oversight for multiple locations including over 50 associates and managers.
- Orchestrated regular meetings and trainings focused on sales best practices and exceeding company and individual goals

PROFESSIONAL EXPERIENCE

Community Action Program of Belknap/Merrimack Counties, Inc

Concord, NH Homeless Outreach Worker 2/2019 to Current

As a Homeless Outreach Worker my responsibilities include responding to referrals from NH 2-1-1 Services with the goal of providing advice, services and assistance to people experiencing Homelessness or to those whom are at risk of becoming homeless. A typical day may include Visiting with local shelters, welfare officers, food pantries and homeless resource centers and homeless people in an effort to Ingratiate myself while building rapport and trust with the local homeless population.

Waltham Traders/IM Wireless

Salem, NH District Manager/Trainer 2/2017 to 10/2018

Hire, onboard and manage multiple associates and managers for multiple high-volume locations throughout New England. Developed and implemented company training programs and assisted with the opening of multiple high-profile locations.

GoWireless LLC/INC.

Derry, NH Manager 3/2015 to 1/2017

Directly developed and managed a large team of sales professionals while overseeing daily operations of the location. Served in a critical role during a company acquisition, contributing to a successful transition with minimal operational disruption.

Bedford, NH Sales Manager/Area Manager 02/2002 to 3/2015

Responsibilities included working in conjunction with the executive team to recruit, interview and hire new consultants and managers while successfully managing multiple high-volume locations. Specialized in building rapport with customers; earning their trust and creating lifelong customers.

EDUCATION - Keene State College, Keene, NH

KELSI LEMEAR

STREET OUTREACH

EDUCATION

Red Cross, Concord NH

2000, LNA Training/CPR and FIRST AID

WORK EXPERIENCE

Community Action Program Belknap-Merrimack, Inc.

Homeless Outreach Worker

July 2019 to Present

Assist with homeless and responding to 211 and going into encampments, to help clients living on the streets.

Neurorestorative Team Leader

September 2014 to May 2018

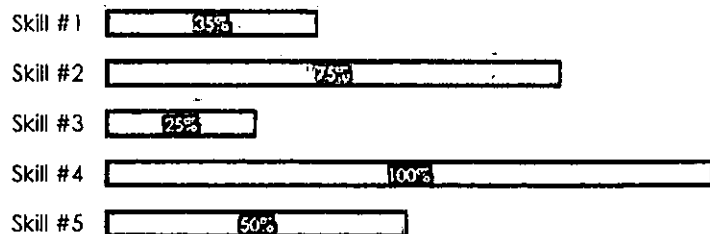
Supervising clients at work, Supervising medication passes, meal planning and prep, answering phone, making appointments.

Timothy Daniel Home CAN

June 2013 to April 2014

Monitoring client's health, bathing, dressing, feeding, and assisting clients with ambulation and documentations.

SKILLS



Community Action Program Belknap-Merrimack Counties, Inc.

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

**Continuum of Care – Coordinated Entry Program
7/01/2019 – 6/30/2021**

KEY PERSONNEL

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Jeanne Agri	Executive Director	\$ 132,651	0%	0.00
Dan Kern	Finance Director	\$ 75,504	0%	0.00
Beth Heyward	Community Services Director	\$ 59,007	0%	0.00
Freeman Toth	Housing Stabilization & Homeless Outreach Manager	\$ 38,025	55%	\$20,914.00
Kelsi Lemear	Homeless Outreach	\$ 29,250	100%	\$29,250.00



Jeffrey A. Meyers
Commissioner

Christine L. Santaniello
Director

JUN06'19 PM 2:27 DAS

HLP mac

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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHNH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHNH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

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

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are **sole source** because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

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

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

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

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.

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.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeffrey A. Meyers", written in a cursive style.

Jeffrey A. Meyers
Commissioner

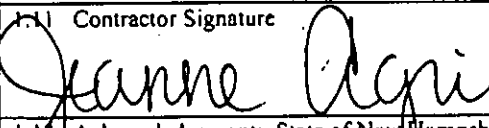
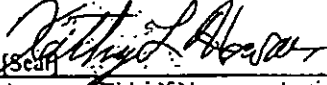


Subject: Continuum of Care, Coordinated Entry Program, SS-2020-BHS-05-Coord-01

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

AGREEMENT

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

GENERAL PROVISIONS**I. IDENTIFICATION.**

1.1 State Agency Name Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Community Action Program Belknap-Merrimack Counties, Inc.		1.4 Contractor Address 2 Industrial Park Drive PO Box 1016 Concord, NH 03302-1016	
1.5 Contractor Phone Number (603)225-3295	1.6 Account Number 05-95-42-423010-7927 102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$86,722
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 Jeanne Agri, Executive Director	
1.13 Acknowledgement: State of New Hampshire County of Merrimack On 5/23/2019, 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  KATHY L. HOWARD Notary Public, NH My Commission Expires October 17, 2023			
1.13.2 Name and Title of Notary or Justice of the Peace Kathy L. Howard			
1.14 State Agency Signature  Date: 5/28/19		1.15 Name and Title of State Agency Signatory Christine Sanhnieller, Director, DEAS	
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:  On: June 4, 2019			
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.



SCOPE OF SERVICES

Coordinated Entry Program

1. Provisions Applicable to All Services

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided 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
129 Pleasant Street
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may 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. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.7. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.
- 1.8. Failure to submit required reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by BHS.

QA

5.23.19



Exhibit A

2. Scope of Services

- 2.1. Based on the continued receipt/availability of federal funds from HUD Continuum of Care Program, the Contractor shall provide a Coordinated Entry program that shall serve approximately two-hundred (200) homeless individuals or individuals at imminent risk of homelessness.
- 2.2. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 2.3. The Contractor shall support the primary goal of this program which is to identify and engage unsheltered homeless persons and persons at imminent risk of homelessness, and to provide basic interventions such as food and referrals to services and to facilitate their movement to shelter, permanent housing and maximum self-sufficiency.
- 2.4. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations, or at imminent risk of homelessness. The Contractor must obtain and retain appropriate documentation.
- 2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.
- 2.6. The contractor shall participate in their regional Coordinated Entry process.

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/Grant 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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.
- 4.3. All contract records (originals or copies made by microfilming, photocopying, or other similar methods) shall be retained for a period of five (5) years or as required by state or federal law, following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.



5. Performance Measures

- 5.1. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and all terms and conditions, and amendments thereto, as detailed in the relevant fiscal year Notice of Funding Available (NOFA) CoC Project Application approved by HUD; and
 - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
 - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.



New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Coordinated Entry Program

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
 - 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0096L1T001803
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Coordinated Entry
 - 1.2.7. Total Amount Continuum of Care;
 - 1.2.7.1. not to exceed \$86,722
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Leasing Expenses: \$1,272
 - 1.2.8.2. Rental Assistance: \$0,000
 - 1.2.8.3. Operating Expenses: \$0,000
 - 1.2.8.4. Supportive Services: \$83,335
 - 1.2.8.5. Administrative Expenses: \$2,115
 - 1.2.8.6. Total program amount: \$86,722
- 1.3. The Contractor agrees to 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
129 Pleasant Street
Concord, NH 03301



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- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used 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/Grant completion date.

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

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).

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 are to be documented with each payment request.
- 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
 - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
 - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
 - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
 - 3.3.3.4. 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, subject to the availability of sufficient funds.



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- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.
- 3.4.5. Schedule of Payments:
- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:
housingsupportsinvoices@dhhs.nh.gov
- 3.4.5.3. 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.
- 3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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 or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.



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4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, and may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

5. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

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

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;



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- 5.3.2.4. 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;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. 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;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. 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;
- 5.3.2.10. 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 the 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;
- 5.3.2.11. 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;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. 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;
- 5.3.2.14. 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;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);



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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
 - 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
 - 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
 - 5.3.2.19. 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.
- 5.4. Rental Assistance**
- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
 - 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
 - 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
 - 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
 - 5.4.5. 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.
 - 5.4.6. 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.
 - 5.4.7. 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.
 - 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.



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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

5.4.9.1. 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.

5.4.9.2. 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.

5.4.9.3. 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.

5.4.9.4. 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.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

5.5.1.1. 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; and

5.5.1.2. 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:

5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.

5.5.1.2.1.1. 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:



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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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.



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5.6.1. Requirements:

- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. 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.



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- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

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



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;

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

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

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

Exhibit C – Special Provisions

Contractor Initials QA

Date 5.23.19

New Hampshire Department of Health and Human Services
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Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

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

New Hampshire Department of Health and Human Services
Exhibit C



- 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.



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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.



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

New Hampshire Department of Health and Human Services
Exhibit D



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

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

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

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

5/23/2019
Date


Name: Jeanne Agri
Title: Executive Director



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):

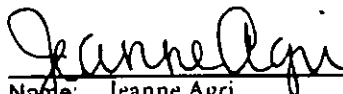
- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title 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-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

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



Name: Jeanne Agri
Title: Executive Director

5/23/2019
Date



**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

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New Hampshire Department of Health and Human Services
Exhibit F



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

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


Name: Jeanne Agri
Title: Executive Director

5/23/2019
Date



**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

GA

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

New Hampshire Department of Health and Human Services
Exhibit G

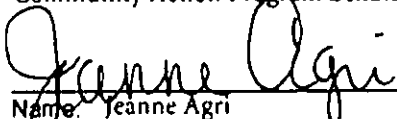


In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for 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:
Community Action Program Belknap-Merrimack Counties, Inc.


Name: Jeanne Agri
Title: Executive Director

5/23/2019
Date

Exhibit G

Vendor Initials JA

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



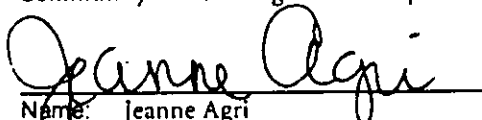
CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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:
Community Action Program Belknap-Merrimack Counties, Inc.


Name: Jeanne Agri
Title: Executive Director

5/23/2019
Date



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

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

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

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



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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



Exhibit I

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

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

3/2014

Vendor Initials QA

Date 5.23.19



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) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

Department of Health and Human Services

Community Action Program
Belknap-Merrimack Counties, Inc.

The State

Name of the Vendor

Signature of Authorized Representative

Signature of Authorized Representative

Name of Authorized Representative

Name of Authorized Representative

Title of Authorized Representative

Executive Director
Title of Authorized Representative

Date

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.

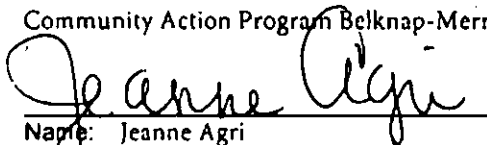
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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:

Community Action Program Belknap-Merrimack Counties, Inc.


Name: Jeanne Agri
Title: Executive Director

5/23/2019

Date

Vendor Initials

JA

Date 5.23.19

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: 07-399-7405
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

 X NO YES

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

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

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

 NO YES

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

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

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

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

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

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

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

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

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

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

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

A. Retention

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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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

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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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- 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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

**New Hampshire Department of Health and Human Services
Continuum of Care, Concord Community Leasing II PH**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Continuum of Care, Concord Community Leasing II PH**

This 1st Amendment to the Continuum of Care, Concord Community Leasing II PH contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and FIT/NHH, Inc., (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 122 Market St, Manchester, NH, 03101.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2021.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$200,515
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Supportive Housing Program Funding, Subsection 1.2., Paragraph 1.2.4., to read:
1.2.4. Grant Numbers:
1.2.4.1. NH0060L1T001806 (Grant Year 1)
1.2.4.2. NH0060L1T001907 (Grant Year 2)
4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Supportive Housing Program Funding, Subsection 1.2., Paragraph 1.2.7., Subparagraph 1.2.7.1., to read:
1.2.7.1 Not to exceed \$200,515
5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Supportive Housing Program, Subsection 1.2., Paragraph 1.2.8., to read:
1.2.8. Funds allocation under this agreement for Continuum of Care Program;

		<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1.	Case Management (Supportive Services)	\$15,956	\$15,956
1.2.8.2.	Leasing	\$80,780	\$83,203
1.2.8.3.	Administrative Expenses	<u>\$2,310</u>	<u>\$2,310</u>
1.2.8.4.	Total Program Amount	\$99,046	\$101,469
1.2.8.5.	Vendor Match (25%)	\$4,567	\$4,567

New Hampshire Department of Health and Human Services
Continuum of Care, Concord Community Leasing II PH



All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

4/8/20
Date

Christine L. Santaniello
Name: Christine L. Santaniello
Title: Director DEHS

FIT/NHNNH, Inc.

March 30, 2020
Date

Cathy Kuhn
Name: Cathy Kuhn
Title: Co-Interim Executive Leaders

New Hampshire Department of Health and Human Services
Continuum of Care, Concord Community Leasing II PH



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

OFFICE OF THE ATTORNEY GENERAL

4/14/20
Date

[Signature]
Name:
Title:

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

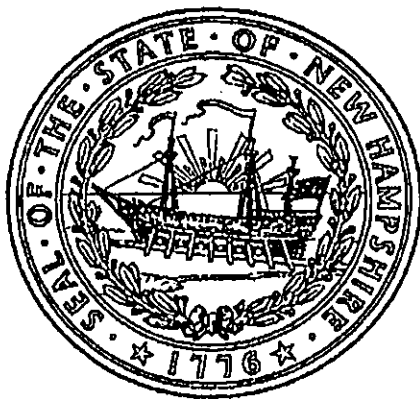
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that FIT/NHNN, INC is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 13, 1994. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 207982

Certificate Number: 0004506562



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 29th day of April A.D. 2019.

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

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

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

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

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 30, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

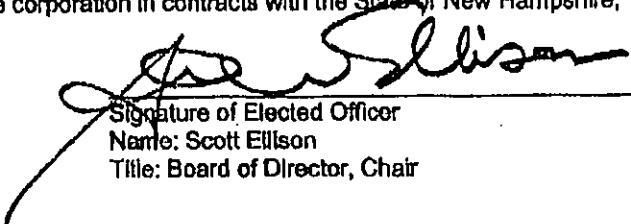
VOTED: That Cathy Kuhn, Co-Interim Executive Leaders (may list more than one person)
(Name and Title of Contract Signatory)

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

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

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

Dated: March 30, 2020


Signature of Elected Officer
Name: Scott Ellison
Title: Board of Director, Chair



FAMIINT-01

DBEAUDON

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/26/2020

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

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

PRODUCER
Davis & Towle Morrill & Everett, Inc.
115 Airport Road
Concord, NH 03301

CONTACT

PHONE (AAC, No, Ext): (603) 225-6811 FAX (AAC, No): (603) 225-7935
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A: Philadelphia Insurance Company

23850

INSURER B: Granite State Health Care & Human Services Self Insured Group

INSURER C:

INSURER D:

INSURER E:

INSURER F:

INSURED

Familles in Transition, Inc.
122 Market St
Manchester, NH 03101

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROTECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK2077895	1/1/2020	1/1/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMPIOP AGG \$ 3,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2077898	1/1/2020	1/1/2021	COMBINED SINGLE LIMIT (Per accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB705694	1/1/2020	1/1/2021	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	HCHS20200000187	2/1/2020	2/1/2021	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

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

CERTIFICATE HOLDER

NH DHHS
129 Pleasant St
Concord, NH 03301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Diane P. Beauchamp



Families in Transition

Providing a Home Building Hope.

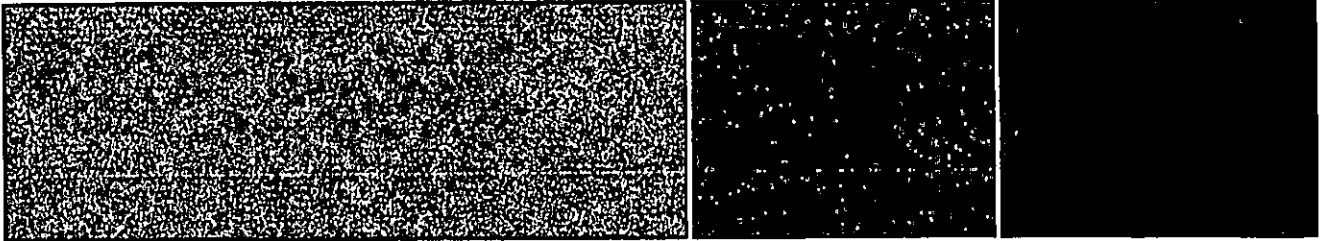


FOR NEW HAMPSHIRE, INC.

SOUP KITCHEN • FOOD PANTRY • HOMELESS SHELTERS

Our Mission

The mission of FIT/NHNNH is to provide hunger relief, emergency shelter, safe affordable housing, and supportive services to individuals and families who are homeless or in need, enabling them to gain self-sufficiency and respect.



CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

December 31, 2018

(With Comparative Totals for 2017)

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Board of Directors
FIT/NHNN, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of FIT/NHNN, Inc. and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2018 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2018, and the consolidated changes in their net assets and their consolidated cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited the Organization's 2017 consolidated financial statements and, in our report dated March 30, 2018, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, which consists of the consolidating statement of financial position as of December 31, 2018, and the related consolidating statements of activities and functional expenses for the year then ended, is presented for purposes of additional analysis, rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, in 2018 the Organization adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities* (Topic 958). Our opinion is not modified with respect to this matter.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
March 18, 2019

FIT/NHNNH, INC. AND SUBSIDIARIES

Consolidated Statement of Financial Position

December 31, 2018

(With Comparative Totals for December 31, 2017)

	<u>2018</u>	<u>2017</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,598,033	\$ 1,062,497
Funds held as fiscal agent	-	96,383
Accounts receivable	52,211	38,380
Grants and contributions receivable	786,343	451,664
Prepaid expenses	80,007	33,229
Due from related parties	35,613	-
Other current assets	<u>48,110</u>	<u>43,097</u>
Total current assets	2,600,317	1,725,250
Replacement reserves	336,578	292,264
Reserve cash designated for properties	718,154	722,130
Investments	1,336,584	-
Investment in related entity	1,000	1,000
Asset held for sale	429,779	-
Property and equipment, net	28,530,819	26,210,337
Development in process	3,605,450	2,090,031
Other assets, net	<u>198,473</u>	<u>50,000</u>
Total assets	\$ <u>37,757,154</u>	\$ <u>31,091,012</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of long-term debt	\$ 1,116,180	\$ 216,147
Accounts payable	249,907	220,828
Accrued expenses	348,095	217,676
Funds held as fiscal agent	-	96,383
Due to related entity	35,613	-
Line of credit	145,000	-
Other current liabilities	<u>82,475</u>	<u>49,504</u>
Total current liabilities	1,977,270	800,538
Long-term debt, less current portion, net of unamortized deferred costs	<u>13,604,017</u>	<u>11,264,521</u>
Total liabilities	<u>15,581,287</u>	<u>12,065,059</u>
Net assets		
Without donor restrictions - controlling interest	17,744,537	14,563,053
Without donor restrictions - noncontrolling interest	<u>3,243,694</u>	<u>3,565,478</u>
Total without donor restrictions	20,988,231	18,128,531
With donor restrictions	<u>1,187,636</u>	<u>897,422</u>
Total net assets	<u>22,175,867</u>	<u>19,025,953</u>
Total liabilities and net assets	\$ <u>37,757,154</u>	\$ <u>31,091,012</u>

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

FIT/NHH, INC. AND SUBSIDIARIES
Consolidated Statement of Activities
Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	Without Donor Restrictions - Controlling Interest	Without Donor Restrictions - Noncontrolling Interest	Total V/Without Donor Restrictions	V/With Donor Restrictions	Total 2018	Total 2017
Revenue and support						
Federal, state and other grant support	\$ 4,801,300	\$ -	\$ 4,801,300	\$ 513,864	\$ 5,115,164	\$ 3,212,747
Rental income, net of vacancies	2,021,465	-	2,021,465	-	2,021,465	1,841,064
Thrift store sales	616,565	-	616,565	-	616,565	685,750
Public support	855,830	-	855,830	-	855,830	430,127
Tax credit revenue	60,000	-	60,000	-	60,000	60,000
Special events	528,910	-	528,910	-	528,910	197,191
Developer fees	68,463	-	68,463	-	68,463	-
VISTA program revenue	93,734	-	93,734	-	93,734	125,742
Unrealized (loss) gain on investments	(168,848)	-	(168,848)	-	(168,848)	1,270
(Loss) gain on disposal of assets	(10,115)	-	(10,115)	-	(10,115)	6,133
Interest income	38,634	-	38,634	-	38,634	31,519
In-kind donations	14,429	-	14,429	-	14,429	61,548
Investment income	99,783	-	99,783	-	99,783	-
Forgiveness of debt	131,267	-	131,267	-	131,267	131,267
Medical reimbursements	521,957	-	521,957	-	521,957	411,635
Other income	279,420	-	279,420	-	279,420	91,958
Net assets released from restrictions	<u>292,925</u>	<u>-</u>	<u>292,925</u>	<u>(292,925)</u>	<u>-</u>	<u>-</u>
Total revenue and support	10,043,719	-	10,043,719	220,929	10,264,648	7,316,857
Expenses						
Program activities						
Housing	8,390,926	-	8,390,926	-	8,390,926	6,299,553
Thrift store	688,374	-	688,374	-	688,374	681,291
Total program activities	<u>9,079,300</u>	<u>-</u>	<u>9,079,300</u>	<u>-</u>	<u>9,079,300</u>	<u>6,980,844</u>
Fundraising	1,131,941	-	1,131,941	-	1,131,941	418,466
Management and general	<u>897,234</u>	<u>-</u>	<u>897,234</u>	<u>-</u>	<u>897,234</u>	<u>539,893</u>
Total expenses	11,108,475	-	11,108,475	-	11,108,475	7,939,133
(Deficiency) excess of revenue and support over expenses	(1,062,766)	-	(1,062,766)	220,929	(841,827)	(623,270)
Grants and contributions for capital projects	270,857	-	270,857	289,933	560,790	1,638,770
Net assets released for capital projects	359,812	-	359,812	(359,812)	-	-
Effect of consolidation of affiliates	<u>3,291,787</u>	<u>-</u>	<u>3,291,787</u>	<u>139,164</u>	<u>3,430,951</u>	<u>-</u>
Change in net assets	2,859,700	-	2,859,700	290,214	3,149,914	915,494
Change in net assets attributable to noncontrolling interest in subsidiaries	<u>321,784</u>	<u>(321,784)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets after reclassification of portion attributable to noncontrolling interest	3,181,484	(321,784)	2,859,700	290,214	3,149,914	915,494
Net assets, beginning of year	<u>14,663,053</u>	<u>3,665,478</u>	<u>18,128,531</u>	<u>897,422</u>	<u>19,025,953</u>	<u>18,110,459</u>
Net assets, end of year	<u>\$ 17,744,637</u>	<u>\$ 3,243,694</u>	<u>\$ 20,988,331</u>	<u>\$ 1,187,636</u>	<u>\$ 22,175,967</u>	<u>\$ 19,025,953</u>

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

FIT/NHNN, INC. AND SUBSIDIARIES

Consolidated Statement of Functional Expenses

Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	<u>Program Activities</u>			<u>Management and General</u>	<u>2018 Total</u>	<u>2017 Total</u>
	<u>Housing</u>	<u>Thrift Store</u>	<u>Fundraising</u>			
Salaries and benefits						
Salaries and wages	\$ 3,492,775	\$ 316,195	\$ 518,402	\$ 355,442	\$ 4,682,814	\$ 3,168,366
Employee benefits	400,781	24,951	54,002	37,770	517,504	349,575
Payroll taxes	<u>262,810</u>	<u>24,440</u>	<u>39,746</u>	<u>26,593</u>	<u>353,589</u>	<u>234,204</u>
Total salaries and benefits	4,156,366	365,586	612,150	419,805	5,553,907	3,752,145
Other expenses						
Advertising	15,018	25,068	-	18,946	59,032	36,236
Application and permit fees	1,620	-	-	-	1,620	2,015
Bad debts	28,100	-	-	-	28,100	26,124
Bank charges	573	8,847	-	11,445	20,865	17,875
Consultants	19,504	2,847	4,647	2,483	29,481	78,138
Depreciation	933,878	11,093	115,347	51,612	1,111,930	1,003,294
Events	3,550	2,814	160,685	-	167,049	61,181
General insurance	124,791	3,523	14,318	13,248	155,880	153,904
Grant expense	59,149	-	-	-	59,149	-
Interest expense	228,999	714	-	-	229,713	188,473
Management fees	6,622	-	-	-	6,622	6,487
Meals and entertainment	4,740	179	656	547	6,122	5,181
Membership dues	10,790	-	1,741	3,458	15,989	10,022
Merger expenses	-	-	-	137,747	137,747	1,000
Office supplies	282,398	6,460	43,158	38,139	370,155	134,490
Participant expenses	116,915	45	379	379	117,718	99,219
Postage	7,324	9	4,274	1,758	13,365	7,804
Printing	16,755	2,745	19,129	2,088	40,717	24,577
Professional fees	53,906	3,500	-	112,417	169,823	182,974
Related entity expense	(159,398)	159,398	-	-	-	-
Rental subsidies	332,270	-	-	-	332,270	298,272
Repairs and maintenance	370,123	34,325	42,145	16,169	462,762	409,132
Shelter expense	166,891	-	-	-	166,891	-
Staff development	31,588	98	4,008	3,340	39,034	23,136
Taxes	313,613	2,307	-	-	315,920	328,184
Technology support	190,132	2,231	28,782	23,666	244,811	65,457
Telephone	88,992	5,056	10,095	8,778	112,921	90,917
Travel	40,914	3,845	5,191	4,222	54,172	44,486
Utilities	512,260	31,461	52,007	17,767	613,495	444,062
VISTA program	320,859	-	-	-	320,859	359,804
Workers' compensation	<u>111,684</u>	<u>14,223</u>	<u>13,229</u>	<u>9,220</u>	<u>148,356</u>	<u>84,544</u>
Total expenses	\$ <u>8,390,926</u>	\$ <u>686,374</u>	\$ <u>1,131,941</u>	\$ <u>897,234</u>	\$ <u>11,106,476</u>	\$ <u>7,939,133</u>

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

FIT/NHNH, INC. AND SUBSIDIARIES

Consolidated Statement of Cash Flows

Year Ended December 31, 2018

(With Comparative Totals for the Year Ended December 31, 2017)

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Change in net assets	\$ 3,149,914	\$ 915,494
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	1,125,127	1,016,491
Grants and contributions for capital projects	(560,790)	(1,538,770)
Effect of consolidation of affiliate, net of cash held by consolidated affiliate of \$326,551	(3,104,400)	-
Forgiveness of debt	(131,267)	(131,267)
Unrealized loss (gain) on investments	168,848	(1,270)
Loss (gain) on disposal of assets	10,115	(5,133)
Decrease (increase) in:		
Accounts receivable	42,130	(16,731)
Grants and contributions receivable	(334,679)	(128,248)
Prepaid expenses	(39,301)	2,609
Other assets	(119,810)	(302)
Increase (decrease) in:		
Accounts payable	(21,258)	51,841
Accrued expenses	84,806	9,744
Due to related party	35,613	-
Other current liabilities	<u>32,971</u>	<u>1,398</u>
Net cash provided by operating activities	<u>338,019</u>	<u>175,856</u>
Cash flows from investing activities		
Repayments of advances to related parties	(35,613)	8,208
Net (deposits to) withdrawals from reserve accounts	(40,338)	57,348
Proceeds from sale of investments	275,024	4,264
Investment in development in process	(1,515,419)	(1,931,040)
Proceeds from disposal of assets	-	5,133
Acquisition of property and equipment	<u>(2,476,109)</u>	<u>(162,691)</u>
Net cash used by investing activities	<u>(3,792,455)</u>	<u>(2,018,778)</u>
Cash flows from financing activities		
Grants and contributions for capital projects	560,790	1,538,770
Net borrowings from line of credit	145,000	-
Proceeds from long-term borrowings	3,507,201	772,009
Payments on long-term debt	<u>(223,019)</u>	<u>(203,120)</u>
Net cash provided by financing activities	<u>3,989,972</u>	<u>2,107,659</u>
Net increase in cash and cash equivalents	535,536	264,737
Cash and cash equivalents, beginning of year	<u>1,062,497</u>	<u>797,760</u>
Cash and cash equivalents, end of year	\$ <u>1,598,033</u>	\$ <u>1,062,497</u>
Supplemental disclosure		
Acquisition of property and equipment through long-term borrowings from seller	\$ <u>-</u>	\$ <u>60,615</u>
Property and equipment transferred from development in process	\$ <u>2,222,138</u>	\$ <u>-</u>

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

FIT/NHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Organization

Families in Transition, Inc. (FIT or the Organization) is a New Hampshire nonprofit, incorporated on May 13, 1994, to provide housing and comprehensive social services to individuals and families who are homeless or at risk of becoming homeless in certain areas of southern New Hampshire, including Manchester, Concord and Dover.

The Organization directly owns and operates housing programs in facilities located on Amherst Street, Spruce Street, Lake Avenue and Douglas Street in Manchester, New Hampshire. Additional housing facilities are owned and operated by several limited partnerships of which the Organization is the sole general partner. These limited partnerships include Bicentennial Families Concord Limited Partnership (Bicentennial), located at Bicentennial Square in Concord, New Hampshire; Family Bridge Limited Partnership (Family Bridge), located on Second Street in Manchester, New Hampshire; and Family Willows Limited Partnership (Family Willows), located on South Beech Street in Manchester, New Hampshire (collectively referred to as the Limited Partnerships).

In 2008, the Organization created a Community Development Housing Organization, Housing Benefits, Inc. (Housing Benefits). Housing Benefits identifies and develops new housing units and refurbishes existing units to meet the persistent need of combating homelessness. Completed housing units are located on School & Third Street, Lowell Street, Belmont Street, Market Street (Millyard I and Millyard II), Spruce Street and Hayward Street, in Manchester, New Hampshire as well as an additional housing facilities located on Central Avenue in Dover, New Hampshire (Dover), and Lehner Street in Wolfeboro, New Hampshire (Hope House).

In 2012, the Organization became the sole member of Manchester Emergency Housing, Inc. (MEH), a New Hampshire nonprofit corporation providing immediate shelter to homeless families in the Manchester, New Hampshire area. MEH is the only family shelter in Manchester, New Hampshire.

The Organization also owns 100% of Family Outfitters, LLC (Outfitters), a limited liability corporation. At December 31, 2018, Outfitters operated an independent thrift store in Manchester, New Hampshire with the sole purpose of generating an alternate funding stream for the Organization. During 2018, management made the decision to close the Concord, New Hampshire thrift store location.

The Organization has several wholly-owned corporations which include Bicentennial Families Concord, Inc. (Bicentennial Families), Second Street Family Mill, Inc. (Family Mill), and Big Shady Tree, Inc. (Big Shady Tree) (collectively referred to as the General Partners), all of which are New Hampshire corporations. These wholly-owned corporations represent the .01% sole general partners in the Limited Partnerships, whereby Bicentennial Families is a general partner of Bicentennial, Family Mill is a general partner of Family Bridge and Big Shady Tree is a general partner of Family Willows.

In 2012, the Organization became the sole member of The New Hampshire Coalition to End Homelessness (NHCEH), a statewide entity, whose mission is to "eliminate the causes for homelessness through research, education and advocacy".

FIT/NHNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Effective January 1, 2018, FIT and New Horizons for New Hampshire, Inc. (NHNH) merged to create an integrated system of care that will provide an increased supply of affordable housing for those most in need, sustain positive outcomes through the incorporation of evidence based practices proven to meet identified needs and goals, identify areas for systemic and programmatic improvements through the use of consistent and accurate data to regularly measure success, and provide an integrated system of care that will prevent homelessness when possible and rapidly rehouse those who become homeless, including both the chronically homeless and families with children. The merger resulted in a contribution of net assets of \$3,430,951 as follows:

Cash and cash equivalents	\$ 326,551
Other current assets	63,438
Cash surrender value of life insurance	33,676
Investments	1,780,456
Property and equipment, net	1,396,197
Accounts payable and accrued payroll	(95,950)
Notes payable	<u>(73,417)</u>
Fair value of net assets acquired	<u>\$ 3,430,951</u>

The merger resulted in a contribution because the fair value of the identifiable assets exceeds the fair value of the liabilities assumed and no consideration was transferred from NHNH.

On May 25, 2018, the Organization organized Wilson Street Condominium Association (the Association) and is the majority owner in the Association. The Association was established for the purpose of maintaining and preserving a five unit premise located on Wilson Street in Manchester, New Hampshire.

1. Summary of Significant Accounting Policies

Principles of Consolidation

Since the General Partners have control of the Limited Partnerships, in accordance with Financial Accounting Standards Board *Accounting Standards Codification* Topic 810-20-25, *Consolidation*, the financial statements of each of the Limited Partnerships are required to be consolidated with the Organization's consolidated financial statements. The limited partners' ownership interest is reported in the consolidated statements of financial position as noncontrolling interest.

The consolidated financial statements include the net assets of the Organization, the Limited Partnerships, the General Partners, Housing Benefits, MEH, Outfitters, the Association, and NHCEH. All significant inter-entity balances and transactions are eliminated in the accompanying consolidated financial statements.

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Comparative Information

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Accordingly, such information should be read in conjunction with the Organization's December 31, 2017 consolidated financial statements, from which the summarized information was derived.

Use of Estimates

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

Basis of Presentation

The consolidated financial statements of the Organization have been prepared in accordance with U.S. GAAP, which require the Organization to report information regarding to its consolidated financial position and activities according to the following net asset classification:

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 Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

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 Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as support without donor restrictions in the year of the gift.

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

The Organization reports contributions of land, buildings or equipment as support without donor restrictions, unless a donor places explicit restriction on its use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions and reclassified to net assets without donor restrictions when the assets are acquired and placed in service.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limits. Management regularly monitors the financial institutions, together with their respective cash balances, and attempts to maintain the potential risk at a minimum. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant risk on these accounts.

Restricted deposits are those deposits of cash and cash equivalents not generally available for operating costs, but restricted to particular uses including operating and replacement reserves for rental properties as well as certain other social services and programs.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation less accumulated depreciation. The Organization's capitalization policy requires the capitalization of capital expenditures greater than \$1,000, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from 5 to 30 years. Assets not in service are not depreciated.

Volunteer Services

A number of volunteers have donated their time to the Organization's various programs and administrative services. The value of these services has not been included in the accompanying consolidated financial statements since the volunteers' time does not meet criteria for recognition. The estimated value of donated time for the years ended December 31, 2018 and 2017 is approximately \$780,000 and \$1,060,000, respectively.

Functional Expense Allocation

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that allocated include salaries and benefits, depreciation, amortization, office and other expenses, which are allocated based on estimated utilization of support services by functional cost centers.

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Income Taxes

The Organization is a tax-exempt Section 170(b)(1)(A)(vi) public charity as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these financial statements.

The standards for accounting for uncertainty in income taxes require the Organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of December 31, 2018 and 2017, the Organization determined that it had no tax positions that did not meet the more-likely-than-not threshold of being sustained by the applicable tax authority. The Organization files an informational return in the United States. This return is generally subject to examination by the federal government for up to three years.

No provision for taxes on income is made in the Limited Partnerships' financial statements since, as partnerships, all taxable income and losses are allocated to the partners for inclusion in their respective tax returns.

The Association is not exempt from income taxes, however, the Internal Revenue Service is prepared to regard any profits realized by the Association from its member activities as reductions of members' contributions towards the operation of the condominium property and not as taxable income of the Association or its members. Accordingly, no provision for income taxes has been made in these consolidated financial statements.

Recently Issued Accounting Pronouncement

In August 2016, Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), which makes targeted changes to the not-for-profit financial reporting model. The new ASU marks the completion of the first phase of a larger project aimed at improving not-for profit financial reporting. Under the new ASU, net asset reporting is streamlined and clarified. The previous three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." The guidance for classifying deficiencies in endowment funds and on accounting for the lapsing of restrictions on gifts to acquire property, plant, and equipment has also been simplified and clarified. New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements. The ASU also imposes several new requirements related to reporting expenses. The ASU is effective for the Organization for the year ended December 31, 2018.

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

2. Availability and Liquidity of Financial Assets

As of December 31, 2018, the Organization has working capital of \$1,108,040 and average days (based on normal expenditures) cash on hand of 54.

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on mortgage notes payable, and capital acquisitions not funded through replacement reserves or financed with debt, were as follows:

	<u>2018</u>	<u>2017</u>
Financial assets:		
Cash and cash equivalents	\$ 1,598,033	\$ 1,062,497
Accounts receivable	52,211	38,380
Grants and contributions receivable	786,343	451,664
Investments	<u>1,336,584</u>	<u>-</u>
Total financial assets	3,773,171	1,552,541
Donor-imposed restrictions:		
Restricted funds	<u>(1,187,636)</u>	<u>(897,422)</u>
Financial assets available at year end for current use	<u>\$ 2,585,535</u>	<u>\$ 655,119</u>

The Organization also has a line of credit available to meet short-term needs.

The Organization has replacement reserves and cash designated reserves for properties as part of its debt financing with New Hampshire Housing Finance Authority (NHHFA) and only available when approved by NHHFA. As a result, these replacement reserves and cash designated reserves for properties are not considered available for general expenditure within the next year and are not reflected in the amount above. The goal for the Organization is to maintain a balanced budget while meeting the requirements of the various financing authorities.

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

3. Property and Equipment

Property and equipment consisted of the following:

	<u>2018</u>	<u>2017</u>
Land	\$ 3,646,597	\$ 3,112,699
Land improvements	602,600	602,600
Buildings and improvements	34,123,495	30,283,393
Furniture and fixtures	731,590	610,143
Equipment	558,032	217,695
Vehicles	347,711	300,367
Construction in progress	<u>12,229</u>	<u>-</u>
	40,022,254	35,126,897
Less: accumulated depreciation	<u>11,491,435</u>	<u>8,916,560</u>
Property and equipment, net	<u>\$ 28,530,819</u>	<u>\$ 26,210,337</u>

At December 31, 2018 and 2017, the Organization held \$22,102,918 and \$18,427,778, respectively, of land, land improvements, and buildings and improvements, net of accumulated depreciation, for the purpose of leasing to individuals.

4. Development in Process

Development in process consists of costs related to the following facilities:

Family Willows Recovery Housing Program

In response to the rising rates of opioid and other substance use issues throughout Manchester, New Hampshire and the State of New Hampshire, FIT and Housing Benefits are assisting in the establishment of The Manchester Recovery and Treatment Center, a large-scale facility to curb the tide of substance misuse.

The plan for establishment of this facility includes the following provisions: Each of the four floors of the Manchester Recovery and Treatment Center will provide different substance use disorder treatments or services to those at varying stages of recovery. Agencies using the facility will coordinate services to ensure that clients who seek services are provided with integrated and comprehensive care. One of the key programs in the facility will be Housing Benefit's Family Willows Recovery Housing Program (the Project) on the 2nd and 3rd floors. This program will provide 19 units of sober, recovery housing, and can accommodate an estimated 40-50 women and their children on an annual basis. Residents in the Project will have access to case management, continued outpatient treatment, self-help groups, employment workshops, and social events. Construction began in December 2017 and is anticipated to be completed in the first quarter of 2019. Funding for the Project has been secured from the City of Manchester, NHHFA, Franklin Savings Bank, the Community Development Finance Authority (CDFA) and private foundations.

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Hope House

In December 2017, FIT and Housing Benefits began renovations on Hope House. Hope House, modeled after FIT's Family Place Resource Center and Shelter in Manchester, New Hampshire, is a comprehensive resource for families experiencing homelessness. In addition to emergency housing, Hope House provides services including comprehensive intake, assessment and referrals designed to direct families to the appropriate homeless and housing resources in the community, referrals to medical care for parents and children, and other essential resources. Hope House houses 7 families and their children each night, with an estimated 30 adults and 90 children annually. During 2018, the renovations at Hope House were completed and facility was placed into service. Funding for Hope House was obtained with lending from NHHFA, as well as private contributions.

5. Line of Credit

The Organization has an unsecured line of credit agreement, renewed annually, with a financial institution in the amount of \$350,000. During the term of the agreement, the interest rate on any outstanding principal balance shall be equal to the base rate, as defined by the financial institution, with a floor of 4% (5.5% at December 31, 2018). There was no outstanding balance as of December 31, 2017. As of December 31, 2018, the outstanding balance was \$145,000.

6. Long-term Debt

Long-term debt consisted of the following:

	<u>2018</u>	<u>2017</u>
A mortgage loan payable to NHHFA in monthly payments of \$680, including interest at 1% and an escrow of \$289. The loan is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The loan is due and payable in full in January 2033.	\$ 53,707	\$ 57,243
A note payable to NHHFA. The note is noninterest bearing and is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The note is due and payable upon sale or refinancing of the property or in June 2042.	163,283	163,283
A mortgage loan payable to St. Mary's Bank in monthly payments of \$990, including interest at 4.55%. The loan is collateralized by real estate on Spruce Street, Manchester, New Hampshire and is due and payable in full in February 2019. The Organization is in the process of refinancing this mortgage loan payable.	113,185	118,282

FIT/NHNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

A mortgage loan payable to TD Bank, N.A. in monthly payments of \$1,359, including interest at 4.1%. The loan is collateralized by real estate at Beech Street, Manchester, New Hampshire. The loan is due and payable in full in November 2023.	59,226	69,980
A mortgage loan payable to RBS Citizens Bank in monthly payments of \$2,126, including interest at 7.18%. The loan is collateralized by real estate on Douglas Street, Manchester, New Hampshire. The loan is due and payable in full in April 2024.	217,397	226,616
A mortgage note payable by Bicentennial to NHHFA, collateralized by real estate and personal property. Monthly payments of \$1,095 include interest at 4.75% per annum until the principal and interest are fully paid with the final installment due and payable on May 1, 2034.	141,664	147,919
A noninterest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 50% of surplus cash are due. The note is due and payable on May 28, 2034. This is nonrecourse.	85,018	85,018
A noninterest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable on May 28, 2033. This note is nonrecourse and is subordinate to the \$85,018 note payable.	336,955	336,955
A noninterest bearing note payable by Bicentennial to Merrimack County, collateralized by real estate and various financing instruments. The note is due and payable in full in May 2033.	260,000	260,000
A noninterest bearing note payable by Millyard II to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable upon sale or refinancing of the property or in May 2031. This loan is nonrecourse.	449,877	449,877
A mortgage note payable by Millyard II to NHHFA, collateralized by real estate and personal property. Monthly payments of \$1,729 include principal and interest at 3.5% per annum. The final installment is due and payable on September 1, 2032.	220,274	233,053

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

A note payable by Millyard II to the City of Manchester, New Hampshire, collateralized by real estate and various financing instruments. A payment of interest shall be made annually no later than August 1 each year based on 42.5% of the net cash flow, as defined. In any year where the Debt Coverage Ratio, as defined, exceeds 1.15 to 1, principal payments shall be made no later than August 1 in an amount that will result in a 1.15 to 1 Debt Coverage Ratio. All unpaid amounts are due and payable in full on August 1, 2031. This note is nonrecourse.	226,725	226,725
A noninterest bearing note payable by Millyard II to the New Hampshire Community Loan Fund, Inc. (NHCLF), collateralized by real estate. Payment of principal is due and payable on December 31, 2031. This note is nonrecourse.	250,000	250,000
A mortgage note payable by Housing Benefits to the City of Manchester Community Improvement Program, collateralized by Millyard Families I real estate. The note is noninterest bearing and is due and payable in January 2027.	230,000	230,000
A second mortgage note payable by Housing Benefits to CDFA, collateralized by Millyard Families I real estate. Monthly payments of \$1,121 include principal and interest at 2% per annum. The final installment is due and payable on June 15, 2022.	45,430	57,837
A mortgage note payable by Family Bridge to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on August 30, 2034.	850,000	850,000
A promissory note payable by Family Bridge to TD Bank, N.A., collateralized by real estate. Monthly payments of \$3,953 include principal and interest at 4.33%. The note is payable in full in November 27, 2023 and is guaranteed by FIT and Family Mill.	432,921	450,124
A promissory note payable by Family Bridge to the City of Manchester, New Hampshire. The note is noninterest bearing with annual payments of 50% of net cash flow payable by October 1. The outstanding principal is due by October 1, 2034. The note is collateralized by real estate and is nonrecourse.	600,000	600,000

FIT/NHNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

A mortgage note payable by Family Willows to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on July 9, 2037.	543,384	550,878
A note payable by Family Willows to the City of Manchester, New Hampshire. The note is noninterest bearing and has an annual payment of \$9,091 payable on October 1. All outstanding principal is due by October 2029. The note is collateralized by real estate and is nonrecourse.	90,908	99,999
A note payable by Family Willows to RBS Citizens Bank, collateralized by real estate. Monthly payments of \$1,882 include principal and interest at 3.75%, based on the prime rate capped at 6%. The note is payable in full on June 27, 2033 and is guaranteed by FIT and Big Shady Tree.	263,103	275,398
A mortgage note payable by Housing Benefits to NHHFA, collateralized by School & Third Street real estate and personal property. Monthly payments of \$2,775 include principal and interest at 8% per annum. The note is due in February 2021.	69,285	95,775
A second mortgage note payable by Housing Benefits to NHCLF, collateralized by School & Third Street real estate and personal property. The note bears no interest and monthly payments of \$2,775 will commence on April 15, 2021 and continue until maturity in October 2039.	617,613	617,613
A mortgage note payable by Housing Benefits to NHHFA, collateralized by Belmont Street real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by December 2040.	413,575	413,575
A privately-financed mortgage note collateralized by property located at South Main Street in Concord, New Hampshire. Monthly payments of \$3,158 include principal and interest at 6.25% per annum. The note is payable in full in September 2031.	332,432	348,981
A mortgage note payable from Housing Benefits to NHHFA, collateralized by Lowell Street real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full in August 2040.	34,628	34,628

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

A second, noninterest bearing, mortgage note payable from Housing Benefits to the City of Manchester, New Hampshire, collateralized by Lowell Street real estate. Annual payments equal to the greater of 25% of net cash flow, as defined, or \$4,000 commenced in October 2012 and continue until the maturity date in June 2041.	168,022	168,022
A noninterest bearing promissory note payable from Housing Benefits to NHHFA collateralized by a mortgage and security agreement on Lowell Street real estate. The note is to be forgiven 1/15th annually over the low-income housing tax credit compliance period which ends in 2026, subject to compliance with certain requirements. During 2018 and 2017, \$131,267 was recognized as revenue and support in the consolidated statement of activities.	984,497	1,115,764
A mortgage note payable from Housing Benefits to NHHFA, collateralized by Dover real estate and personal property. The noninterest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2028.	216,672	216,672
A noninterest bearing mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 393-395 Spruce Street. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow, as defined, or \$5,000 are due by October 1 commencing October 1, 2015. The note is due in full by October 1, 2045.	582,808	582,808
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 167 Lake Avenue and personal property located at 161 South Beech Street, Unit 2. Monthly payments of \$1,921 include principal and interest at 3.41%. The note is due in full by April 2019. The Organization is in the process of refinancing this mortgage loan payable.	388,731	398,203
A vehicle loan payable in monthly payments of \$488, including interest at 4.06%. The loan is due in September 2020 and is collateralized by the related vehicle.	9,892	15,239

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

A vehicle loan payable in monthly payments of \$760, including interest at 5.374%. The loan is due in November 2020 and is collateralized by the related vehicle.	13,979	22,624
A mortgage note payable to NHHFA, collateralized by the real estate at Lake Avenue, Manchester, New Hampshire. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2045.	750,000	750,000
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 641 Hayward Street, Manchester, New Hampshire. Monthly payments of \$1,091 include principal and interest at 4.25%. The note is due in full by January 2040.	183,916	188,387
A mortgage note payable to Peoples United Bank, collateralized by Hope House. Monthly payments of \$2,270 include principal and interest at 4.94%. The note is due in full by January 2027.	382,018	390,000
A construction loan payable to Franklin Savings Bank, collateralized by real estate located at 267 Wilson Street, Manchester, New Hampshire. Housing Benefits has the ability to draw up to \$825,000 on the promissory note. Monthly payments including principal and interest are due over a 30 year period starting September 2018 at 4.90% interest.	770,113	270,855
A noninterest bearing construction loan payable to NHHFA, collateralized by real estate located at 267 Wilson Street, Manchester, New Hampshire. The note has a borrowing limit of \$720,000. Annual payments in amounts equal to 25% of surplus cash. The note is due in full by November 1, 2047.	692,891	113,819
Three vehicle loans collateralized by an activity bus payable to Ford Credit in monthly payments of \$392 at 5.90% annual interest rate. The loan is due and payable in March 2022.	40,633	51,965
A noninterest bearing mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 267 Wilson Street, 2nd Floor. The note has a borrowing limit of \$1,655,323. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow, as defined, or \$5,000 are due by October 1 commencing October 1, 2019. The note is due in full by October 1, 2047.	1,133,816	-

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

A noninterest bearing mortgage note payable to the City of Manchester, collateralized by real estate located at 267 Wilson Street, 3rd Floor. The note is funded the the City of Manchester's Community Improvement Program and the City of Manchester's Affordable Housing Trust Funds. The note has a borrowing limit of \$531,252. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments in the amount of 25% of net cash flow, as defined, are due by October 1 commencing October 1, 2019. The note is due in full by December 1, 2047.	495,225	-
A noninterest bearing construction loan payable to NHHFA, collateralized by real estate located in Wolfeboro, New Hampshire. The note has a borrowing limit of \$780,000. Annual payments in amounts equal to 25% of surplus cash. The note is due in full by December 1, 2047.	780,000	-
A technical assistance note payable to NHHFA to provide support to the Organization for renovations at Angie's Shelter. If the renovation project is approved, NHHFA is expected to be the lead lender on renovations. If the renovation project is not approved NHHFA will forgive the borrowings. The noninterest bearing note payable is due at the time of closing on the construction loan.	13,879	-
A noninterest bearing note payable to the City of Manchester Community Improvement Program through the Affordable Housing Trust Funds, collateralized by real estate located at 199 Manchester Street. Annual payments of \$6,000 are due by October 1 commencing October 1, 2010. The note is due in full by October 1, 2019.	6,000	-
A note payable to CDFA, collateralized by real estate located at 199 Manchester Street, Manchester, New Hampshire. Principal only payments are due for the first 18 months, at which time monthly payments include principal and interest at 2.0% will be required until December 2021.	46,767	-
	<u>14,760,449</u>	11,534,117
Less current portion	1,116,180	216,147
Less unamortized deferred costs	<u>40,252</u>	<u>53,449</u>
	<u>\$ 13,604,017</u>	<u>\$11,264,521</u>

FIT/NHNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Surplus cash for the purposes of these disclosures is as defined in the respective loan agreements.

Principal maturities of the above notes over the next five years and thereafter are as follows:

2019	\$ 1,116,180
2020	218,543
2021	210,011
2022	186,655
2023	504,951
Thereafter	<u>12,524,109</u>
	<u>\$ 14,760,449</u>

Interest expense charged to operations, including amortization of deferred costs of \$13,197, was \$229,713 and \$188,473 in 2018 and 2017, respectively. Cash paid for interest approximates interest expense.

7. Net Assets

At December 31, 2018 and 2017, net assets without donor restrictions are fully available to support operations of the Organization.

Net assets with donor restrictions were as follows:

	<u>2018</u>	<u>2017</u>
Specific purpose		
The Family Place - services	\$ 53,540	\$ -
Scholarships	8,264	10,264
VISTA program	48,118	57,351
Direct care for clients	95,410	109,749
Community Gardens	10,333	-
Hope House	131,440	241,761
Family Willows Recovery Housing Program	264,238	299,797
NHNH merger	345,003	98,500
Substance use disorder services	170,677	-
NHNH programs	<u>60,613</u>	<u>-</u>
	1,187,636	817,422
Passage of time		
Grant receivable - time restricted	<u>-</u>	<u>80,000</u>
	<u>\$ 1,187,636</u>	<u>\$ 897,422</u>

FIT/NHNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018
(With Comparative Totals for December 31, 2017)

Net assets released from net assets with donor restrictions were as follows:

	<u>2018</u>	<u>2017</u>
Satisfaction of purpose restrictions:		
The Family Place - services	\$ -	\$ 41,866
Scholarships	3,500	2,500
VISTA program	57,325	58,093
Housing programs	-	10,000
Direct care for clients	84,324	45,070
Community Gardens	-	42,843
Hope House	216,016	-
Family Willows Recovery Housing Program	143,796	42,972
NHNH merger	96,706	-
Substance use disorder services	45,324	2,000
NHNH programs	<u>5,746</u>	<u>-</u>
	<u>\$ 652,737</u>	<u>\$ 245,344</u>

8. Commitments

Under the terms of the Limited Partnerships' Regulatory Agreements with NHHFA, each Limited Partnership is required to make deposits to various escrow accounts to fund expected future costs.

Each Limited Partnership has entered into a Land Use Restriction Agreement with NHHFA, as a condition of the allocation of low-income housing tax credits by NHHFA. Pursuant to the covenant, the Limited Partnerships are required to remain in compliance with Code Section 42 for the compliance period and an extended use period, unless terminated sooner.

9. Retirement Plan

The Organization has a tax deferred retirement plan which is available to all employees working greater than 25 hours a week. All employees are eligible to participate and are fully vested with the first contribution. The Organization matches contributions at 100% up to 3% of compensation. The Organization contributed \$63,053 and \$49,814 during the years ended December 31, 2018 and 2017, respectively.

10. Housing Action New Hampshire

In 2011, the Organization entered into a Fiscal Sponsorship Agreement with Housing Action New Hampshire (HANH), an unincorporated association. Authority to manage the programmatic activities of HANH is vested solely in HANH. In accordance with the agreement, the Organization was to maintain the books and financial records for HANH in accordance with U.S. GAAP. HANH funds were presented in the Organization's consolidated statement of financial position as funds held as fiscal agent. Effective January 1, 2018, the Fiscal Sponsorship Agreement terminated and the Organization no longer maintains the books and financial records for HANH.

FIT/NHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018
(With Comparative Totals for December 31, 2017)

11. Noncontrolling Interest

Noncontrolling interest, as shown in the consolidated statement of financial position, represents investments by limited partners in the Limited Partnerships as follows:

<u>Limited Partner</u>	<u>Property</u>	<u>2018</u>	<u>2017</u>
New Hampshire Housing Equity Fund, Inc.	Bicentennial	\$ 105,749	\$ 213,660
JP Morgan Chase	Bicentennial	213,791	213,791
BCCC, Inc.	Family Bridge	10	10
Boston Capital Corporate	Family Bridge	970,818	1,135,777
BCCC, Inc.	Family Willows	10	10
Boston Capital Midway	Family Willows	<u>1,953,316</u>	<u>2,002,230</u>
		<u>\$ 3,243,694</u>	<u>\$ 3,565,478</u>

12. Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, the Organization has considered transactions or events occurring through March 18, 2019, which was the date the consolidated financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the consolidated financial statements.

Bicentennial

During 2018, Bicentennial reached the end of the initial 15-year low-income housing tax credit compliance period. As a result, New Hampshire Housing Equity Fund, Inc. and JP Morgan Chase (the limited partners) have decided to withdraw from Bicentennial and are expected to do so in the first quarter of 2019. It is management's plan to have Housing Benefits assume the remaining assets of Bicentennial.

Outfitters

As a result of management's decision to close the OutFITTER's Boutique located in Concord, New Hampshire, the property was put up for sale and is reflected as an asset held for sale on the consolidated statement of financial position at December 31, 2018. On February 25, 2019, Outfitters sold the property for \$830,000. CDFA, who granted tax credits to originally purchase the property, has required Outfitters to restrict \$43,340 of the proceeds from the sale to be used for the Outfitters thrift store located in Manchester, New Hampshire. Outfitters will recognize a gain on sale of property in 2019.

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Antoinette Hills

In September, 2018, Housing Benefits signed a Purchase and Sale Agreement with Antoinette L. Hill Apartments, Inc., an unrelated party, to purchase 23 units of housing located in Manchester, New Hampshire for approximately \$1,300,000 to be financed through NHHFA. The terms of the long-term debt agreement with NHHFA require that the owner of the property must be a single purpose entity. As a result, management has formed HB-AH, LLC, is a single member LLC, with Housing Benefits as its sole member.

SUPPLEMENTARY INFORMATION

FTN/HHH, INC. AND SUBSIDIARIES
Consolidating Statement of Financial Position
December 31, 2018

ASSETS

	Families in Transition - Operating	Limited Partnerships	Housing Benefits	Family Outlets	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	With Donor Restriction	Eliminations	Total
Current assets											
Cash and cash equivalents	\$ 316,969	\$ 67,491	\$ 178,556	\$ 6,185	\$ 106,840	\$ 1,529	\$ 83,486	\$ 18,728	\$ 797,638	\$ -	\$ 1,698,833
Accounts receivable	96,089	19,792	20,463	-	7,280	-	-	1,056	-	(92,406)	62,211
Grants and contributions receivable	338,963	-	-	-	36,213	6,770	-	-	404,787	-	796,343
Prepaid expenses	45,847	16,319	13,811	-	-	370	742	3,118	-	-	80,807
Due from related party	892,680	-	83,543	138,407	28,443	-	-	-	-	(1,118,468)	35,813
Other current assets	6,374	20,789	20,787	-	-	-	-	-	-	-	48,110
Total current assets	1,696,526	124,371	327,080	144,592	236,776	3,669	84,540	22,900	1,187,638	(1,207,875)	2,600,317
Replacement reserves	82,587	113,005	160,988	-	-	-	-	-	-	-	336,578
Reserve cash designated for properties	54,648	296,424	367,082	-	-	-	-	-	-	-	718,154
Related party notes receivable	1,726,799	-	-	-	-	-	-	-	-	(1,723,790)	-
Accrued interest receivable on related party note	1,066,447	-	-	-	-	-	-	-	-	(1,066,447)	-
Investments	-	-	-	-	1,311,594	-	-	-	23,000	-	1,330,594
Investment in related entities	1,196,347	-	26,051	-	-	-	-	-	-	(1,320,388)	1,000
Asset held for sale	429,779	-	-	-	-	-	-	-	-	-	429,779
Property and equipment, net	4,004,264	9,784,021	13,343,733	30,066	1,362,225	2,847	3,523	-	-	-	28,530,819
Development in process	110,384	-	3,493,008	-	-	-	-	-	-	-	3,603,450
Other assets	29,013	-	141,032	-	28,368	-	-	-	-	-	198,473
Total assets	\$ 16,376,796	\$ 10,317,821	\$ 17,860,090	\$ 174,658	\$ 2,638,653	\$ 11,856	\$ 88,163	\$ 22,900	\$ 1,187,638	\$ (3,223,519)	\$ 37,797,154

LIABILITIES AND NET ASSETS

Current liabilities											
Current portion of long-term debt	\$ 892,429	\$ 73,690	\$ 116,235	\$ 8,438	\$ 23,988	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,116,180
Accounts payable	135,863	96,901	96,188	4,010	1,625	2,831	2,889	2,191	-	(92,406)	249,807
Accrued expenses	195,127	883,966	209,961	20,577	56,135	6,746	-	-	-	(1,068,447)	348,085
Due to related entities	28,443	116,163	792,031	137,734	-	76,157	-	651	-	(1,115,406)	35,813
Line of credit	145,000	-	-	-	-	-	-	-	-	-	145,000
Other current liabilities	38,184	27,484	23,067	-	-	-	650	-	-	-	62,475
Total current liabilities	1,431,078	1,176,814	1,297,480	170,769	83,748	86,534	3,439	2,742	-	(2,274,322)	1,977,270
Long-term debt, less current portion, net of unamortized deferred costs	1,219,940	4,520,862	9,224,679	5,536	28,779	-	-	-	-	(1,723,790)	13,895,017
Total liabilities	2,651,018	5,697,789	10,522,159	176,305	112,527	86,534	3,439	2,742	-	(4,000,121)	15,581,287
Net assets											
Net assets without donor restrictions - controlling interest	7,694,780	1,074,331	7,338,031	(1,637)	2,826,426	(73,876)	84,724	20,158	-	(1,220,396)	17,744,837
Net assets without donor restrictions - noncontrolling interest	-	3,243,894	-	-	-	-	-	-	-	-	3,243,894
Total net assets without donor restriction	7,694,780	4,320,025	7,338,031	(1,637)	2,826,426	(73,876)	84,724	20,158	-	(1,220,396)	20,988,231
Net assets with donor restrictions	-	-	-	-	-	-	-	-	1,187,638	-	1,187,638
Total net assets	7,694,780	4,320,025	7,338,031	(1,637)	2,826,426	(73,876)	84,724	20,158	1,187,638	(1,220,396)	22,175,867
Total liabilities and net assets	\$ 10,375,798	\$ 10,317,821	\$ 17,860,090	\$ 174,658	\$ 2,835,953	\$ 11,856	\$ 88,163	\$ 22,900	\$ 1,187,638	\$ (3,223,519)	\$ 37,797,154

FIT/HHH, INC. AND SUBSIDIARIES
Consolidating Statement of Activities
Year Ended December 31, 2018

	Families In Transition - Operations	Limited Partnerships	Housing Benefits	Family Outlets	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	Eliminations	Without Donor Restrictions Total	With Donor Restrictions	Total
Revenue and support												
Federal, state and other grant support	\$ 4,224,280	\$ -	\$ 99,250	\$ -	\$ 328,420	\$ 147,028	\$ -	\$ -	\$ (217,888)	\$ 4,601,300	\$ 513,854	\$ 5,115,154
Rental income, net of vacancies	333,233	813,845	884,122	-	-	8,081	-	63,599	(79,417)	2,021,485	-	2,021,485
Thrift store sales	-	-	-	616,565	-	-	-	-	-	616,565	-	616,565
Public support	253,447	-	17,131	1,517	500,712	-	23,023	-	-	855,830	-	855,830
Tax credit revenue	60,000	-	-	-	-	-	-	-	-	60,000	-	60,000
Special events	176,274	-	-	-	351,836	-	-	-	-	528,110	-	528,110
Property management fees	684,883	-	-	-	-	-	-	-	(584,583)	-	-	-
Developer fees	68,483	-	-	-	-	-	-	-	-	68,483	-	68,483
VISTA program revenue	93,734	-	-	-	-	-	-	-	-	93,734	-	93,734
Unrealized loss on investments	-	-	-	-	(168,848)	-	-	-	-	(168,848)	-	(168,848)
Loss on disposal of assets	-	-	(1,494)	-	(8,851)	-	-	-	-	(10,115)	-	(10,115)
Interest income	97,382	2,304	6,738	-	-	-	-	-	(87,770)	38,634	-	38,634
In-kind donations	13,704	-	-	-	-	725	-	-	-	14,429	-	14,429
Investment income	-	-	-	-	89,783	-	-	-	-	89,783	-	89,783
Forgiveness of debt	-	18,000	131,287	-	-	-	-	-	(18,000)	131,287	-	131,287
Medicaid reimbursements	521,957	-	-	-	-	-	-	-	-	521,957	-	521,957
Other income	252,636	18,001	135,871	18,066	32,085	42,178	5,048	-	(227,455)	279,420	-	279,420
Net assets released from restrictions	297,178	-	-	-	5,748	-	-	-	-	297,925	(292,925)	-
Total revenue and support	6,995,831	854,090	1,472,892	637,138	1,200,892	215,994	28,072	63,599	(1,194,883)	10,043,718	220,929	10,264,647
Expenses												
Program activities	5,474,177	1,210,197	1,314,432	748,070	1,202,828	243,810	17,383	43,441	(1,194,883)	6,080,435	-	6,080,435
Fundraising	614,693	-	168,080	-	348,258	-	-	-	-	1,131,041	-	1,131,041
Management and general	711,303	-	87,840	-	118,166	-	-	-	-	914,009	-	914,009
Total expenses	6,800,173	1,210,197	1,571,092	748,070	1,669,242	243,810	17,383	43,441	(1,194,883)	11,108,475	-	11,108,475
Excess (deficiency) of revenue and support over expenses	160,558	(356,107)	(288,087)	(111,832)	(466,259)	(27,816)	10,709	20,158	-	(1,062,758)	220,929	(841,827)
Grants and contributions for capital projects	-	-	270,857	-	-	-	-	-	-	270,857	260,033	660,700
Net assets released for capital projects	359,812	-	-	-	-	-	-	-	-	359,812	(359,812)	-
Effect of consolidation of affiliates	-	-	-	-	3,281,787	-	-	-	-	3,281,787	139,184	3,430,951
Change in net assets	\$ 625,470	\$ (356,107)	\$ (27,210)	\$ (111,832)	\$ 2,825,423	\$ (27,816)	\$ 10,709	\$ 20,158	\$ -	\$ 2,829,790	\$ 280,214	\$ 3,149,814

FITTING, INC. AND SUBSIDIARIES
Consolidating Statement of Functional Expenses
Year Ended December 31, 2018

	Program Activities										Management and General		Eliminations	Total
	Families in Transition - Quincy	Limited Partnership	Housing Benefits	Family Outfits	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wynton Street Condominium Association	Program Activities Total	Fundraising	Management and General			
Salaries and benefits														
Salaries and wages	\$ 2,333,523	\$ -	\$ 370,212	\$ 316,196	\$ 673,912	\$ 118,026	\$ -	\$ -	\$ 3,808,970	\$ 518,402	\$ 358,442	\$ -	\$ -	\$ 4,882,814
Employee benefits	237,006	-	70,225	24,831	61,964	6,487	-	-	426,732	64,002	37,770	-	-	\$17,504
Payroll taxes	173,477	-	25,572	24,440	58,129	8,823	-	-	287,230	32,748	26,593	-	-	353,589
Total salaries and benefits	2,784,007	-	472,018	385,586	788,205	131,138	-	-	4,821,852	612,150	419,805	-	-	6,853,907
Advertising	14,111	-	288	25,068	-	-	609	-	40,086	-	18,948	-	-	59,032
Application and permit fees	-	-	1,620	-	-	-	-	-	1,620	-	-	-	-	1,620
Bad debts	1,808	11,897	14,210	-	-	-	-	-	28,100	-	-	-	-	28,100
Bank charges	-	390	-	8,847	-	97	-	30	9,429	-	11,445	-	-	20,805
Consultants	13,862	-	3,519	2,847	-	2,123	-	-	22,351	4,847	2,483	-	-	29,481
Depreciation	171,127	385,718	323,483	11,993	52,378	340	834	-	944,971	116,347	51,812	-	-	1,111,830
Events	-	-	-	2,814	-	-	3,550	-	6,364	160,885	-	-	-	167,849
General insurance	29,119	36,144	30,123	3,523	18,977	5,714	-	4,712	128,314	14,318	13,248	-	-	166,880
Grant expense	23,538	-	-	714	35,811	-	-	-	59,149	-	-	-	-	59,149
Interest expense	86,838	112,239	116,976	714	1,717	-	-	-	297,483	-	-	(67,770)	-	228,713
Management fee	74,979	181,005	284,768	-	-	-	-	10,401	571,204	-	-	-	(564,582)	6,622
Meals and entertainment	4,264	-	32	179	-	133	311	-	4,919	856	547	-	-	6,225
Membership dues	8,280	-	1,510	-	-	-	1,000	-	10,790	1,741	3,458	-	-	15,889
Merger expenses	-	-	-	-	-	-	-	-	-	-	137,747	-	-	137,747
Office supplies	243,293	949	21,987	8,460	15,454	148	568	-	289,858	43,158	38,139	-	-	370,159
Participant expense	68,720	3,076	8,132	43	-	43,867	3,000	-	116,960	379	379	-	-	117,718
Postage	5,734	-	6	8	1,579	-	6	-	7,333	4,274	1,758	-	-	13,365
Printing	16,882	-	-	2,745	-	-	1,093	-	19,500	18,128	2,088	-	-	40,717
Professional fee	9,275	27,743	8,313	3,500	-	5,969	-	1,800	67,406	-	112,417	-	-	189,823
Related entity expenses	798,348	-	(491,778)	169,388	-	-	-	-	465,970	-	144	(483,114)	-	-
Rent	-	-	-	62,696	-	-	-	-	62,696	-	16,721	(78,417)	-	-
Rental subsidies	332,270	-	-	-	16,222	22,882	-	-	332,270	-	-	-	-	332,270
Repairs and maintenance	62,636	128,612	105,342	34,328	16,222	22,882	-	7,729	424,448	42,145	18,168	(20,000)	-	482,782
Shelter expense	-	-	-	106,891	-	-	-	-	106,891	-	-	-	-	106,891
Staff development	28,066	-	-	98	741	-	4,791	-	31,886	4,008	3,340	-	-	39,934
Taxes	47,851	113,810	132,002	2,307	-	76	76	-	315,920	-	-	-	-	315,920
Technology support	182,452	485	2,811	2,231	3,008	840	858	-	187,383	28,782	23,888	-	-	244,811
Telephone	82,889	719	18,830	5,036	6,465	2,893	-	1,178	94,048	10,895	8,778	-	-	112,921
Travel	32,932	-	1,074	3,845	6,685	-	623	-	44,759	5,181	4,222	-	-	54,172
Utilities	36,081	197,345	107,188	31,461	75,637	18,188	-	17,781	443,721	52,007	17,767	-	-	613,485
VISTA program	318,934	2,325	-	-	-	-	-	-	320,859	-	-	-	-	320,859
Workers' compensation	62,521	-	24,432	14,223	16,240	9,484	-	-	123,827	13,228	9,220	-	-	148,355
Total expenses	\$ 5,474,172	\$ 1,210,197	\$ 1,314,432	\$ 749,870	\$ 1,202,828	\$ 243,819	\$ 17,363	\$ 43,441	\$ 10,255,318	\$ 1,131,841	\$ 914,099	\$ (1,194,893)	\$ -	\$ 11,100,475

Families in Transition/New Horizons New Hampshire Board of Directors

Board of Directors

Scott W. Ellison, Chair

COOK, LITTLE, ROSENBLATT & MANSON, PLLC, Partner
Board member since 2018

Roy Tillsley, Vice Chair

Bernstein Shur, Shareholder
Board member since 2018

Robert Bartley, Treasurer

President, CPA, CFP, Bartley Financial Advisor
Board member since 2018

Frank Saglio, Asst. Treasurer

Howe, Riley & Howe, PLLC.
Board member since 2018

Kristi Scarpone, Secretary

First, Corporate and Foundation Relations
Board member since 2018

Dick Anagnost, At Large

President, Anagnost Companies
Board member since 2018

Heather Whitfield, At Large

Vice President, Commercial Lending, People's United Bank
Board member since 2018

David Cassidy, Past Co-Chair

Senior Vice President, Eastern Bank
Board member since 2018

Charla Bizios Stevens, Past Co-Chair

Director, Litigation Department and Chair of Employment Law Practice Group
McLane Middleton, Professional Association Esquire
Board member since 2018

Colleen Cone,

Sr. Director Employee Relations Greater Boston Area, Comcast
Board member since 2018

Alison Hutcheson

Merchants Fleet Management, Associate Director of Sales Administration
Board member since 2018

AnnMarie French
Executive Director, NH Fiscal Policy Institute
Board member since 2018

Brian Hansen
Team Engineering, Project Manager
Board member since 2018

Brian Mikol
Spectrum Marketing, Co-Owner
Board member since 2018

Jack Olson
Retired
Board member since 2018

Kitten Stearns
Realtor, Coldwell Banker Residential Brokerage
Board member since 2018

Mary Ann Aldrich
Dartmouth Hitchcock, Sr. Advisor Community & Relations
Board member since 2018

Peter Telge
Owner, Stark Brewing Company
Board member since 2018

Roy Ballentine
Executive Chairman, Ballentine Partners, LLC
Board member since 2019

Sarah Jacobs
Manchester School District Coordinator
Board member since 2018

Sean Leighton
Captain – Investigative Division Commander, City of Manchester Police Department
Board member since 2019

Wayne McCormick, CFP
Steward Partners Managing Director Wealth Manager
Board member since 2018

Rev. Gayle Murphy
Minister At Large
Board member since 2020

Michael McCormick
*Anthem- Chief of Staff & Sales Effectiveness Director,
Commercial Business Division, Manchester NH*
Board member since 2020

Kristen McGuigan, LICSW

Education

BOSTON UNIVERSITY, TYNGSBORO, MA

SEPTEMBER 2006-MAY 2009

Masters of Social Work

RIVIER COLLEGE, NASHUA, NH

SEPTEMBER 2004-MAY 2006

Bachelor of Arts in Human Development

- Minor in Social Work

NEW HAMPSHIRE TECHNICAL INSTITUTE, CONCORD, NH

SEPTEMBER 2002- MAY 2004

Associates Degree in Early Childhood Education

Licenses

Licensed Independent Clinical Social Worker in Massachusetts and New Hampshire

Experience

FAMILIES IN TRANSITION, MANCHESTER, NH

OCTOBER 2016-PRESENT

Child and Family Program Manager

- Provide individual therapy to children/adolescence and in-home family counseling
- Supporting families whom struggle with substance use, trauma and homelessness
- Facilitate therapeutic play groups and parenting groups

Program Manager/ Child and Family Therapist

OCTOBER 2009- OCTOBER 2012

- Provide trauma-informed therapeutic services to homeless children and families
- Manage the trauma-informed therapeutic preschool and afterschool program
- Provide supervision to clinical staff and early educators whose responsibility levels vary
- Complete psychosocial assessments, develop treatment plans, and DECA/BERS assessment tools
- Provide individual therapy, family therapy, parenting workshops, staff trainings, group therapy and crisis intervention

PSYCHOTHERAPY ASSOCIATES OF NORTH READING, NORTH READING, MA

JULY 2013- PRESENT

Licensed Independent Clinical Social Worker

- Provide individual and family counseling to children, adolescences, and adults
- Provide service to adolescences during the transition into college and adulthood
- Offer art and play therapy services to children ages 3-15 years old
- Conduct psychotherapy assessments and formulate treatment plans

ELLIS MEMORIAL, BOSTON, MA

OCTOBER 2012- MAY 2014

Clinical Supervisor

- Oversee clinical services for children being offered in the agency, including supervision to clinical staff and interns
- Provide therapeutic services to children and families enrolled in Ellis's educational programming
- Enroll and oversee services for children that have open cases with the Department of Children and Families
- Offer in-house trainings and on-going support to early childhood providers
- Create and implement behavior management strategies to ensure success for children within the programs

MOORE CENTER SERVICES INC., MANCHESTER, NH

NOVEMBER 2008- OCTOBER 2009

Case Manager, Children Services

- Assist families with children diagnosed with developmental disabilities and participate in crisis intervention planning
- Oversee and manage child budget to provide services through the In Home Support program
- Attend children's individual education plan (IEP) meetings and collaborate with school systems on behalf of children's education

EASTER SEALS RESIDENTIAL FACILITY CO-OCCURRING UNIT, MANCHESTER, NH

SEPTEMBER 2008- MAY 2009

Master Level Clinical Intern

- Participate in individual and group therapy with adolescents with substance abuse diagnoses
- Develop curriculum for group therapy
- Involvement with drug court and the New Hampshire court system
- Participated in training for Therapeutic Crisis Intervention

HIGH PLAIN ELEMENTARY, ANDOVER, MA

SEPTEMBER 2007 - MAY 2008

Master Level Clinical Intern

- Led individual, group, and family therapy sessions employing a variety of techniques
- Provided emotional and behavioral support to clients with autism, ADHD, OCD, PDD-NOS, GAS and depression
- Served as liaison between staff and families on mental health issues and child development

Trainings

- Certified trainer in Suicide Prevention through NAMI (National Association of Mental Illness) 2010
- Certified trainer of Dr. Brazelton Touchpoints child development model (Harvard University) 2011
- Certified Disaster Case Manager Supervisor (Catholic Charities) March 2014
- Faculty member participating on a team with mental health professionals, to help implement the Trauma-Informed Early Education and Care Systems Breakthrough Collaborative. Created and implemented trauma-informed curriculum training to early childhood educators. (BOSTON PUBLIC HEALTH COMMISSION, BOSTON MA) AUGUST 2013-SEPTEMBER 2014

Ann-Elise Bryant

Objective

Seeking a position as Housing Advocate

Education

Gordon College

Bachelor of Arts in Psychology and Sociology

GPA 3.57

Wenham, MA

May 2010

Honors: *Barrington Scholar: for academic performance in, and impact on, the Psychology department and campus; one student from each department chosen; Dean's List; graduate cum laude*

Experience

Supportive Services Case Manager

Somerville Homeless Coalition, Somerville, MA

March 2014- Present

- Responsible for an active case load of 12-18 individuals and families who formerly experienced homelessness and now are in recovery from substance abuse addiction and/or mental health diagnoses
- Provide services in the home and community as outlined on an Individual Service Plan (ISP) in conjunction with supports to promote retention of permanent housing, sobriety, and symptom management
- Respond to crisis situations (including relapse) and utilize Harm Reduction tactics to promote client safety
- Produce documentation of all client interactions and maintain up-to-date ISPs and assessments
- Attend and participate in team meetings and assist in streamlining client services through the development and updating of protocols and policies, as well as providing training for new case managers through shadowing opportunities

Supported Employment Specialist

Genesis Behavioral Health, Laconia, NH

January 2013- February 2014

- Supported an active case load of 25-30 individuals with Severe and Persistent Mental Illness (SPMI) primarily with employment search and school related activities in the community using an Individualized Service Plan (ISP) to provide optimal treatment within a team approach
- Documented all interactions with clients to maintain continuity of care within and, if necessary, outside of agency
- Provided emergency services such as Crisis Intervention, support to local hospital emergency rooms, and/or contact of local authorities when necessary
- Facilitated more effective, streamlined processes for working in conjunction with local agencies, as well as within the Supported Employment team in the areas of service provision to clients and new hire training

Research Data Coordinator

Institute for Community Inclusion, Boston, MA

November 2010- December 2011

- Conducted research related activities (e.g. interviews, transcribing, literature reviews) on two projects focused on aiding individuals with disabilities
- Worked as a member of a research team and attended, and sometimes led, team meetings

References available upon request

Ann-Elise Bryant

References

1. Michael (Mike) Libby, LCSW
 - Work: [REDACTED] (ask for Mike Libby)
 - Deputy Director, direct Supervisor, Somerville Homeless Coalition
 - Office phone between the hours of 9-5
2. Mark Lane
 - Work: [REDACTED] (ask for Mark Lane)
 - Supportive Services Senior Case Manager, Somerville Homeless Coalition
 - Office phone between the hours of 9-5
3. Dominique Whiton
 - Former co-worker/personal friend of 2 years
 - Cellphone: [REDACTED]

CONTRACTOR NAME

Key Personnel

Concord Community Leasing II PH

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
TBD	President	175,000	0%	-
Kristen McGuigan	Director of Clinical Services	71,400	5%	3,570
Ann Elise Bryant	Program Manager	50,000	10%	5,000



Jeffrey A. Meyers
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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHNH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHNH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

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

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are sole source because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

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

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

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

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.

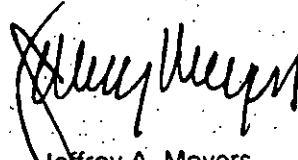
Source of funds: 100% Federal Funds from the U.S. Department of Housing and Urban Development, Office of Community Planning and Development, Catalog of Federal Domestic Assistance Number (CFDA) #14.267.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner


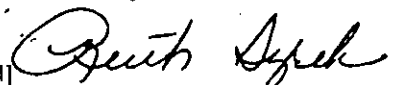
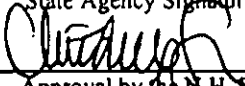

Subject: Continuum of Care, Concord Community Leasing II PH, SS-2020-BHS-04-PERMA-10

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 FIT/NHNH, Inc.		1.4 Contractor Address 122 Market Street Manchester, NH 03101	
1.5 Contractor Phone Number (603) 641-9441	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$99,046
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 Maureen Beauregard	
1.13 Acknowledgement: State of New Hampshire County of Hillsborough On May 29, 2019, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  (Seal)		RUTH A. SYREK, Notary Public My Commission Expires September 5, 2023	
1.13.2 Name and Title of Notary or Justice of the Peace Ruth Syrek, Admin. Asst., Notary Public			
1.14 State Agency Signature  Date: 5/30/19		1.15 Name and Title of State Agency Signatory Christine Santanelli, Director, DEHS	
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:  On: June 4, 2019			
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.



SCOPE OF SERVICES

Permanent Supportive Housing Program

1. Provisions Applicable to All Services

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided 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 (BHS)
129 Pleasant Street
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.



Exhibit A

- 1.10. 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 Services

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Supportive Housing program comprised of six (06) housing units and twelve (12) beds serving homeless individuals and or families, and which includes, but is not limited to:
- 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
- 2.2.2. The development 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 must 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).
- 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.



Exhibit A

- 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, 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 must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, 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 must 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 has 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 must 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 must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were 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).

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Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 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.
 - 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the 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 as required by this Agreement and state and federal laws and regulations;
 - 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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

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Exhibit A

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 HUD New Project Application, federal fiscal year 2018, #SF-424; and

5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.

5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. 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 a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.

6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.

6.2.1. Project outcomes shall include, but are not limited to: ¹

6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.

6.2.1.2. Participants experience increased connections to:

6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;

6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and

6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.

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

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Permanent Supportive Housing Program Funding

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
 - 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0060L1T001806
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing Program
 - 1.2.7. Total Amount Continuum of Care;
 - 1.2.7.1. not to exceed \$99,046
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Supportive Services: \$15,956
 - 1.2.8.2.1 Case Management \$15,956
 - 1.2.8.2. Leasing \$80,780
 - 1.2.8.3. Administrative Expenses: \$2,310
 - 1.2.8.4. Total program amount: \$99,046
 - 1.2.8.5. Vendor Match (25%) \$4,567
- 1.3. The Contractor agrees to 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
129 Pleasant Street
Concord, NH 03301

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

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used 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/Grant completion date.

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

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).

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 are to be documented with each payment request.
- 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
 - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
 - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
 - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
 - 3.3.3.4. 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, subject to the availability of sufficient funds.

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.

3.4.5. Schedule of Payments:

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:
housingsupportsinvoices@dhhs.nh.gov
- 3.4.5.3. 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.

3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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 the terms and conditions of this Agreement.

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May 29, 2019



**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

5. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

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

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 5.3.2.4. 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;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. 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;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. 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;
- 5.3.2.10. 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 the 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;
- 5.3.2.11. 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;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. 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;
- 5.3.2.14. 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;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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Exhibit B

- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
- 5.3.2.19. 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.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. 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.
- 5.4.6. 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.
- 5.4.7. 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.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. 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.
- 5.4.9.2. 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.
- 5.4.9.3. 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.
- 5.4.9.4. 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.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

- 5.5.1.1. 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; and
- 5.5.1.2. 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:
 - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
 - 5.5.1.2.1.1. 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:



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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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.

5.6.1. Requirements:

ARB



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Continuum of Care Program**

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- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. 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.

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Continuum of Care Program**

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- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

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



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;

Exhibit C – Special Provisions

Contractor Initials

Date May 29, 2019

New Hampshire Department of Health and Human Services
Exhibit C



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

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

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

New Hampshire Department of Health and Human Services
Exhibit C



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

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



- 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.



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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

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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 GRANTEEES OTHER THAN INDIVIDUALS

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

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

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

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

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New Hampshire Department of Health and Human Services
Exhibit D



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

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

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

Vendor Name: FIT/NHNNH, Inc.

May 29, 2019
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President



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

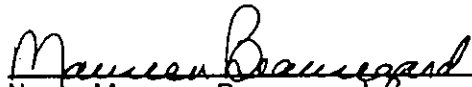
The undersigned certifies, to the best of his or her knowledge and belief, that:

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-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Vendor Name: FIT/NHNNH, Inc.

May 29, 2019
Date


Name: Maureen Beauregard
Title: President



**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

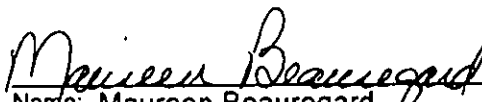
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 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 (1)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

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

Vendor Name: FIT/NHNNH, Inc.

May 29, 2019
Date


Name: Maureen Beauregard
Title: President

Vendor Initials 

Date May 29, 2019



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

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

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

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

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

Exhibit G

Vendor Initials

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

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: FIT/NHNNH, Inc.

May 29, 2019
Date



Name: Maureen Beauregard
Title: President

Exhibit G

Vendor Initials



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



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: FIT/NHNNH, Inc.

May 29, 2019
Date

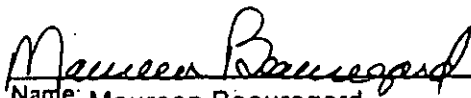

Name: Maureen Beauregard
Title: President



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.

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

Vendor Initials MB

Date May 29, 2019



Exhibit I

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

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

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

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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 (l). 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.

3/2014

Vendor Initials

A handwritten signature in black ink, appearing to be "MSB", is written over the "Vendor Initials" label.

Date May 29, 2019



Exhibit I

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

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

Department of Health and Human Services

The State

Christine Santaniello

Signature of Authorized Representative

Christine Santaniello

Name of Authorized Representative

Director, DHS

Title of Authorized Representative

5/30/19

Date

FIT/NHNNH, Inc.

Name of the Vendor

Maureen Beauregard

Signature of Authorized Representative

Maureen Beauregard

Name of Authorized Representative

President

Title of Authorized Representative

May 29, 2019

Date

MB



**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: FIT/NHNNH, Inc.

May 29, 2019
Date


Name: Maureen Beauregard
Title: President

Vendor Initials 

Date May 29, 2019

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: 825360399
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

 X NO YES

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

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

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

_____ NO _____ YES

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

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

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

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

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

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

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

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

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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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New Hampshire Department of Health and Human Services

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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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New Hampshire Department of Health and Human Services

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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

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New Hampshire Department of Health and Human Services

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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

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

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New Hampshire Department of Health and Human Services

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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

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New Hampshire Department of Health and Human Services

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

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

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

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

V. LOSS REPORTING

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

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

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

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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

**New Hampshire Department of Health and Human Services
Continuum of Care, Concord Permanent Housing Program**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Continuum of Care, Concord Permanent Housing Program**

This 1st Amendment to the Continuum of Care, Concord Permanent Housing Program contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and FIT/NHNH, Inc., (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 122 Market St, Manchester, NH, 03101.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2021.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$137,170
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program Funding, Subsection 1.2., Paragraph 1.2.4., to read:
1.2.4. Grant Numbers:
1.2.4.1 NH0007L1T001811 (Grant Year 1)
1.2.4.2 NH0007L1T001912 (Grant Year 2)
4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program Funding, Subsection 1.2., Paragraph 1.2.7., Subparagraph 1.2.7.1., to read:
1.2.7.1 Not to exceed \$137,170
5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program Funding, Subsection 1.2., Paragraph 1.2.8., to read:
1.2.8. Funds allocation under this agreement for Continuum of Care Program;

	<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1. Case Management (Supportive Services)	\$64,427	\$64,427
1.2.8.2. Transportation (Supportive Services)	\$2,400	\$2,400
1.2.8.3. Administrative Expenses:	<u>\$1,758</u>	<u>\$1,758</u>
1.2.8.4. Total program amount:	\$68,585	\$68,585
1.2.8.5. Vendor Match (25%)	\$17,147	\$17,147

**New Hampshire Department of Health and Human Services
Continuum of Care, Concord Permanent Housing Program**



All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

4/8/20
Date

Christine Santaniello
Name: Christine L. Santaniello
Title: Director DEHS

FIT/NHNNH, Inc.

March 30, 2020
Date

Cathy Kuhn
Name: Cathy Kuhn
Title: Co-Interim Executive Leaders

New Hampshire Department of Health and Human Services
Continuum of Care, Concord Permanent Housing Program



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

OFFICE OF THE ATTORNEY GENERAL

4/16/20
Date

[Signature]
Name:
Title:

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

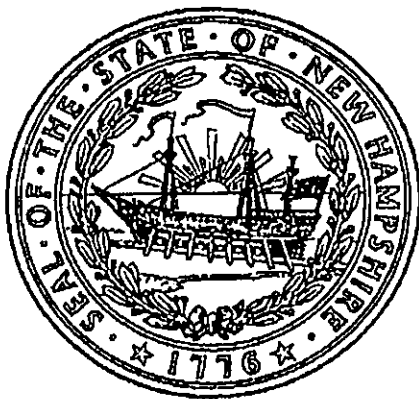
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that FIT/NHHH, INC is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 13, 1994. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 207982

Certificate Number: 0004506562



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 29th day of April A.D. 2019.

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

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

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

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

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 30, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

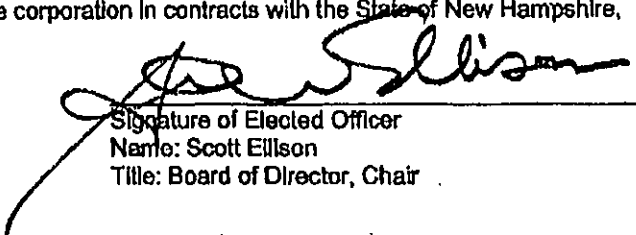
VOTED: That Cathy Kuhn, Co-Interim Executive Leaders (may list more than one person)
(Name and Title of Contract Signatory)

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

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

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

Dated: March 30, 2020


Signature of Elected Officer
Name: Scott Ellison
Title: Board of Director, Chair



FAMIINT-01

DBEAUDON

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/26/2020

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

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

PRODUCER Davis & Towle Morrill & Everett, Inc. 115 Airport Road Concord, NH 03301	CONTACT NAME:		
	PHONE (AC, No, Ext): (603) 225-6611	FAX (AC, No): (603) 225-7935	
INSURED Families In Transition, Inc. 122 Market St Manchester, NH 03101	E-MAIL ADDRESS:		
	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Philadelphia Insurance Company		23850
	INSURER B: Granite State Health Care & Human Services Self Insured Group		
	INSURER C:		
	INSURER D:		
	INSURER E:		
INSURER F:			

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVO	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:		PHPK2077895	1/1/2020	1/1/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COM/OP AGG \$ 3,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY		PHPK2077898	1/1/2020	1/1/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per person) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000		PHUB705694	1/1/2020	1/1/2021	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	HCHS20200000187	2/1/2020	2/1/2021	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

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

CERTIFICATE HOLDER

CANCELLATION

NH DHHS 129 Pleasant St Concord, NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Donna P. Beaudois</i>



Families in Transition

Providing a Home Building Hope.

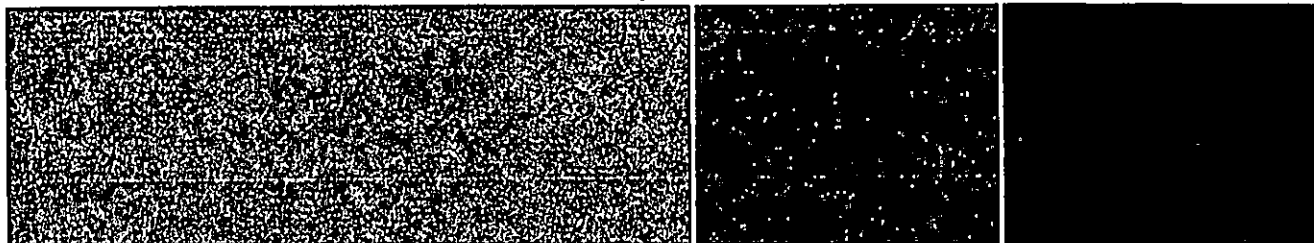


FOR NEW HAMPSHIRE, INC.

SOUP KITCHEN • FOOD PANTRY • HOMELESS SHELTERS

Our Mission

The mission of FIT/NHNNH is to provide hunger relief, emergency shelter, safe affordable housing, and supportive services to individuals and families who are homeless or in need, enabling them to gain self-sufficiency and respect.



CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

December 31, 2018

(With Comparative Totals for 2017)

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Board of Directors
FIT/NHNNH, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of FIT/NHNNH, Inc. and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2018 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2018, and the consolidated changes in their net assets and their consolidated cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited the Organization's 2017 consolidated financial statements and, in our report dated March 30, 2018, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, which consists of the consolidating statement of financial position as of December 31, 2018, and the related consolidating statements of activities and functional expenses for the year then ended, is presented for purposes of additional analysis, rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, in 2018 the Organization adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities* (Topic 958). Our opinion is not modified with respect to this matter.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
March 18, 2019

FIT/NHNN, INC. AND SUBSIDIARIES

Consolidated Statement of Financial Position

December 31, 2018

(With Comparative Totals for December 31, 2017)

	<u>2018</u>	<u>2017</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,598,033	\$ 1,062,497
Funds held as fiscal agent	-	96,383
Accounts receivable	52,211	38,380
Grants and contributions receivable	786,343	451,664
Prepaid expenses	80,007	33,229
Due from related parties	35,613	-
Other current assets	<u>48,110</u>	<u>43,097</u>
Total current assets	2,600,317	1,725,250
Replacement reserves	336,578	292,264
Reserve cash designated for properties	718,154	722,130
Investments	1,336,584	-
Investment in related entity	1,000	1,000
Asset held for sale	429,779	-
Property and equipment, net	28,530,819	26,210,337
Development in process	3,605,450	2,090,031
Other assets, net	<u>198,473</u>	<u>50,000</u>
Total assets	\$ <u>37,757,154</u>	\$ <u>31,091,012</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of long-term debt	\$ 1,116,180	\$ 216,147
Accounts payable	249,907	220,828
Accrued expenses	348,095	217,676
Funds held as fiscal agent	-	96,383
Due to related entity	35,613	-
Line of credit	145,000	-
Other current liabilities	<u>82,475</u>	<u>49,504</u>
Total current liabilities	1,977,270	800,538
Long-term debt, less current portion, net of unamortized deferred costs	<u>13,604,017</u>	<u>11,264,521</u>
Total liabilities	<u>15,581,287</u>	<u>12,065,059</u>
Net assets		
Without donor restrictions - controlling interest	17,744,537	14,563,053
Without donor restrictions - noncontrolling interest	<u>3,243,694</u>	<u>3,565,478</u>
Total without donor restrictions	20,988,231	18,128,531
With donor restrictions	<u>1,187,636</u>	<u>897,422</u>
Total net assets	<u>22,175,867</u>	<u>19,025,953</u>
Total liabilities and net assets	\$ <u>37,757,154</u>	\$ <u>31,091,012</u>

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

FIT/NHNN, INC. AND SUBSIDIARIES

Consolidated Statement of Activities

Year Ended December 31, 2018

(With Comparative Totals for the Year Ended December 31, 2017)

	Without Donor Restrictions - Controlling Interest	Without Donor Restrictions - Noncontrolling Interest	Total Without Donor Restrictions	With Donor Restrictions	Total 2018	Total 2017
Revenue and support						
Federal, state and other grant support	\$ 4,601,300	\$ -	\$ 4,601,300	\$ 513,864	\$ 5,115,164	\$ 3,212,747
Rental income, net of vacancies	2,021,465	-	2,021,465	-	2,021,465	1,841,084
Thrift store sales	616,585	-	616,585	-	616,585	685,756
Public support	855,830	-	855,830	-	855,830	430,127
Tax credit revenue	60,000	-	60,000	-	60,000	80,000
Special events	528,910	-	528,910	-	528,910	197,191
Developer fees	68,463	-	68,463	-	68,463	-
VISTA program revenue	93,734	-	93,734	-	93,734	126,742
Unrealized (loss) gain on investments	(168,848)	-	(168,848)	-	(168,848)	1,270
(Loss) gain on disposal of assets	(10,115)	-	(10,115)	-	(10,115)	6,133
Interest income	38,634	-	38,634	-	38,634	31,619
In-kind donations	14,429	-	14,429	-	14,429	81,648
Investment income	99,783	-	99,783	-	99,783	-
Forgiveness of debt	131,267	-	131,267	-	131,267	131,267
Medical reimbursements	521,857	-	521,857	-	521,857	411,535
Other income	279,420	-	279,420	-	279,420	91,058
Net assets released from restrictions	292,929	-	292,929	(292,929)	-	-
Total revenue and support	10,043,719	-	10,043,719	220,929	10,264,648	7,316,857
Expenses						
Program activities						
Housing	8,390,928	-	8,390,928	-	8,390,928	6,299,553
Thrift store	689,374	-	689,374	-	689,374	681,221
Total program activities	9,077,300	-	9,077,300	-	9,077,300	6,980,774
Fundraising	1,131,841	-	1,131,841	-	1,131,841	418,486
Management and general	897,234	-	897,234	-	897,234	639,803
Total expenses	11,106,475	-	11,106,475	-	11,106,475	7,939,133
(Deficiency) excess of revenue and support over expenses	(1,062,756)	-	(1,062,756)	220,929	(841,827)	(623,270)
Grants and contributions for capital projects	270,857	-	270,857	280,933	550,790	1,538,770
Net assets released for capital projects	359,812	-	359,812	(359,812)	-	-
Effect of consolidation of affiliates	3,291,787	-	3,291,787	139,184	3,430,971	-
Change in net assets	2,859,700	-	2,859,700	290,214	3,149,914	915,494
Change in net assets attributable to noncontrolling interest in subsidiaries	321,784	(321,784)	-	-	-	-
Change in net assets after reclassification of portion attributable to noncontrolling interest	3,181,484	(321,784)	2,859,700	290,214	3,149,914	915,494
Net assets, beginning of year	14,563,053	3,695,478	18,128,531	897,422	19,025,953	18,110,459
Net assets, end of year	\$ 17,744,837	\$ 3,243,894	\$ 20,988,731	\$ 1,187,636	\$ 22,176,367	\$ 19,025,953

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

FIT/NHNH, INC. AND SUBSIDIARIES

Consolidated Statement of Functional Expenses

Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	<u>Program Activities</u>			<u>Management and General</u>	<u>2018 Total</u>	<u>2017 Total</u>
	<u>Housing</u>	<u>Thrift Store</u>	<u>Fundraising</u>			
Salaries and benefits						
Salaries and wages	\$ 3,492,775	\$ 316,195	\$ 518,402	\$ 355,442	\$ 4,682,814	\$ 3,168,366
Employee benefits	400,781	24,951	54,002	37,770	617,504	349,575
Payroll taxes	<u>262,810</u>	<u>24,440</u>	<u>39,748</u>	<u>26,593</u>	<u>353,589</u>	<u>234,204</u>
Total salaries and benefits	4,156,366	365,586	612,150	419,805	5,553,907	3,752,145
Other expenses						
Advertising	15,018	25,088	-	18,946	59,032	36,238
Application and permit fees	1,620	-	-	-	1,620	2,015
Bad debts	28,100	-	-	-	28,100	26,124
Bank charges	573	8,847	-	11,445	20,865	17,875
Consultants	19,504	2,847	4,647	2,483	29,481	78,138
Depreciation	933,878	11,093	115,347	51,612	1,111,930	1,003,294
Events	3,550	2,814	160,685	-	167,049	61,181
General insurance	124,791	3,523	14,318	13,248	155,880	153,904
Grant expense	59,149	-	-	-	59,149	-
Interest expense	228,999	714	-	-	229,713	188,473
Management fees	6,622	-	-	-	6,622	6,487
Meals and entertainment	4,740	179	656	547	6,122	5,181
Membership dues	10,790	-	1,741	3,458	15,989	10,022
Merger expenses	-	-	-	137,747	137,747	1,000
Office supplies	282,398	6,460	43,158	38,139	370,155	134,490
Participant expenses	116,915	45	379	379	117,718	99,218
Postage	7,324	9	4,274	1,758	13,365	7,804
Printing	16,755	2,745	19,129	2,088	40,717	24,577
Professional fees	53,906	3,500	-	112,417	169,823	182,974
Related entity expense	(159,398)	159,398	-	-	-	-
Rental subsidies	332,270	-	-	-	332,270	298,272
Repairs and maintenance	370,123	34,325	42,145	16,169	462,762	409,132
Shelter expense	166,891	-	-	-	166,891	-
Staff development	31,588	98	4,008	3,340	39,034	23,136
Taxes	313,613	2,307	-	-	315,920	328,184
Technology support	190,132	2,231	28,782	23,666	244,811	65,457
Telephone	88,992	5,056	10,095	8,778	112,921	90,917
Travel	40,914	3,845	5,191	4,222	54,172	44,486
Utilities	512,260	31,461	52,007	17,767	613,495	444,062
VISTA program	320,859	-	-	-	320,859	359,804
Workers' compensation	<u>111,684</u>	<u>14,223</u>	<u>13,229</u>	<u>9,220</u>	<u>148,356</u>	<u>84,544</u>
Total expenses	\$ <u>8,390,926</u>	\$ <u>686,374</u>	\$ <u>1,131,941</u>	\$ <u>897,234</u>	\$ <u>11,106,475</u>	\$ <u>7,939,133</u>

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

FIT/NHNN, INC. AND SUBSIDIARIES

Consolidated Statement of Cash Flows

**Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)**

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Change in net assets	\$ 3,149,914	\$ 915,494
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	1,125,127	1,016,491
Grants and contributions for capital projects	(560,790)	(1,538,770)
Effect of consolidation of affiliate, net of cash held by consolidated affiliate of \$326,551	(3,104,400)	-
Forgiveness of debt	(131,267)	(131,267)
Unrealized loss (gain) on investments	168,848	(1,270)
Loss (gain) on disposal of assets	10,115	(5,133)
Decrease (increase) in:		
Accounts receivable	42,130	(16,731)
Grants and contributions receivable	(334,679)	(128,248)
Prepaid expenses	(39,301)	2,609
Other assets	(119,810)	(302)
Increase (decrease) in:		
Accounts payable	(21,258)	51,841
Accrued expenses	84,806	9,744
Due to related party	35,613	-
Other current liabilities	<u>32,971</u>	<u>1,398</u>
Net cash provided by operating activities	<u>338,019</u>	<u>175,856</u>
Cash flows from investing activities		
Repayments of advances to related parties	(35,613)	8,208
Net (deposits to) withdrawals from reserve accounts	(40,338)	57,348
Proceeds from sale of investments	275,024	4,264
Investment in development in process	(1,515,419)	(1,931,040)
Proceeds from disposal of assets	-	5,133
Acquisition of property and equipment	<u>(2,476,109)</u>	<u>(162,691)</u>
Net cash used by investing activities	<u>(3,792,455)</u>	<u>(2,018,778)</u>
Cash flows from financing activities		
Grants and contributions for capital projects	560,790	1,538,770
Net borrowings from line of credit	145,000	-
Proceeds from long-term borrowings	3,507,201	772,009
Payments on long-term debt	<u>(223,019)</u>	<u>(203,120)</u>
Net cash provided by financing activities	<u>3,989,972</u>	<u>2,107,659</u>
Net increase in cash and cash equivalents	535,536	264,737
Cash and cash equivalents, beginning of year	<u>1,062,497</u>	<u>797,760</u>
Cash and cash equivalents, end of year	\$ <u>1,598,033</u>	\$ <u>1,062,497</u>
Supplemental disclosure		
Acquisition of property and equipment through long-term borrowings from seller	\$ -	\$ 60,615
Property and equipment transferred from development in process	\$ <u>2,222,138</u>	\$ -

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

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Organization

Families in Transition, Inc. (FIT or the Organization) is a New Hampshire nonprofit, incorporated on May 13, 1994, to provide housing and comprehensive social services to individuals and families who are homeless or at risk of becoming homeless in certain areas of southern New Hampshire, including Manchester, Concord and Dover.

The Organization directly owns and operates housing programs in facilities located on Amherst Street, Spruce Street, Lake Avenue and Douglas Street in Manchester, New Hampshire. Additional housing facilities are owned and operated by several limited partnerships of which the Organization is the sole general partner. These limited partnerships include Bicentennial Families Concord Limited Partnership (Bicentennial), located at Bicentennial Square in Concord, New Hampshire; Family Bridge Limited Partnership (Family Bridge), located on Second Street in Manchester, New Hampshire; and Family Willows Limited Partnership (Family Willows), located on South Beech Street in Manchester, New Hampshire (collectively referred to as the Limited Partnerships).

In 2008, the Organization created a Community Development Housing Organization, Housing Benefits, Inc. (Housing Benefits). Housing Benefits identifies and develops new housing units and refurbishes existing units to meet the persistent need of combating homelessness. Completed housing units are located on School & Third Street, Lowell Street, Belmont Street, Market Street (Millyard I and Millyard II), Spruce Street and Hayward Street, in Manchester, New Hampshire as well as an additional housing facilities located on Central Avenue in Dover, New Hampshire (Dover), and Lehner Street in Wolfeboro, New Hampshire (Hope House).

In 2012, the Organization became the sole member of Manchester Emergency Housing, Inc. (MEH), a New Hampshire nonprofit corporation providing immediate shelter to homeless families in the Manchester, New Hampshire area. MEH is the only family shelter in Manchester, New Hampshire.

The Organization also owns 100% of Family Outfitters, LLC (Outfitters), a limited liability corporation. At December 31, 2018, Outfitters operated an independent thrift store in Manchester, New Hampshire with the sole purpose of generating an alternate funding stream for the Organization. During 2018, management made the decision to close the Concord, New Hampshire thrift store location.

The Organization has several wholly-owned corporations which include Bicentennial Families Concord, Inc. (Bicentennial Families), Second Street Family Mill, Inc. (Family Mill), and Big Shady Tree, Inc. (Big Shady Tree) (collectively referred to as the General Partners), all of which are New Hampshire corporations. These wholly-owned corporations represent the .01% sole general partners in the Limited Partnerships, whereby Bicentennial Families is a general partner of Bicentennial, Family Mill is a general partner of Family Bridge and Big Shady Tree is a general partner of Family Willows.

In 2012, the Organization became the sole member of The New Hampshire Coalition to End Homelessness (NHCEH), a statewide entity, whose mission is to "eliminate the causes for homelessness through research, education and advocacy".

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Effective January 1, 2018, FIT and New Horizons for New Hampshire, Inc. (NHNH) merged to create an integrated system of care that will provide an increased supply of affordable housing for those most in need, sustain positive outcomes through the incorporation of evidence based practices proven to meet identified needs and goals, identify areas for systemic and programmatic improvements through the use of consistent and accurate data to regularly measure success, and provide an integrated system of care that will prevent homelessness when possible and rapidly rehouse those who become homeless, including both the chronically homeless and families with children. The merger resulted in a contribution of net assets of \$3,430,951 as follows:

Cash and cash equivalents	\$ 326,551
Other current assets	63,438
Cash surrender value of life insurance	33,676
Investments	1,780,456
Property and equipment, net	1,396,197
Accounts payable and accrued payroll	(95,950)
Notes payable	<u>(73,417)</u>
Fair value of net assets acquired	<u>\$ 3,430,951</u>

The merger resulted in a contribution because the fair value of the identifiable assets exceeds the fair value of the liabilities assumed and no consideration was transferred from NHNH.

On May 25, 2018, the Organization organized Wilson Street Condominium Association (the Association) and is the majority owner in the Association. The Association was established for the purpose of maintaining and preserving a five unit premise located on Wilson Street in Manchester, New Hampshire.

1. Summary of Significant Accounting Policies

Principles of Consolidation

Since the General Partners have control of the Limited Partnerships, in accordance with Financial Accounting Standards Board *Accounting Standards Codification* Topic 810-20-25, *Consolidation*, the financial statements of each of the Limited Partnerships are required to be consolidated with the Organization's consolidated financial statements. The limited partners' ownership interest is reported in the consolidated statements of financial position as noncontrolling interest.

The consolidated financial statements include the net assets of the Organization, the Limited Partnerships, the General Partners, Housing Benefits, MEH, Outfitters, the Association, and NHCEH. All significant inter-entity balances and transactions are eliminated in the accompanying consolidated financial statements.

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Comparative Information

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Accordingly, such information should be read in conjunction with the Organization's December 31, 2017 consolidated financial statements, from which the summarized information was derived.

Use of Estimates

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

Basis of Presentation

The consolidated financial statements of the Organization have been prepared in accordance with U.S. GAAP, which require the Organization to report information regarding its consolidated financial position and activities according to the following net asset classification:

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 Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

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 Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as support without donor restrictions in the year of the gift.

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

The Organization reports contributions of land, buildings or equipment as support without donor restrictions, unless a donor places explicit restriction on its use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions and reclassified to net assets without donor restrictions when the assets are acquired and placed in service.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limits. Management regularly monitors the financial institutions, together with their respective cash balances, and attempts to maintain the potential risk at a minimum. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant risk on these accounts.

Restricted deposits are those deposits of cash and cash equivalents not generally available for operating costs, but restricted to particular uses including operating and replacement reserves for rental properties as well as certain other social services and programs.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation less accumulated depreciation. The Organization's capitalization policy requires the capitalization of capital expenditures greater than \$1,000, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from 5 to 30 years. Assets not in service are not depreciated.

Volunteer Services

A number of volunteers have donated their time to the Organization's various programs and administrative services. The value of these services has not been included in the accompanying consolidated financial statements since the volunteers' time does not meet criteria for recognition. The estimated value of donated time for the years ended December 31, 2018 and 2017 is approximately \$780,000 and \$1,060,000, respectively.

Functional Expense Allocation

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that allocated include salaries and benefits, depreciation, amortization, office and other expenses, which are allocated based on estimated utilization of support services by functional cost centers.

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Income Taxes

The Organization is a tax-exempt Section 170(b)(1)(A)(vi) public charity as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these financial statements.

The standards for accounting for uncertainty in income taxes require the Organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of December 31, 2018 and 2017, the Organization determined that it had no tax positions that did not meet the more-likely-than-not threshold of being sustained by the applicable tax authority. The Organization files an informational return in the United States. This return is generally subject to examination by the federal government for up to three years.

No provision for taxes on income is made in the Limited Partnerships' financial statements since, as partnerships, all taxable income and losses are allocated to the partners for inclusion in their respective tax returns.

The Association is not exempt from income taxes, however, the Internal Revenue Service is prepared to regard any profits realized by the Association from its member activities as reductions of members' contributions towards the operation of the condominium property and not as taxable income of the Association or its members. Accordingly, no provision for income taxes has been made in these consolidated financial statements.

Recently Issued Accounting Pronouncement

In August 2016, Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), which makes targeted changes to the not-for-profit financial reporting model. The new ASU marks the completion of the first phase of a larger project aimed at improving not-for profit financial reporting. Under the new ASU, net asset reporting is streamlined and clarified. The previous three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." The guidance for classifying deficiencies in endowment funds and on accounting for the lapsing of restrictions on gifts to acquire property, plant, and equipment has also been simplified and clarified. New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements. The ASU also imposes several new requirements related to reporting expenses. The ASU is effective for the Organization for the year ended December 31, 2018.

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

2. Availability and Liquidity of Financial Assets

As of December 31, 2018, the Organization has working capital of \$1,108,040 and average days (based on normal expenditures) cash on hand of 54.

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on mortgage notes payable, and capital acquisitions not funded through replacement reserves or financed with debt, were as follows:

	<u>2018</u>	<u>2017</u>
Financial assets:		
Cash and cash equivalents	\$ 1,598,033	\$ 1,062,497
Accounts receivable	52,211	38,380
Grants and contributions receivable	786,343	451,664
Investments	<u>1,336,684</u>	<u>-</u>
Total financial assets	3,773,171	1,552,541
Donor-imposed restrictions:		
Restricted funds	<u>(1,187,636)</u>	<u>(897,422)</u>
Financial assets available at year end for current use	\$ <u>2,585,535</u>	\$ <u>655,119</u>

The Organization also has a line of credit available to meet short-term needs.

The Organization has replacement reserves and cash designated reserves for properties as part of its debt financing with New Hampshire Housing Finance Authority (NHHFA) and only available when approved by NHHFA. As a result, these replacement reserves and cash designated reserves for properties are not considered available for general expenditure within the next year and are not reflected in the amount above. The goal for the Organization is to maintain a balanced budget while meeting the requirements of the various financing authorities.

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

**December 31, 2018
(With Comparative Totals for December 31, 2017)**

3. Property and Equipment

Property and equipment consisted of the following:

	<u>2018</u>	<u>2017</u>
Land	\$ 3,646,697	\$ 3,112,699
Land improvements	602,600	602,600
Buildings and improvements	34,123,495	30,283,393
Furniture and fixtures	731,590	610,143
Equipment	558,032	217,695
Vehicles	347,711	300,367
Construction in progress	<u>12,229</u>	<u>-</u>
	40,022,264	35,126,897
Less: accumulated depreciation	<u>11,491,435</u>	<u>8,916,560</u>
Property and equipment, net	\$ <u>28,530,819</u>	\$ <u>26,210,337</u>

At December 31, 2018 and 2017, the Organization held \$22,102,918 and \$18,427,778, respectively, of land, land improvements, and buildings and improvements, net of accumulated depreciation, for the purpose of leasing to individuals.

4. Development in Process

Development in process consists of costs related to the following facilities:

Family Willows Recovery Housing Program

In response to the rising rates of opioid and other substance use issues throughout Manchester, New Hampshire and the State of New Hampshire, FIT and Housing Benefits are assisting in the establishment of The Manchester Recovery and Treatment Center, a large-scale facility to curb the tide of substance misuse.

The plan for establishment of this facility includes the following provisions: Each of the four floors of the Manchester Recovery and Treatment Center will provide different substance use disorder treatments or services to those at varying stages of recovery. Agencies using the facility will coordinate services to ensure that clients who seek services are provided with integrated and comprehensive care. One of the key programs in the facility will be Housing Benefit's Family Willows Recovery Housing Program (the Project) on the 2nd and 3rd floors. This program will provide 19 units of sober, recovery housing, and can accommodate an estimated 40-50 women and their children on an annual basis. Residents in the Project will have access to case management, continued outpatient treatment, self-help groups, employment workshops, and social events. Construction began in December 2017 and is anticipated to be completed in the first quarter of 2019. Funding for the Project has been secured from the City of Manchester, NHHFA, Franklin Savings Bank, the Community Development Finance Authority (CDFA) and private foundations.

FIT/NHNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Hope House

In December 2017, FIT and Housing Benefits began renovations on Hope House. Hope House, modeled after FIT's Family Place Resource Center and Shelter in Manchester, New Hampshire, is a comprehensive resource for families experiencing homelessness. In addition to emergency housing, Hope House provides services including comprehensive intake, assessment and referrals designed to direct families to the appropriate homeless and housing resources in the community, referrals to medical care for parents and children, and other essential resources. Hope House houses 7 families and their children each night, with an estimated 30 adults and 90 children annually. During 2018, the renovations at Hope House were completed and facility was placed into service. Funding for Hope House was obtained with lending from NHHFA, as well as private contributions.

5. Line of Credit

The Organization has an unsecured line of credit agreement, renewed annually, with a financial institution in the amount of \$350,000. During the term of the agreement, the interest rate on any outstanding principal balance shall be equal to the base rate, as defined by the financial institution, with a floor of 4% (5.5% at December 31, 2018). There was no outstanding balance as of December 31, 2017. As of December 31, 2018, the outstanding balance was \$145,000.

6. Long-term Debt

Long-term debt consisted of the following:

	<u>2018</u>	<u>2017</u>
A mortgage loan payable to NHHFA in monthly payments of \$680, including interest at 1% and an escrow of \$289. The loan is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The loan is due and payable in full in January 2033.	\$ 53,707	\$ 57,243
A note payable to NHHFA. The note is noninterest bearing and is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The note is due and payable upon sale or refinancing of the property or in June 2042.	163,283	163,283
A mortgage loan payable to St. Mary's Bank in monthly payments of \$990, including interest at 4.55%. The loan is collateralized by real estate on Spruce Street, Manchester, New Hampshire and is due and payable in full in February 2019. The Organization is in the process of refinancing this mortgage loan payable.	113,185	118,282

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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(With Comparative Totals for December 31, 2017)

A mortgage loan payable to TD Bank, N.A. in monthly payments of \$1,359, including interest at 4.1%. The loan is collateralized by real estate at Beech Street, Manchester, New Hampshire. The loan is due and payable in full in November 2023.	59,226	69,980
A mortgage loan payable to RBS Citizens Bank in monthly payments of \$2,126, including interest at 7.18%. The loan is collateralized by real estate on Douglas Street, Manchester, New Hampshire. The loan is due and payable in full in April 2024.	217,397	226,616
A mortgage note payable by Bicentennial to NHHFA, collateralized by real estate and personal property. Monthly payments of \$1,095 include interest at 4.75% per annum until the principal and interest are fully paid with the final installment due and payable on May 1, 2034.	141,664	147,919
A noninterest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 50% of surplus cash are due. The note is due and payable on May 28, 2034. This is nonrecourse.	85,018	85,018
A noninterest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable on May 28, 2033. This note is nonrecourse and is subordinate to the \$85,018 note payable.	336,955	336,955
A noninterest bearing note payable by Bicentennial to Merrimack County, collateralized by real estate and various financing instruments. The note is due and payable in full in May 2033.	260,000	260,000
A noninterest bearing note payable by Millyard II to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable upon sale or refinancing of the property or in May 2031. This loan is nonrecourse.	449,877	449,877
A mortgage note payable by Millyard II to NHHFA, collateralized by real estate and personal property. Monthly payments of \$1,729 include principal and interest at 3.5% per annum. The final installment is due and payable on September 1, 2032.	220,274	233,053

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Notes to Consolidated Financial Statements

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A note payable by Millyard II to the City of Manchester, New Hampshire, collateralized by real estate and various financing instruments. A payment of interest shall be made annually no later than August 1 each year based on 42.5% of the net cash flow, as defined. In any year where the Debt Coverage Ratio, as defined, exceeds 1.15 to 1, principal payments shall be made no later than August 1 in an amount that will result in a 1.15 to 1 Debt Coverage Ratio. All unpaid amounts are due and payable in full on August 1, 2031. This note is nonrecourse.	226,725	226,725
A noninterest bearing note payable by Millyard II to the New Hampshire Community Loan Fund, Inc. (NHCLF), collateralized by real estate. Payment of principal is due and payable on December 31, 2031. This note is nonrecourse.	250,000	250,000
A mortgage note payable by Housing Benefits to the City of Manchester Community Improvement Program, collateralized by Millyard Families I real estate. The note is noninterest bearing and is due and payable in January 2027.	230,000	230,000
A second mortgage note payable by Housing Benefits to CDFA, collateralized by Millyard Families I real estate. Monthly payments of \$1,121 include principal and interest at 2% per annum. The final installment is due and payable on June 15, 2022.	45,430	57,837
A mortgage note payable by Family Bridge to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on August 30, 2034.	850,000	850,000
A promissory note payable by Family Bridge to TD Bank, N.A., collateralized by real estate. Monthly payments of \$3,953 include principal and interest at 4.33%. The note is payable in full in November 27, 2023 and is guaranteed by FIT and Family Mill.	432,921	450,124
A promissory note payable by Family Bridge to the City of Manchester, New Hampshire. The note is noninterest bearing with annual payments of 50% of net cash flow payable by October 1. The outstanding principal is due by October 1, 2034. The note is collateralized by real estate and is nonrecourse.	600,000	600,000

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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A mortgage note payable by Family Willows to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on July 9, 2037.	543,384	550,878
A note payable by Family Willows to the City of Manchester, New Hampshire. The note is noninterest bearing and has an annual payment of \$9,091 payable on October 1. All outstanding principal is due by October 2029. The note is collateralized by real estate and is nonrecourse.	90,908	99,999
A note payable by Family Willows to RBS Citizens Bank, collateralized by real estate. Monthly payments of \$1,882 include principal and interest at 3.75%, based on the prime rate capped at 6%. The note is payable in full on June 27, 2033 and is guaranteed by FIT and Big Shady Tree.	263,103	275,398
A mortgage note payable by Housing Benefits to NHHFA, collateralized by School & Third Street real estate and personal property. Monthly payments of \$2,775 include principal and interest at 8% per annum. The note is due in February 2021.	69,285	95,775
A second mortgage note payable by Housing Benefits to NHCLF, collateralized by School & Third Street real estate and personal property. The note bears no interest and monthly payments of \$2,775 will commence on April 15, 2021 and continue until maturity in October 2039.	617,613	617,613
A mortgage note payable by Housing Benefits to NHHFA, collateralized by Belmont Street real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by December 2040.	413,575	413,575
A privately-financed mortgage note collateralized by property located at South Main Street in Concord, New Hampshire. Monthly payments of \$3,158 include principal and interest at 6.25% per annum. The note is payable in full in September 2031.	332,432	348,981
A mortgage note payable from Housing Benefits to NHHFA, collateralized by Lowell Street real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full in August 2040.	34,628	34,628

FIT/NHNH, INC. AND SUBSIDIARIES

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A second, noninterest bearing, mortgage note payable from Housing Benefits to the City of Manchester, New Hampshire, collateralized by Lowell Street real estate. Annual payments equal to the greater of 25% of net cash flow, as defined, or \$4,000 commenced in October 2012 and continue until the maturity date in June 2041.	168,022	168,022
A noninterest bearing promissory note payable from Housing Benefits to NHHFA collateralized by a mortgage and security agreement on Lowell Street real estate. The note is to be forgiven 1/15th annually over the low-income housing tax credit compliance period which ends in 2026, subject to compliance with certain requirements. During 2018 and 2017, \$131,267 was recognized as revenue and support in the consolidated statement of activities.	984,497	1,115,764
A mortgage note payable from Housing Benefits to NHHFA, collateralized by Dover real estate and personal property. The noninterest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2028.	216,672	216,672
A noninterest bearing mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 393-395 Spruce Street. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow, as defined, or \$5,000 are due by October 1 commencing October 1, 2015. The note is due in full by October 1, 2045.	582,808	582,808
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 167 Lake Avenue and personal property located at 161 South Beech Street, Unit 2. Monthly payments of \$1,921 include principal and interest at 3.41%. The note is due in full by April 2019. The Organization is in the process of refinancing this mortgage loan payable.	388,731	398,203
A vehicle loan payable in monthly payments of \$488, including interest at 4.06%. The loan is due in September 2020 and is collateralized by the related vehicle.	9,892	15,239

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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A vehicle loan payable in monthly payments of \$760, including interest at 5.374%. The loan is due in November 2020 and is collateralized by the related vehicle.	13,979	22,624
A mortgage note payable to NHHFA, collateralized by the real estate at Lake Avenue, Manchester, New Hampshire. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2045.	750,000	750,000
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 641 Hayward Street, Manchester, New Hampshire. Monthly payments of \$1,091 include principal and interest at 4.25%. The note is due in full by January 2040.	183,916	188,387
A mortgage note payable to Peoples United Bank, collateralized by Hope House. Monthly payments of \$2,270 include principal and interest at 4.94%. The note is due in full by January 2027.	382,018	390,000
A construction loan payable to Franklin Savings Bank, collateralized by real estate located at 267 Wilson Street, Manchester, New Hampshire. Housing Benefits has the ability to draw up to \$825,000 on the promissory note. Monthly payments including principal and interest are due over a 30 year period starting September 2018 at 4.90% interest.	770,113	270,855
A noninterest bearing construction loan payable to NHHFA, collateralized by real estate located at 267 Wilson Street, Manchester, New Hampshire. The note has a borrowing limit of \$720,000. Annual payments in amounts equal to 25% of surplus cash. The note is due in full by November 1, 2047.	692,891	113,819
Three vehicle loans collateralized by an activity bus payable to Ford Credit in monthly payments of \$392 at 5.90% annual interest rate. The loan is due and payable in March 2022.	40,633	51,965
A noninterest bearing mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 267 Wilson Street, 2nd Floor. The note has a borrowing limit of \$1,655,323. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow, as defined, or \$5,000 are due by October 1 commencing October 1, 2019. The note is due in full by October 1, 2047.	1,133,816	-

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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A noninterest bearing mortgage note payable to the City of Manchester, collateralized by real estate located at 267 Wilson Street, 3rd Floor. The note is funded the the City of Manchester's Community Improvement Program and the City of Manchester's Affordable Housing Trust Funds. The note has a borrowing limit of \$531,252. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments in the amount of 25% of net cash flow, as defined, are due by October 1 commencing October 1, 2019. The note is due in full by December 1, 2047.	495,225	-
A noninterest bearing construction loan payable to NHHFA, collateralized by real estate located in Wolfeboro, New Hampshire. The note has a borrowing limit of \$780,000. Annual payments in amounts equal to 25% of surplus cash. The note is due in full by December 1, 2047.	780,000	-
A technical assistance note payable to NHHFA to provide support to the Organization for renovations at Angie's Shelter. If the renovation project is approved, NHHFA is expected to be the lead lender on renovations. If the renovation project is not approved NHHFA will forgive the borrowings. The noninterest bearing note payable is due at the time of closing on the construction loan.	13,879	-
A noninterest bearing note payable to the City of Manchester Community Improvement Program through the Affordable Housing Trust Funds, collateralized by real estate located at 199 Manchester Street. Annual payments of \$6,000 are due by October 1 commencing October 1, 2010. The note is due in full by October 1, 2019.	6,000	-
A note payable to CDFA, collateralized by real estate located at 199 Manchester Street, Manchester, New Hampshire. Principal only payments are due for the first 18 months, at which time monthly payments include principal and interest at 2.0% will be required until December 2021.	46,767	-
	14,760,449	11,534,117
Less current portion	1,116,180	216,147
Less unamortized deferred costs	40,252	53,449
	<u>\$ 13,604,017</u>	<u>\$11,264,521</u>

FIT/NHNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

**December 31, 2018
(With Comparative Totals for December 31, 2017)**

Surplus cash for the purposes of these disclosures is as defined in the respective loan agreements.

Principal maturities of the above notes over the next five years and thereafter are as follows:

2019	\$ 1,116,180
2020	218,543
2021	210,011
2022	186,655
2023	504,951
Thereafter	<u>12,524,109</u>
	<u>\$ 14,760,449</u>

Interest expense charged to operations, including amortization of deferred costs of \$13,197, was \$229,713 and \$188,473 in 2018 and 2017, respectively. Cash paid for interest approximates interest expense.

7. Net Assets

At December 31, 2018 and 2017, net assets without donor restrictions are fully available to support operations of the Organization.

Net assets with donor restrictions were as follows:

	<u>2018</u>	<u>2017</u>
Specific purpose		
The Family Place - services	\$ 53,540	\$ -
Scholarships	8,264	10,264
VISTA program	48,118	57,351
Direct care for clients	95,410	109,749
Community Gardens	10,333	-
Hope House	131,440	241,761
Family Willows Recovery Housing Program	264,238	299,797
NHNH merger	345,003	98,500
Substance use disorder services	170,677	-
NHNH programs	<u>60,613</u>	<u>-</u>
	1,187,636	817,422
Passage of time		
Grant receivable - time restricted	<u>-</u>	<u>80,000</u>
	<u>\$ 1,187,636</u>	<u>\$ 897,422</u>

FIT/NHNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

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Net assets released from net assets with donor restrictions were as follows:

	<u>2018</u>	<u>2017</u>
Satisfaction of purpose restrictions:		
The Family Place - services	\$ -	\$ 41,866
Scholarships	3,500	2,500
VISTA program	57,325	58,093
Housing programs	-	10,000
Direct care for clients	84,324	45,070
Community Gardens	-	42,843
Hope House	216,016	-
Family Willows Recovery Housing Program	143,796	42,972
NHNH merger	96,706	-
Substance use disorder services	45,324	2,000
NHNH programs	5,746	-
	<u>\$ 652,737</u>	<u>\$ 245,344</u>

8. Commitments

Under the terms of the Limited Partnerships' Regulatory Agreements with NHHFA, each Limited Partnership is required to make deposits to various escrow accounts to fund expected future costs.

Each Limited Partnership has entered into a Land Use Restriction Agreement with NHHFA, as a condition of the allocation of low-income housing tax credits by NHHFA. Pursuant to the covenant, the Limited Partnerships are required to remain in compliance with Code Section 42 for the compliance period and an extended use period, unless terminated sooner.

9. Retirement Plan

The Organization has a tax deferred retirement plan which is available to all employees working greater than 25 hours a week. All employees are eligible to participate and are fully vested with the first contribution. The Organization matches contributions at 100% up to 3% of compensation. The Organization contributed \$63,053 and \$49,814 during the years ended December 31, 2018 and 2017, respectively.

10. Housing Action New Hampshire

In 2011, the Organization entered into a Fiscal Sponsorship Agreement with Housing Action New Hampshire (HANH), an unincorporated association. Authority to manage the programmatic activities of HANH is vested solely in HANH. In accordance with the agreement, the Organization was to maintain the books and financial records for HANH in accordance with U.S. GAAP. HANH funds were presented in the Organization's consolidated statement of financial position as funds held as fiscal agent. Effective January 1, 2018, the Fiscal Sponsorship Agreement terminated and the Organization no longer maintains the books and financial records for HANH.

FIT/NHNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

11. Noncontrolling Interest

Noncontrolling interest, as shown in the consolidated statement of financial position, represents investments by limited partners in the Limited Partnerships as follows:

<u>Limited Partner</u>	<u>Property</u>	<u>2018</u>	<u>2017</u>
New Hampshire Housing Equity Fund, Inc.	Bicentennial	\$ 105,749	\$ 213,660
JP Morgan Chase	Bicentennial	213,791	213,791
BCCC, Inc.	Family Bridge	10	10
Boston Capital Corporate	Family Bridge	970,818	1,135,777
BCCC, Inc.	Family Willows	10	10
Boston Capital Midway	Family Willows	<u>1,953,316</u>	<u>2,002,230</u>
		<u>\$ 3,243,694</u>	<u>\$ 3,565,478</u>

12. Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, the Organization has considered transactions or events occurring through March 18, 2019, which was the date the consolidated financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the consolidated financial statements.

Bicentennial

During 2018, Bicentennial reached the end of the initial 15-year low-income housing tax credit compliance period. As a result, New Hampshire Housing Equity Fund, Inc. and JP Morgan Chase (the limited partners) have decided to withdraw from Bicentennial and are expected to do so in the first quarter of 2019. It is management's plan to have Housing Benefits assume the remaining assets of Bicentennial.

Outfitters

As a result of management's decision to close the OutFITter's Boutique located in Concord, New Hampshire, the property was put up for sale and is reflected as an asset held for sale on the consolidated statement of financial position at December 31, 2018. On February 25, 2019, Outfitters sold the property for \$830,000. CDFA, who granted tax credits to originally purchase the property, has required Outfitters to restrict \$43,340 of the proceeds from the sale to be used for the Outfitters thrift store located in Manchester, New Hampshire. Outfitters will recognize a gain on sale of property in 2019.

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Antoinette Hills

In September, 2018, Housing Benefits signed a Purchase and Sale Agreement with Antoinette L. Hill Apartments, Inc., an unrelated party, to purchase 23 units of housing located in Manchester, New Hampshire for approximately \$1,300,000 to be financed through NHHFA. The terms of the long-term debt agreement with NHHFA require that the owner of the property must be a single purpose entity. As a result, management has formed HB-AH, LLC, is a single member LLC, with Housing Benefits as its sole member.

SUPPLEMENTARY INFORMATION

PIT/NHH, INC. AND SUBSIDIARIES
Consolidating Statement of Financial Position
December 31, 2018

ASSETS

	Fairfax In Transition - Operations	Limited Partnerships	Housing Benefits	Family Outlets	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Covenantalism Association	With Donor Restriction	Eliminations	Total
Current assets											
Cash and cash equivalents	\$ 318,969	\$ 87,491	\$ 178,658	\$ 8,185	\$ 188,840	\$ 1,529	\$ 83,898	\$ 18,728	\$ 757,838	\$ -	\$ 1,696,803
Accounts receivable	88,089	18,792	28,403	-	7,280	-	-	1,056	-	(92,408)	82,211
Grants and contributions receivable	338,863	-	-	-	36,213	8,770	-	-	404,787	-	788,343
Prepaid expenses	45,647	16,318	13,811	-	-	370	742	-	3,118	-	80,007
Due from related party	892,688	-	93,843	138,407	28,443	-	-	-	-	(1,118,488)	35,813
Other current assets	8,573	20,789	70,787	-	-	-	-	-	-	-	48,119
Total current assets	1,686,528	124,371	327,080	144,692	236,778	8,669	84,640	22,900	1,182,636	(1,207,875)	2,805,317
Replacement reserves	62,587	113,905	160,888	-	-	-	-	-	-	-	336,578
Reserve cash designated for properties	54,646	296,424	367,082	-	-	-	-	-	-	-	718,154
Related party notes receivable	1,725,799	-	-	-	-	-	-	-	-	(1,725,799)	-
Accrued interest receivable on related party note	1,088,447	-	-	-	-	-	-	-	-	(1,088,447)	-
Investments	-	-	-	-	1,311,584	-	-	-	25,000	-	1,336,584
Investment in related entities	1,186,347	-	26,051	-	-	-	-	-	-	(1,226,388)	1,000
Asset held for sale	429,779	-	-	-	-	-	-	-	-	-	429,779
Property and equipment, net	4,004,284	8,784,821	13,343,733	30,098	1,362,225	2,887	3,623	-	-	-	28,539,818
Development in process	118,384	-	3,465,088	-	-	-	-	-	-	-	3,603,450
Other assets	29,012	-	141,692	-	28,368	-	-	-	-	-	199,472
Total assets	\$ 19,376,788	\$ 10,317,821	\$ 17,850,099	\$ 174,893	\$ 2,828,953	\$ 11,656	\$ 88,183	\$ 22,900	\$ 1,187,836	\$ (5,220,819)	\$ 37,787,134

LIABILITIES AND NET ASSETS

Current liabilities											
Current portion of long-term debt	\$ 882,429	\$ 75,860	\$ 118,235	\$ 8,438	\$ 23,888	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,110,180
Accounts payable	136,883	80,901	98,188	4,010	1,625	2,831	2,889	2,191	-	(92,409)	249,007
Accrued expenses	185,127	883,898	208,981	20,577	58,135	8,748	-	-	-	(1,058,447)	348,085
Due to related entities	28,443	118,183	792,031	137,734	-	78,157	-	-	551	(1,118,488)	35,813
Line of credit	145,000	-	-	-	-	-	-	-	-	-	145,000
Other current liabilities	26,184	22,854	23,087	-	-	-	650	-	-	-	82,478
Total current liabilities	1,431,078	1,178,814	1,297,480	170,769	83,748	85,534	3,439	2,742	-	(2,274,222)	1,877,270
Long-term debt, less current portion, net of unamortized deferred costs	1,219,840	4,820,852	8,224,878	5,528	28,779	-	-	-	-	(1,723,780)	13,884,017
Total liabilities	2,651,018	6,000,666	9,522,358	176,297	112,527	85,534	3,439	2,742	-	(4,002,121)	15,841,287
Net assets											
Net assets without donor restrictions - controlling interest	7,884,780	1,878,331	7,338,031	(1,637)	2,828,426	(73,878)	84,724	20,158	-	(1,220,388)	17,744,837
Net assets without donor restrictions - noncontrolling interest	-	3,243,894	-	-	-	-	-	-	-	-	3,243,894
Total net assets without donor restriction	7,884,780	4,320,025	7,338,031	(1,637)	2,828,426	(73,878)	84,724	20,158	-	(1,220,388)	20,988,731
Net assets with donor restrictions	-	-	-	-	-	-	-	-	1,187,836	-	1,187,836
Total net assets	7,884,780	4,320,025	7,338,031	(1,637)	2,828,426	(73,878)	84,724	20,158	1,187,836	(1,220,388)	22,176,567
Total liabilities and net assets	\$ 19,376,788	\$ 10,317,821	\$ 17,850,099	\$ 174,893	\$ 2,828,953	\$ 11,656	\$ 88,183	\$ 22,900	\$ 1,187,836	\$ (5,220,819)	\$ 37,787,134

FIT/NNHH, INC. AND SUBSIDIARIES
Consolidating Statement of Activities
Year Ended December 31, 2016

	Fundies in Transition - Queensline	United Partnerships	Housing Benefits	Family Outlets	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	Eliminations	Without Donor Restrictions Total	With Donor Restrictions	Total
Revenue and support												
Federal, state and other grant support	\$ 4,224,280	\$ -	\$ 89,250	\$ -	\$ 328,420	\$ 167,021	\$ -	\$ -	\$ (217,884)	\$ 4,801,300	\$ 913,854	\$ 5,115,154
Rental income, net of vacancies	333,233	813,885	894,102	-	-	6,083	-	63,598	(79,417)	2,021,483	-	2,021,483
Thrift store sales	-	-	-	616,565	-	-	-	-	-	616,565	-	616,565
Public support	233,447	-	17,131	1,517	500,712	-	23,023	-	-	855,830	-	855,830
Tax credit revenue	60,000	-	-	-	-	-	-	-	-	60,000	-	60,000
Special events	178,274	-	-	-	351,836	-	-	-	-	529,910	-	529,910
Property management fees	684,583	-	-	-	-	-	-	-	(584,583)	-	-	-
Developer fees	68,463	-	-	-	-	-	-	-	-	68,463	-	68,463
VISTA program revenue	93,734	-	-	-	-	-	-	-	-	93,734	-	93,734
Unrealized loss on investments	-	-	-	-	(168,848)	-	-	-	-	(168,848)	-	(168,848)
Loss on disposal of assets	-	-	(1,464)	-	(8,831)	-	-	-	-	(10,115)	-	(10,115)
Interest income	97,262	2,304	6,738	-	-	-	-	-	(97,770)	38,834	-	38,834
In-kind donations	13,704	-	-	-	-	725	-	-	-	14,429	-	14,429
Investment income	-	-	-	-	90,783	-	-	-	-	90,783	-	90,783
Forgiveness of debt	-	18,000	131,267	-	-	-	-	-	(18,000)	131,267	-	131,267
Medicaid reimbursements	521,857	-	-	-	-	-	-	-	-	521,857	-	521,857
Other income	252,636	18,901	136,871	18,006	32,085	42,178	5,049	-	(227,455)	279,420	-	279,420
Net assets released from restrictions	287,179	-	-	-	3,748	-	-	-	-	292,927	(292,927)	-
Total revenue and support	8,829,831	834,090	1,272,892	637,118	1,200,833	215,894	28,072	63,592	(1,194,883)	10,053,718	229,829	10,283,547
Expenses												
Program activities	5,474,177	1,210,197	1,314,432	749,079	1,202,828	243,810	17,383	43,441	(1,194,863)	8,060,435	-	8,060,435
Fundraising	614,883	-	168,990	-	348,258	-	-	-	-	1,131,941	-	1,131,941
Management and general	711,203	-	87,840	-	118,180	-	-	-	-	914,093	-	914,093
Total expenses	6,800,173	1,210,197	1,571,092	749,079	1,669,242	243,810	17,383	43,441	(1,194,863)	11,106,471	-	11,106,471
Excess (deficiency) of revenue and support over expenses	105,558	(376,107)	(298,067)	(111,932)	(468,399)	(27,816)	10,700	20,151	-	(1,062,753)	229,829	(841,827)
Grants and contributions for capital projects	-	-	270,857	-	-	-	-	-	-	270,857	289,933	560,790
Net assets released for capital projects	359,812	-	-	-	-	-	-	-	-	359,812	(359,812)	-
Effect of consolidation of affiliates	-	-	-	-	3,281,787	-	-	-	-	3,281,787	138,184	3,420,951
Change in net assets	\$ 625,479	\$ (376,107)	\$ (27,210)	\$ (111,932)	\$ 2,829,428	\$ (27,816)	\$ 10,700	\$ 20,151	\$ -	\$ 2,899,790	\$ 299,214	\$ 3,149,014

FIT/WHHL, INC. AND SUBSIDIARIES
Consolidating Statement of Functional Expenses
Year Ended December 31, 2018

	Program Activities														
	Families In Transition - Quincy	Limited Partnership	Housing Benefits	Family Outlets	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	Program Activities Total	Fundraising	Management and General	Eliminations	Total		
Salaries and benefits															
Salaries and wages	\$ 2,333,825	\$ -	\$ 370,212	\$ 316,186	\$ 673,012	\$ 116,028	\$ -	\$ -	\$ 3,898,870	\$ 518,402	\$ 358,442	\$ -	\$ 4,882,814		
Employee benefits	257,006	-	70,225	24,951	61,084	6,487	-	-	426,732	64,002	37,770	-	517,904		
Payroll taxes	173,477	-	25,578	24,440	58,129	8,823	-	-	287,230	39,748	28,593	-	353,589		
Total salaries and benefits	2,764,007	-	472,018	365,586	788,265	131,138	-	-	4,821,832	612,150	419,805	-	6,553,907		
Advertising	14,111	-	288	25,068	-	-	809	-	40,898	-	18,548	-	59,032		
Application and permit fees	-	-	1,820	-	-	-	-	-	1,820	-	-	-	1,820		
Bad debts	1,888	11,897	14,215	-	-	-	-	-	28,100	-	-	-	28,100		
Bank charges	-	390	-	8,847	-	97	90	36	8,420	-	11,445	-	20,885		
Consultants	13,882	-	5,519	2,847	-	2,123	-	-	22,351	4,847	-	-	29,481		
Depreciation	171,127	385,718	323,483	11,093	52,378	340	834	-	944,871	115,347	51,812	-	1,111,939		
Events	-	-	-	2,814	-	-	3,550	-	6,364	160,885	-	-	167,949		
General insurance	29,119	36,144	30,125	3,523	18,977	5,714	-	4,712	128,314	14,318	13,248	-	155,880		
Grant expense	23,338	-	-	-	35,811	-	-	-	69,149	-	-	-	89,149		
Interest expense	85,838	112,239	116,875	714	1,717	-	-	-	297,483	-	-	-	229,713		
Management fees	74,870	181,085	284,708	-	-	-	-	10,401	671,204	-	-	(87,770)	6,822		
Meals and entertainment	4,284	-	32	179	-	133	311	-	4,919	650	547	-	6,122		
Membership dues	8,280	-	1,810	-	-	-	1,000	-	10,790	1,741	3,458	-	15,889		
Merger expenses	-	-	-	-	-	-	-	-	-	-	137,747	-	137,747		
Office supplies	243,293	949	21,987	6,460	15,454	149	566	-	288,858	43,150	38,138	-	370,155		
Participant expenses	64,720	3,076	8,132	45	-	43,987	3,000	-	116,960	378	379	-	117,718		
Postage	5,734	-	8	9	1,579	-	5	-	7,333	4,274	1,758	-	13,385		
Printing	16,682	-	-	2,745	-	-	1,093	-	19,500	19,128	2,083	-	40,717		
Professional fees	8,275	27,743	8,313	3,800	-	6,969	-	1,808	67,408	-	112,417	-	158,823		
Related entity expenses	796,348	-	(491,778)	169,388	-	-	-	-	462,970	-	144	(483,114)	-		
Rent	-	-	-	62,898	-	-	-	-	62,898	-	16,721	(79,417)	-		
Rental subsidies	332,270	-	-	-	-	-	-	-	332,270	-	-	-	332,270		
Repairs and maintenance	62,838	128,512	106,342	34,325	15,222	22,882	-	7,729	424,448	42,145	16,169	(20,000)	482,782		
Shelter expenses	-	-	-	-	166,891	-	-	-	166,891	-	-	-	166,891		
Staff development	28,956	-	-	68	741	-	-	4,791	31,688	4,008	3,340	-	39,634		
Taxes	67,851	113,819	132,082	2,307	-	75	75	-	315,920	-	-	-	315,920		
Technology support	182,452	483	2,811	2,231	3,068	840	858	-	182,383	28,782	23,886	-	244,811		
Telephone	62,889	719	18,050	5,056	6,485	2,893	-	1,178	94,048	10,895	6,778	-	112,821		
Travel	32,932	-	1,874	3,845	6,885	-	823	-	44,759	5,181	4,222	-	54,172		
Utilities	30,083	197,345	167,198	31,461	75,857	18,188	-	17,781	643,721	52,907	17,767	-	613,495		
VISTA program	318,534	2,325	-	-	-	-	-	-	320,859	-	-	-	320,859		
Workers' compensation	62,528	-	24,432	14,223	15,240	8,484	-	-	125,897	13,229	9,220	-	148,258		
Total expenses	\$ 6,474,177	\$ 1,210,187	\$ 1,314,432	\$ 749,070	\$ 1,282,828	\$ 243,810	\$ 17,362	\$ 43,441	\$ 10,255,318	\$ 1,121,841	\$ 814,899	\$ (1,194,833)	\$ 11,106,475		

Families in Transition/New Horizons New Hampshire Board of Directors

Board of Directors

Scott W. Ellison, Chair

COOK, LITTLE, ROSENBLATT & MANSON, PLLC, Partner

Board member since 2018

Roy Tillsley, Vice Chair

Bernstein Shur, Shareholder

Board member since 2018

Robert Bartley, Treasurer

President, CPA, CFP, Bartley Financial Advisor

Board member since 2018

Frank Saglio, Asst. Treasurer

Howe, Riley & Howe, PLLC.

Board member since 2018

Kristi Scarpone, Secretary

First, Corporate and Foundation Relations

Board member since 2018

Dick Anagnost, At Large

President, Anagnost Companies

Board member since 2018

Heather Whitfield, At Large

Vice President, Commercial Lending, People's United Bank

Board member since 2018

David Cassidy, Past Co-Chair

Senior Vice President, Eastern Bank

Board member since 2018

Charla Bizios Stevens, Past Co-Chair

Director, Litigation Department and Chair of Employment Law Practice Group

McLane Middleton, Professional Association Esquire

Board member since 2018

Colleen Cone,

Sr. Director Employee Relations Greater Boston Area, Comcast

Board member since 2018

Alison Hutcheson

Merchants Fleet Management, Associate Director of Sales Administration

Board member since 2018

AnnMarie French
Executive Director, NH Fiscal Policy Institute
Board member since 2018

Brian Hansen
Team Engineering, Project Manager
Board member since 2018

Brian Mikol
Spectrum Marketing, Co-Owner
Board member since 2018

Jack Olson
Retired
Board member since 2018

Kitten Stearns
Realtor, Coldwell Banker Residential Brokerage
Board member since 2018

Mary Ann Aldrich
Dartmouth Hitchcock, Sr. Advisor Community & Relations
Board member since 2018

Peter Telge
Owner, Stark Brewing Company
Board member since 2018

Roy Ballentine
Executive Chairman, Ballentine Partners, LLC
Board member since 2019

Sarah Jacobs
Manchester School District Coordinator
Board member since 2018

Sean Leighton
Captain – Investigative Division Commander, City of Manchester Police Department
Board member since 2019

Wayne McCormick, CFP
Steward Partners Managing Director Wealth Manager
Board member since 2018

Rev. Gayle Murphy
Minister At Large
Board member since 2020

Michael McCormick
*Anthem- Chief of Staff & Sales Effectiveness Director,
Commercial Business Division, Manchester NH*
Board member since 2020

Kristen McGuigan, LICSW

Education

BOSTON UNIVERSITY, TYNGSBORO, MA

SEPTEMBER 2006-MAY 2009

Masters of Social Work

RIVIER COLLEGE, NASHUA, NH

SEPTEMBER 2004-MAY 2006

Bachelor of Arts in Human Development

- Minor in Social Work

NEW HAMPSHIRE TECHNICAL INSTITUTE, CONCORD, NH

SEPTEMBER 2002- MAY 2004

Associates Degree in Early Childhood Education

Licenses

Licensed Independent Clinical Social Worker in Massachusetts and New Hampshire

Experience

FAMILIES IN TRANSITION, MANCHESTER, NH

OCTOBER 2016-PRESENT

Child and Family Program Manager

- Provide individual therapy to children/adolescence and in-home family counseling
- Supporting families whom struggle with substance use, trauma and homelessness
- Facilitate therapeutic play groups and parenting groups

Program Manager/ Child and Family Therapist

OCTOBER 2009- OCTOBER 2012

- Provide trauma-informed therapeutic services to homeless children and families
- Manage the trauma-informed therapeutic preschool and afterschool program
- Provide supervision to clinical staff and early educators whose responsibility levels vary
- Complete psychosocial assessments, develop treatment plans, and DECA/BERS assessment tools
- Provide individual therapy, family therapy, parenting workshops, staff trainings, group therapy and crisis intervention

PSYCHOTHERAPY ASSOCIATES OF NORTH READING, NORTH READING, MA

JULY 2013- PRESENT

Licensed Independent Clinical Social Worker

- Provide individual and family counseling to children, adolescences, and adults.
- Provide service to adolescences during the transition into college and adulthood
- Offer art and play therapy services to children ages 3-15 years old
- Conduct psychotherapy assessments and formulate treatment plans

ELLIS MEMORIAL, BOSTON, MA

OCTOBER 2012- MAY 2014

Clinical Supervisor

- Oversee clinical services for children being offered in the agency, including supervision to clinical staff and interns
- Provide therapeutic services to children and families enrolled in Ellis's educational programming
- Enroll and oversee services for children that have open cases with the Department of Children and Families
- Offer in-house trainings and on-going support to early childhood providers
- Create and implement behavior management strategies to ensure success for children within the programs

MOORE CENTER SERVICES INC., MANCHESTER, NH

NOVEMBER 2008- OCTOBER 2009

Case Manager, Children Services

- Assist families with children diagnosed with developmental disabilities and participate in crisis intervention planning
- Oversee and manage child budget to provide services through the In Home Support program
- Attend children's individual education plan (IEP) meetings and collaborate with school systems on behalf of children's education

EASTER SEALS RESIDENTIAL FACILITY CO-OCCURRING UNIT, MANCHESTER, NH

SEPTEMBER 2008- MAY 2009

Master Level Clinical Intern

- Participate in individual and group therapy with adolescents with substance abuse diagnoses
- Develop curriculum for group therapy
- Involvement with drug court and the New Hampshire court system
- Participated in training for Therapeutic Crisis Intervention

HIGH PLAIN ELEMENTARY, ANDOVER, MA

SEPTEMBER 2007 - MAY 2008

Master Level Clinical Intern

- Led individual, group, and family therapy sessions employing a variety of techniques
- Provided emotional and behavioral support to clients with autism, ADHD, OCD, PDD-NOS, GAS and depression
- Served as liaison between staff and families on mental health issues and child development

Trainings

- Certified trainer in Suicide Prevention through NAMI (National Association of Mental Illness) 2010
- Certified trainer of Dr. Brazelton Touchpoints child development model (Harvard University) 2011
- Certified Disaster Case Manager Supervisor (Catholic Charities) March 2014
- Faculty member participating on a team with mental health professionals, to help implement the Trauma-Informed Early Education and Care Systems Breakthrough Collaborative. Created and implemented trauma-informed curriculum training to early childhood educators. (BOSTON PUBLIC HEALTH COMMISSION, BOSTON MA) AUGUST 2013-SEPTEMBER 2014

Ann-Elise Bryant

Objective

Seeking a position as Housing Advocate

Education

Gordon College

Bachelor of Arts in Psychology and Sociology

GPA 3.57

Wenham, MA

May 2010

Honors: *Barrington Scholar for academic performance in, and impact on, the Psychology department and campus; one student from each department chosen; Dean's List; graduate cum laude*

Experience

Supportive Services Case Manager

Somerville Homeless Coalition, Somerville, MA

March 2014- Present

- Responsible for an active case load of 12-18 individuals and families who formerly experienced homelessness and now are in recovery from substance abuse addiction and/or mental health diagnoses
- Provide services in the home and community as outlined on an Individual Service Plan (ISP) in conjunction with supports to promote retention of permanent housing, sobriety, and symptom management
- Respond to crisis situations (including relapse) and utilize Harm Reduction tactics to promote client safety
- Produce documentation of all client interactions and maintain up-to-date ISPs and assessments
- Attend and participate in team meetings and assist in streamlining client services through the development and updating of protocols and policies, as well as providing training for new case managers through shadowing opportunities

Supported Employment Specialist

Genesis Behavioral Health, Laconia, NH

January 2013- February 2014

- Supported an active case load of 25-30 individuals with Severe and Persistent Mental Illness (SPMI) primarily with employment search and school related activities in the community using an Individualized Service Plan (ISP) to provide optimal treatment within a team approach
- Documented all interactions with clients to maintain continuity of care within and, if necessary, outside of agency
- Provided emergency services such as Crisis Intervention, support to local hospital emergency rooms, and/or contact of local authorities when necessary
- Facilitated more effective, streamlined processes for working in conjunction with local agencies, as well as within the Supported Employment team in the areas of service provision to clients and new hire training

Research Data Coordinator

Institute for Community Inclusion, Boston, MA

November 2010- December 2011

- Conducted research related activities (e.g. interviews, transcribing, literature reviews) on two projects focused on aiding individuals with disabilities
- Worked as a member of a research team and attended, and sometimes led, team meetings

References available upon request

Ann-Elise Bryant

References

1. Michael (Mike) Libby, LCSW
 - Work: [REDACTED] (ask for Mike Libby)
 - Deputy Director, direct Supervisor, Somerville Homeless Coalition
 - Office phone between the hours of 9-5
2. Mark Lane
 - Work: [REDACTED] (ask for Mark Lane)
 - Supportive Services Senior Case Manager, Somerville Homeless Coalition
 - Office phone between the hours of 9-5
3. Dominique Whiton
 - Former co-worker/personal friend of 2 years
 - Cellphone: [REDACTED]

CONTRACTOR NAME

Key Personnel

Concord Permanent Housing Program

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
TBD	President	175,000	0%	-
Kristen McGuigan	Director of Clinical Services	71,400	20%	14,280
Ann Elise Bryant	Program Manager	50,000	20%	10,000



Jeffrey A. Meyers
Commissioner

Christine L. Santanillo
Director

JUN06'19 PM 2:27 DAS

H/LP mac

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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

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

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are sole source because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

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

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

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

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.

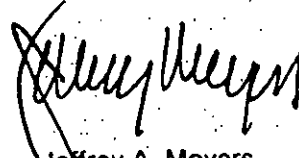
Source of funds: 100% Federal Funds from the U.S. Department of Housing and Urban Development, Office of Community Planning and Development, Catalog of Federal Domestic Assistance Number (CFDA) #14.267.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner

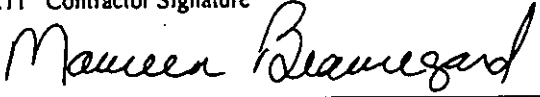
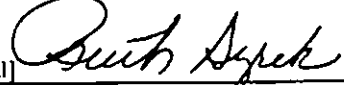
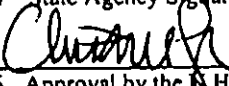
Subject: Continuum of Care, Concord Permanent Housing Program, SS-2020-BHS-04-PERMA-02

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 FIT/NHNNH, Inc.		1.4 Contractor Address 122 Market Street Manchester, NH 03101	
1.5 Contractor Phone Number (603) 641-9441	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$68,585
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 Maureen Beauregard, President	
1.13 Acknowledgement: State of <u>New Hampshire</u> , County of <u>Hillsborough</u> On <u>May 29, 2019</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]		RUTH A. SYREK, Notary Public My Commission Expires September 4, 2023	
1.13.2 Name and Title of Notary or Justice of the Peace Ruth Syrek, Admin. Asst., Notary Public			
1.14 State Agency Signature  Date: <u>5/30/19</u>		1.15 Name and Title of State Agency Signatory <u>Christine Santaniello, Director, DHS</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>Christina Wilson</u> On: <u>June 4, 2019</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.

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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.



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 provided 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 (BHS)
129 Pleasant Street
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

MAD

May 29, 2019



Exhibit A

- 1.10. 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 Services

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Housing program comprised of six (06) housing units and nine (09) beds serving homeless individuals and or families experiencing mental health and or substance abuse issues, and which includes, but is not limited to:
- 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
- 2.2.2. The development 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 must 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).
- 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.



Exhibit A

- 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, 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 must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, 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 must 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 has 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 must 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 must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were 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).

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Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 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.
 - 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the 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 as required by this Agreement and state and federal laws and regulations;
 - 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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 HUD New Project Application, federal fiscal year 2018, #SF-424; and

5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.

5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. 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 a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.

6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.

6.2.1. Project outcomes shall include, but are not limited to:

6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.

6.2.1.2. Participants experience increased connections to:

6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;

6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and

6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.

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

MB



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Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Permanent Housing Program Funding.

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
- 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0007L1T001811
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Permanent Housing Program
 - 1.2.7. Total Amount Continuum of Care;
 - 1.2.7.1. not to exceed \$68,585
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Supportive Services: \$66,827
 - 1.2.8.2.1 Case Management \$64,427
 - 1.2.8.2.2 Transportation \$2,400
 - 1.2.8.2. Administrative Expenses: \$1,758
 - 1.2.8.3. Total program amount: \$68,585
 - 1.2.8.4. Vendor Match (25%) \$17,147
 - 1.3. The Contractor agrees to 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
129 Pleasant Street
Concord, NH 03301



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- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used 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/Grant completion date.

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

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).

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 are to be documented with each payment request.
- 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
 - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
 - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
 - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
 - 3.3.3.4. 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, subject to the availability of sufficient funds.

MAJ

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- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.

3.4.5. Schedule of Payments:

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:
housingsupportsinvoices@dhhs.nh.gov
- 3.4.5.3. 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.

3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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 the terms and conditions of this Agreement.



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Exhibit B

4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

5. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

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

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;



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- 5.3.2.4. 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;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. 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;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. 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;
- 5.3.2.10. 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 the 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;
- 5.3.2.11. 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;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. 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;
- 5.3.2.14. 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;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
 - 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
 - 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
 - 5.3.2.19. 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.
- 5.4. Rental Assistance
- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
 - 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
 - 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
 - 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
 - 5.4.5. 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.
 - 5.4.6. 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.
 - 5.4.7. 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.
 - 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

5.4.9.1. 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.

5.4.9.2. 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.

5.4.9.3. 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.

5.4.9.4. 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.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

5.5.1.1. 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; and

5.5.1.2. 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:

5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.

5.5.1.2.1.1. 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:

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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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.

5.6.1. Requirements:



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- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. 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.

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- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

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



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;

Exhibit C - Special Provisions

Contractor Initials

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

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

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

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

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

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more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP 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 EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP 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

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New Hampshire Department of Health and Human Services
Exhibit C



- 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.

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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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

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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 GRANTEEES OTHER THAN INDIVIDUALS

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

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

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

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

New Hampshire Department of Health and Human Services
Exhibit D



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

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

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

Vendor Name: FIT/NHNNH, Inc.

May 29, 2019
Date

Maureen Beauregard
Name: Maureen Beauregard
Title: President

Vendor Initials MB
Date May 29, 2019



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-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Vendor Name: FIT/NHNN, Inc.

May 29, 2019

Date


Name: Maureen Beauregard
Title: President



**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

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

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

PRIMARY COVERED TRANSACTIONS


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

LOWER TIER COVERED TRANSACTIONS

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

Vendor Name: FIT/NHNN, Inc.

May 29, 2019
Date


Name: Maureen Beauregard
Title: President



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

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

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

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

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

Exhibit G

Vendor Initials

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

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: FIT/NHNNH, Inc.

May 29, 2019
Date


Name: Maureen Beauregard
Title: President

Exhibit G

Vendor Initials



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



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: FIT/NHNNH, Inc.

May 29, 2019
Date



Name: Maureen Beauregard
Title: President



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.

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Exhibit I

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

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

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

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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 (l). 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.

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Vendor Initials

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Date May 29, 2019



Exhibit I

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

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

Department of Health and Human Services

The State

Christine Santanello

Signature of Authorized Representative

Christine Santanello

Name of Authorized Representative

Director, D&H

Title of Authorized Representative

5/20/19

Date

FIT/NHNNH, Inc.

Name of the Vendor

Maureen Beauregard

Signature of Authorized Representative

Maureen Beauregard

Name of Authorized Representative

President

Title of Authorized Representative

May 29, 2019

Date

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**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: FIT/NHHH, Inc.

May 29, 2019
Date


Name: Maureen Beauregard
Title: President



New Hampshire Department of Health and Human Services
Exhibit J



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: 825360399
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO _____ YES

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

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

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

_____ NO _____ YES

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

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

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

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

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

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

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

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

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

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

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

Handwritten initials, possibly "MD", in black ink.

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

II. METHODS OF SECURE TRANSMISSION OF DATA

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

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

A. Retention

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

Handwritten initials "MP" in black ink, located next to the "Contractor Initials" label.

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/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.

YAB



Exhibit K

DHHS Information Security Requirements

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

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

V. LOSS REPORTING

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

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

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

Handwritten initials, possibly "MD", in black ink.

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

**New Hampshire Department of Health and Human Services
Continuum of Care, McGrath Street Permanent Housing Program**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Continuum of Care, McGrath Street Permanent Housing Program**

This 1st Amendment to the Continuum of Care, McGrath Street Permanent Housing Program contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and The Lakes Region Mental Health Center, Inc., (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 40 Beacon Street East, Laconia, NH, 03246.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal., the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2021.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$202,046.
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program Funding, Subsection 1.2., Paragraph 1.2.4., to read:
1.2.4. Grant Numbers:
1.2.4.1 NH0013L1T001811 (Grant Year 1)
1.2.4.2 NH0013L1T001912 (Grant Year 2)
4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program Funding, Subsection 1.2., Paragraph 1.2.7., Subparagraph 1.2.7.1., to read:
1.2.7.1 Not to exceed \$202,046
5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program Funding, Subsection 1.2., Paragraph 1.2.8., to read:
1.2.8. Funds allocation under this agreement for Continuum of Care Program;

		<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1.	Life Skills (Supportive Services)	\$18,308	\$18,308
1.2.8.2.	Operations	\$79,193	\$81,569
1.2.8.3.	Administrative Expenses	<u>\$2,334</u>	<u>\$2,334</u>
1.2.8.4.	Total Program Amount	\$99,835	\$102,211
1.2.8.5.	Vendor Match 25%	\$25,543	\$26,136.25

**New Hampshire Department of Health and Human Services
Continuum of Care, McGrath Street Permanent Housing Program**



All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

4/8/20
Date

Christina L. Santaniello
Name: Christina L. Santaniello
Title: Director DEHS

The Lakes Region Mental Health Center, Inc.

3/27/20
Date

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

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



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

OFFICE OF THE ATTORNEY GENERAL

4/16/20
Date

Will Dyer
Name:
Title:

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

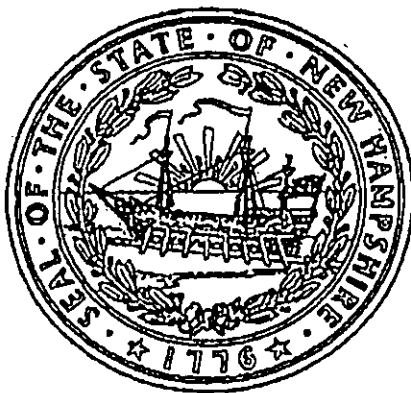
Department of State

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 cursive script, reading "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

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

1. I am a duly elected Clerk/Secretary/Officer of The Lakes Region Mental Health Center, Inc.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 27, 2020, at which a quorum of the Directors/shareholders were present and voting.

VOTED: That Margaret M. Pritchard, Chief Executive Officer (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of The Lakes Region Mental Health Center, Inc. to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

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

Dated: March 27, 2020

Matt Soza

Signature of Elected Officer

Name: Matt Soza

Title: Co-Treasurer

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/16/2019

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

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

PRODUCER USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123		CONTACT NAME: PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL ADDRESS:															
INSURED The Lakes Region Mental Health Center, Inc. 40 Beacon Street East Laconia, NH 03246		INSURER(S) AFFORDING COVERAGE <table border="1"> <tr> <th>INSURER</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A : Ace American Insurance Company</td> <td>22667</td> </tr> <tr> <td>INSURER B : All Mutual Insurance Company</td> <td>33758</td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>		INSURER	NAIC #	INSURER A : Ace American Insurance Company	22667	INSURER B : All Mutual Insurance Company	33758	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
INSURER	NAIC #																
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INSURER C :																	
INSURER D :																	
INSURER E :																	
INSURER F :																	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDSUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		SVRD37803601	06/26/2019	06/26/2020	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$250,000 MED EXP (Any one person) \$25,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY		CALH08618574	06/26/2019	06/26/2020	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10000		XOOG25516540008	06/26/2019	06/26/2020	EACH OCCURRENCE \$4,000,000 AGGREGATE \$4,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	ECC6004009072019A	06/26/2019	06/26/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liability		OGLG2551662A008	06/26/2019	06/26/2020	\$5,000,000 occurrence per Incident \$7,000,000 Aggregate

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

This certificate covers all operations usual and customary to the business of the insured.

RE: Summer Street Permanent Housing Contract

CERTIFICATE HOLDER

CANCELLATION

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

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Sam Hart



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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Analysis of BBH Revenues, Receipts and Receivables	14
Statement of Functional Public Support and Revenues	15
Statement of Functional Expenses	16



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, Brannagan + 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

5,622,649

TOTAL ASSETS

\$ 9,773,622

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

5,498,340

NET ASSETS

Net assets without donor restrictions	<u>4,275,282</u>
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TOTAL LIABILITIES AND NET ASSETS

\$ 9,773,622

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	(219,276)
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

694,284

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

(173,593)

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

1,367,407

CASH AT END OF YEAR

\$ 1,086,166

SUPPLEMENTAL DISCLOSURE

Cash Payments for Interest	<u>\$ 172,108</u>
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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>\$ 5,622,649</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	<u>\$ 1,245,023</u>
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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	<u>3,732,931</u>
	<u>\$ 4,292,604</u>

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	<u>206,462</u>	<u>57,866</u>	<u>264,328</u>
	<u>\$ 1,205,489</u>	<u>\$ 470,711</u>	<u>\$ 1,676,200</u>

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>-</u>	<u>-</u>	<u>-</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	\$ 88,935	\$ 27,354	\$ 35,288	\$ -	\$ -	\$ 75,028	\$ -
188,087	-	188,087	80,169	75,024	9,600	75,774	-	-	(52,480)	-
8,982,475	-	8,982,475	3,027,437	4,958,600	542,120	383,699	-	-	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	-	-
78,454	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
84,887	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	1,478,548
-	(486,609)	486,609	126,203	224,733	31,919	28,708	3,606	4,986	10,974	55,480
<u>\$ 13,463,669</u>	<u>\$ -</u>	<u>\$ 13,463,669</u>	<u>\$ 3,491,809</u>	<u>\$ 6,218,002</u>	<u>\$ 883,158</u>	<u>\$ 794,311</u>	<u>\$ 99,764</u>	<u>\$ 137,965</u>	<u>\$ 303,632</u>	<u>\$ 1,535,028</u>

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 BSH Funded Programs
							Apts. S.L. Summer	Apts. S.L. McGrath		
\$ 8,518,992	\$ 886,530	\$ 7,852,462	\$ 1,774,022	\$ 3,141,327	\$ 811,890	\$ 668,074	\$ 101,880	\$ 110,595	\$ 267,932	\$ 976,762
1,905,776	127,746	1,778,030	413,683	778,808	182,296	147,577	(5)	332	128,085	147,256
584,335	48,416	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	108,799	894	6,945	-	-	199	35,948
58,530	58,530	-	-	-	-	-	-	-	-	-
28,754	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	688	789	-	-	198	294
83,015	8,213	78,802	13,151	38,955	4,163	3,849	63	63	379	18,379
34,973	1,026	33,947	7,352	17,742	266	6,002	-	-	268	2,317
90,136	3,253	86,883	29,975	48,852	812	722	-	-	5,911	2,611
189,782	188,277	1,485	-	1,337	74	-	-	-	-	74
48,186	11,124	35,062	6,121	8,412	757	281	10,728	7,294	700	771
93,586	24,541	69,025	18,819	19,859	1,856	-	13,869	13,587	1,105	2,330
175,940	44,572	131,368	41,059	44,568	7,187	2,372	12,684	18,014	927	6,577
18,910	18,910	-	-	-	-	-	-	-	-	-
32,066	8,996	23,090	7,640	9,631	1,428	1,531	136	131	1,454	1,139
58,858	13,797	44,861	8,078	11,368	1,928	1,889	3,814	18,172	854	762
11,093	-	11,093	-	3,718	-	-	-	-	-	7,377
176,851	9,484	167,367	41,528	82,660	15,822	13,908	-	-	3,428	10,220
89,872	17,816	72,056	23,209	31,221	5,317	2,971	1,078	3,648	968	3,646
238,696	84,007	154,689	48,840	48,878	8,070	13	15,168	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	7,867	75,880	14,699	50,040	4,457	3,963	-	-	1,024	1,497
1,549	69	1,480	307	857	119	116	-	-	47	34
237,764	32,311	205,453	61,222	82,179	9,238	21,687	9,180	228	13,892	8,029
13,904	886	12,918	3,483	6,660	1,061	943	-	-	363	406
247,839	1,210	248,629	61,202	132,444	36,903	5,296	1,850	1,854	2,869	4,211
21,835	-	21,835	-	21,835	-	-	-	-	-	-
38,138	-	38,138	19,134	16,776	20	-	830	1,474	-	104
58,852	14,850	42,002	10,284	20,163	4,711	2,510	-	-	820	3,714
4,488	-	4,488	369	3,785	144	128	-	-	29	43
34,689	20,969	13,700	2,998	5,928	1,073	976	1,029	1,040	287	369
38,587	1,288	37,299	871	705	132	118	-	-	29	35,644
69,267	60,634	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	2,752,840	5,013,111	1,140,938	947,061	209,908	236,467	452,983	1,398,755
-	(1,491,419)	1,491,419	337,836	615,289	140,030	118,234	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 Prichard 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	Jamirac	Sutcliffe		Holderness	NH	03245			2011	3, October 2020	Executive, Development
Vice President	Gail	Mears		Holderness	NH	03245			2019	2, October 2022	Executive, Governance (Chair)
Co-Treasurer	Ed	McFarland		Laconia	NH	03246			2017	1, October 2020	Finance (Co-Chair)
Co-Treasurer	Matt	Soza		Laconia	NH	03247			2011	3, October 2020	Finance (Co-Chair), Development, QI, Governance
Secretary	Susan	Stearns		Sanbornton	NH	03269			2017	1, October 2020	Executive, Governance, Development (Chair)
Member at Large	Marsha	Bourdon		Laconia	NH	03246			2018	1, October 2021	Finance
Member at Large	Marlin	Collingwood		Plymouth	NH	03264			2019	1, October 2022	Development
Member at Large	Peter	Minkow							2019	1, October 2022	Governance
Member at Large	Laura	LeMien		Laconia	NH	03246			2019	1, October 2022	Development
Member at Large	Deborah	Pendergast		New Hampton	NH	03256			2011	3, October 2020	Executive
Member at Large	Seifu	Regassa		Gilford	NH	03249			2019	2, October 2022	QI
Member at Large	James	Stapp		Holderness	NH	03245			2017	1, October 2020	Development
Member at Large	Rev. Judith	Wright		Laconia	NH	03246			2017	1, October 2010	QI Committee
Committee Member	Jerry	Fleischman		Laconia	NH	03246					Finance Committee

Alison K. O'Neill, MS, LCMHC

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

Professional Experience:

Lakes Region Mental Health Services, Laconia NH

Clinical Coordinator, Neurocognitive Program, September 2015 to Current

- Oversee an interdisciplinary team that provides services to patients admitted to the Neurocognitive program, which provides services to patients with a mental health diagnosis and a developmental or intellectual disability, or a traumatic brain injury, or cognitive decline. Responsible for recruiting new staff/team members, to include screening candidates, participating in interview sessions and assisting in the hiring decision.
- Provide regular supervision with a clinical and administrative focus for bachelor and master level staff. Provide supervision for Master's level interns and supervision for therapists working towards their licensure in LCMHC.
- Participate in several agency committees such as; Training Committee, Employee Committee, Documentation Ad Hoc Committee. Participate and collaborate with outside agencies, such as; Lakes Region Community Services, START (including Committee, training) NH Elders Meeting.
- Respond to crisis situations as needed. Complete adult assessments. Provide individual and group therapy. Participate in DBT Consult Group. Facilitate Therapist Consult Group.
- Create and facilitate trainings on our electronic medical record (Essentia) and Dialectical Behavioral Therapy.
- Working collaboratively to create a Peer Support Program. Provide group supervision for Peer Support Specialist.

New England College, Henniker NH

Adjunct Professor, Masters Level Clinical Mental Health Program, August 2016 to current

- Clinical Counseling Theories
- Clinical Counseling Techniques

Alison K. O'Neill, MS, LCMHC, PLLC, Private Practice, Concord, NH

Licensed Clinical Mental Health Counselor, January 2013 to October 2015

- Worked with children, adolescents, adults, parents, families, and couples, providing individual, couples, and family therapy, writing psychosocial assessments, treatment plans, and progress notes on all clients.
- Responsible for all aspects of the business management i.e. credentialing, insurance contracting and invoicing, accounts payable, accounts receivable, collections, referrals and any other communications. Responsibilities noted below.

Northbridge Counseling, Bedford and Concord, NH

Licensed Clinical Mental Health Counselor, June 2012 to March 2013

- Worked with children, adolescents, and adults, providing individual, couples, and family therapy, as well as seeing clients through their employer EAP using Solution Focused Therapy, writing psychosocial assessments, treatment plans and progress notes on all clients.

Riverbend Community Mental Health Center, Children's Intervention Program, Concord, NH

Child and Family Therapist and Family Support Therapist, January 2007 to June 2012

- For the first 6 months this was an intern position, I was the first master's level intern in the children's program, providing therapy to children and families.
- Provided clinical services to children ages 4 to 18, providing individual, family and group therapy, including DBT Adolescent group, TF-CBT and Helping the Non-Compliant Child.
- Provided school based therapy, collaborated with school staff.

Therapeutic approaches utilized: Cognitive Behavioral Therapy, Dialectical Behavioral Therapy, Strength Based Therapy, Solution Focused Therapy, Motivational Interviewing, Play Therapy, and Family Systems Therapy.

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

Kary Hillsgrove

Work Experience

Optical Assistant	Visionworks	09/2015 – present
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- 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
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- 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
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- 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
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- 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
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- 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
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- 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%



Jeffrey A. Meyers
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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHNNH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHNNH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

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

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are sole source because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

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

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

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

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.

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.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeffrey A. Meyers". The signature is stylized with a large, sweeping initial "J" and "M".

Jeffrey A. Meyers
Commissioner

Subject: Continuum of Care, McGrath Street Permanent Housing Program, SS-2020-BHS-04-PERMA-14

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)516-9300	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$99,835
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9330	
1.11 Contractor Signature <i>Margaret M. Pritchard</i>		1.12 Name and Title of Contractor Signatory <i>Margaret M. Pritchard</i> Chief Executive Officer	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Delfino</u> On <u>5/13/19</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 <i>[Signature]</i> [Seal] TERESA M. POTTER-BROWN, Notary Public <i>My Commission Expires September 17, 2019</i>			
1.13.2 Name and Title of Notary or Justice of the Peace			
1.14 State Agency Signature <i>Christine Sanfilippo</i> Date: <u>5/13/19</u>		1.15 Name and Title of State Agency Signatory <i>Christine Sanfilippo, Director</i>	
1.16 Approval by the NH 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: <i>[Signature]</i> On: <u>6/4/19</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 Supportive 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 (BHS)
129 Pleasant Street
Concord, NH 03301

- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

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Exhibit A

- 1.10. 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 Services

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Housing program comprised of four (4) housing units and fourteen (14) beds serving homeless, disabled adults with mental illness, and which includes, but is not limited to:
- 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
- 2.2.2. The development 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 must 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).
- 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.

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Exhibit A

- 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, 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 must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, 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 must 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 has 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 must 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 must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were 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).

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Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 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.
- 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the 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 as required by this Agreement and state and federal laws and regulations;
- 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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

[Signature]
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Exhibit A

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 HUD New Project Application, federal fiscal year 2018, #SF-424; and

5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.

5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. 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 a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.

6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.

6.2.1. Project outcomes shall include, but are not limited to:

6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.

6.2.1.2. Participants experience increased connections to:

6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;

6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and

6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.

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

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Permanent Housing Program Funding

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
- 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0013L1T001811
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Permanent Housing Program
 - 1.2.7. Total Amount Continuum of Care;
 - 1.2.7.1. not to exceed \$99,835
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Supportive Services: \$18,308
 - 1.2.8.2.1 Life Skills \$18,308
 - 1.2.8.2. Operations \$79,193
 - 1.2.8.3. Administrative Expenses: \$2,334
 - 1.2.8.4. Total program amount: \$99,835
 - 1.2.8.5. Vendor Match (25%) \$25,543
 - 1.3. The Contractor agrees to 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
129 Pleasant Street
Concord, NH 03301

[Signature]
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Continuum of Care Program**

Exhibit B

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used 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/Grant completion date.

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

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).

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 are to be documented with each payment request.
- 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
 - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
 - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
 - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
 - 3.3.3.4. 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, subject to the availability of sufficient funds.

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Continuum of Care Program

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- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.

3.4.5. Schedule of Payments:

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:
housingsupportsinvoices@dhhs.nh.gov
- 3.4.5.3. 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.

3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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 the terms and conditions of this Agreement.

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

5. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

- 5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

- 5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

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

- 5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

- 5.3.2.4. 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;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. 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;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. 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;
- 5.3.2.10. 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 the 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;
- 5.3.2.11. 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;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. 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;
- 5.3.2.14. 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;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
- 5.3.2.19. 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.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. 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.
- 5.4.6. 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.
- 5.4.7. 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.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. 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.
- 5.4.9.2. 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.
- 5.4.9.3. 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.
- 5.4.9.4. 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.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

- 5.5.1.1. 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; and
- 5.5.1.2. 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:
 - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
 - 5.5.1.2.1.1. 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:

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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.

5.6.1. Requirements:

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. 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.

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

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

[Signature]
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SPECIAL PROVISIONS

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

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

Exhibit C – Special Provisions

Contractor Initials

Date

[Signature]
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New Hampshire Department of Health and Human Services
Exhibit C



- 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.

Exhibit C – Special Provisions

Contractor Initials

Date

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New Hampshire Department of Health and Human Services
Exhibit C



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

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

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New Hampshire Department of Health and Human Services
Exhibit C



- 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.

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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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

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5/31/19



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 GRANTEEES 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

[Signature]
Date 5/31/19

New Hampshire Department of Health and Human Services
Exhibit D



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

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

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

Vendor Name: Lakes Region Mental Health Center Inc

5/31/19
Date

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

Vendor Initials mp
Date 5/31/19



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: Lakes Region Mental Health Center, Inc

5/31/19
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

[Signature]
5/31/19

New Hampshire Department of Health and Human Services
Exhibit F



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

Vendor Name: Lakes Region Mental Health Center Inc

5/31/19
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

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

5/31/19

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: Lancs Region Mental Health Center Inc

5/31/19
Date

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

Exhibit G

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

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

Page 2 of 2

Vendor Initials

mf
Date 5/31/19



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: Lakes Regional Mental Health Center, Inc

5/31/19
Date

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

Vendor Initials MP
Date 5/31/19



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.

[Handwritten Signature]
5/31/19



Exhibit I

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

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

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



Exhibit I

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

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

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

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

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

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



Exhibit I

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

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

3/2014

Vendor Initials

MP
Date 5/2/19



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) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

Department of Health and Human Services

The State

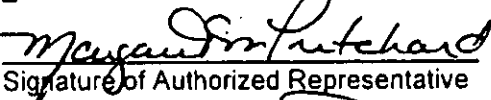

Signature of Authorized Representative

Christine Santanello
Name of Authorized Representative

Director, DEHS
Title of Authorized Representative

5/31/19
Date

Lakes Region Mental Health Center, Inc
Name of the Vendor


Signature of Authorized Representative

Margaret M Pritchard
Name of Authorized Representative

Chief Executive Officer
Title of Authorized Representative

5/31/19
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: Wakes Region Mental Health Center, Inc

Date: 5/31/19

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

MP
5/31/19

New Hampshire Department of Health and Human Services
Exhibit J



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: 10-141-0652
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: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

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

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

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

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

[Handwritten Signature]
5/31/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

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

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

II. METHODS OF SECURE TRANSMISSION OF DATA

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

[Signature]
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New Hampshire Department of Health and Human Services

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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

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[Signature]
[Signature]

New Hampshire Department of Health and Human Services

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DHHS Information Security Requirements



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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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New Hampshire Department of Health and Human Services

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DHHS Information Security Requirements



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

[Signature]
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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

[Signature]
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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

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New Hampshire Department of Health and Human Services

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DHHS Information Security Requirements



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

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

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

**New Hampshire Department of Health and Human Services
Continuum of Care, Permanent Housing Program (Cheshire County)**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Continuum of Care, Permanent Housing Program (Cheshire County)**

This 1st Amendment to the Continuum of Care, Permanent Housing Program (Cheshire County) contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Southwestern Community Services, Inc., (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 63 Community Way, Keene, NH, 03431.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2021.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$172,958
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Supportive Housing Program Funding, Subsection 1.2., Paragraph 1.2.4., to read:
1.2.4. Grant Numbers:
1.2.4.1. NH0019L1T001811 (Grant Year 1)
1.2.4.2. NH0019L1T001912 (Grant Year 2)
4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Supportive Housing Program Funding, Subsection 1.2., Paragraph 1.2.7., Subparagraph 1.2.7.1., to read:
1.2.7.1 Not to exceed \$172,958
5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Supportive Housing Program Funding, Subsection 1.2., Paragraph 1.2.8., to read:
1.2.8. Funds allocation under this agreement for Continuum of Care Program;

	<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1. Operating Expenses	\$83,282	\$85,780
1.2.8.2. Administrative Expenses	<u>\$1,948</u>	<u>\$1,948</u>
1.2.8.3. Total Program Amount	\$85,230	\$87,728

**New Hampshire Department of Health and Human Services
Continuum of Care, Permanent Housing Program (Cheshire County)**



All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

4/13/20
Date

Christine Santaniello
Name: Christine Santaniello
Title: Director DEHS

Southwestern Community Services, Inc.

3/26/20
Date

John Manning
Name: John Manning
Title: Chief Executive Officer

JM
3/26/2020

New Hampshire Department of Health and Human Services
Continuum of Care, Permanent Housing Program (Cheshire County)



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

OFFICE OF THE ATTORNEY GENERAL

4/16/20
Date

[Signature]
Name:
Title:

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

gm
3/26/2020

State of New Hampshire

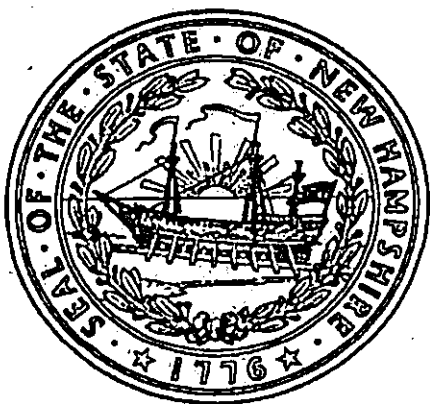
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHWESTERN COMMUNITY SERVICES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 19, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 65514

Certificate Number: 0004822550



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 3rd day of March A.D. 2020.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

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

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on February 18, 2016 :
(Date)

RESOLVED: That the Chief Executive Officer
(Title of Contract Signatory)

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

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 26 day of March, 2020
(Date Amendment Signed)

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

of the Agency.

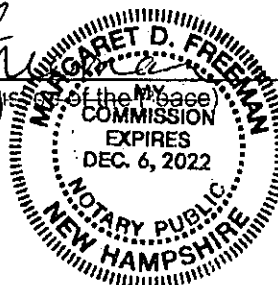
Elaine M. Amer
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Cheshire

The forgoing instrument was acknowledged before me this 26 day of Mar, 2020

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

Margaret D. Freeman
(Notary Public/Judge of the Peace)


(NOTARY SEAL)

Commission Expires: 12-6-2022



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/5/2020

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

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

PRODUCER Clark - Mortenson Insurance P.O. Box 606 Keene NH 03431	CONTACT NAME:	
	PHONE (A/C, No, Ext): 603-352-2121	FAX (A/C, No): 603-357-8491
E-MAIL ADDRESS: csr24admin@clark-mortenson.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Philadelphia Insurance Company		0
INSURER B: Maine Employer Mutual Insurance Co.		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

COVERAGES	CERTIFICATE NUMBER: 964223655	REVISION NUMBER:
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.		

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK2000692	6/30/2019	6/30/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			PHPK2000704	6/30/2019	6/30/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000 <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE			PHUB681876	6/30/2019	6/30/2020	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	N/A	3102800768	4/1/2019	4/1/2020	<input checked="" type="checkbox"/> PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Professional Liability			PHPK2000692	6/30/2019	6/30/2020	\$1,000,000 per occurrence \$2,000,000 general aggregate

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

Workers Compensation Statutory coverage provided for the State of NH
All Executive Officers are included in the Workers Compensation coverage

CERTIFICATE HOLDER

CANCELLATION

State of NH, DHHS
129 Pleasant Street
Concord NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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Vision Statement

Southwestern Community Services

SCS seeks to **create** and **support** a climate within the communities of southwestern New Hampshire wherein **poverty is never accepted** as a chronic or permanent condition of any person's life.

Mission Statement

Southwestern Community Services

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

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

Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC.
AND RELATED COMPANIES

**FOR THE YEARS ENDED
MAY 31, 2019 AND 2018
AND
INDEPENDENT AUDITORS' REPORTS**

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2019 AND 2018

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

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statements of financial position as of May 31, 2019 and 2018, and the related consolidated statements of cash flows, functional expenses, and notes to the consolidated financial statements for the years then ended, and the related consolidated statement of activities for the year ended May 31, 2019.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. and related companies as of May 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Southwestern Community Services, Inc. and related companies' 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 17, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedules of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedules of Functional Revenues and Expenses, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2019, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southwestern Community Services, Inc.'s internal control over financial reporting and compliance.

Leon, Mc Donnell : Roberts
Professional Association

November 5, 2019
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MAY 31, 2019 AND 2018****ASSETS**

	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 882,187	\$ 1,086,895
Accounts receivable	1,245,826	1,059,922
Prepaid expenses	51,722	35,019
Notes receivable	112,000	112,000
Interest receivable	45,547	45,547
Total current assets	<u>2,337,282</u>	<u>2,339,383</u>
PROPERTY		
Land and buildings	19,188,791	14,438,178
Vehicles and equipment	554,976	549,305
Furniture and fixtures	220,291	39,617
Total property	<u>19,964,058</u>	<u>15,027,100</u>
Less accumulated depreciation	<u>7,938,217</u>	<u>4,880,952</u>
Property, net	<u>12,025,841</u>	<u>10,146,148</u>
OTHER ASSETS		
Investment in related parties	198,728	88,706
Due from related parties	59,102	188,523
Cash escrow and reserve funds	849,334	517,853
Security deposits	62,996	51,996
Other assets	384	384
Total other assets	<u>1,170,544</u>	<u>847,462</u>
Total assets	<u>\$ 15,533,667</u>	<u>\$ 13,332,993</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 391,613	\$ 124,085
Accrued expenses	119,620	206,178
Accrued payroll and payroll taxes	233,900	250,692
Other current liabilities	138,740	135,573
Refundable advances	180,994	193,931
Interest payable	49,547	-
Current portion of long term debt	<u>227,221</u>	<u>216,438</u>
Total current liabilities	1,341,635	1,126,897
NONCURRENT LIABILITIES		
Long term debt, less current portion shown above	<u>9,086,445</u>	<u>8,273,983</u>
Total liabilities	<u>10,428,080</u>	<u>9,400,880</u>
NET ASSETS		
Without donor restrictions	4,922,671	3,787,422
With donor restrictions	<u>182,916</u>	<u>144,691</u>
Total net assets	<u>5,105,587</u>	<u>3,932,113</u>
Total liabilities and net assets	<u>\$ 15,533,667</u>	<u>\$ 13,332,993</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MAY 31, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Total</u>	<u>2018 Total</u>
REVENUES AND OTHER SUPPORT				
Government contracts	\$ 10,672,702	\$ -	\$ 10,672,702	\$ 11,055,093
Program service fees	2,485,405	-	2,485,405	1,868,188
Rental income	995,380	-	995,380	801,642
Developer fee income	-	-	-	50,000
Support	326,558	125,833	452,391	509,229
Sponsorship	70,893	-	70,893	105,286
Interest income	7,153	-	7,153	8,959
Forgiveness of debt	388,849	-	388,849	75,971
Miscellaneous	120,697	-	120,697	100,772
In-kind contributions	241,499	-	241,499	161,852
Total revenues and other support	15,309,136	125,833	15,434,969	14,736,992
NET ASSETS RELEASED FROM RESTRICTIONS	<u>87,608</u>	<u>(87,608)</u>	<u>-</u>	<u>-</u>
Total revenues, other support, and net assets released from restrictions	<u>15,396,744</u>	<u>38,225</u>	<u>15,434,969</u>	<u>14,736,992</u>
EXPENSES				
Program services				
Home energy programs	5,238,483	-	5,238,483	4,847,201
Education and nutrition	2,659,830	-	2,659,830	2,530,152
Homeless programs	1,994,872	-	1,994,872	2,172,388
Housing services	2,319,865	-	2,319,865	2,048,214
Economic development services	721,370	-	721,370	728,119
Other programs	894,986	-	894,986	945,391
Total program services	13,829,406	-	13,829,406	13,271,465
Supporting activities				
Management and general	<u>1,880,406</u>	<u>-</u>	<u>1,880,406</u>	<u>1,749,700</u>
Total expenses	<u>15,709,812</u>	<u>-</u>	<u>15,709,812</u>	<u>15,021,165</u>
CHANGES IN NET ASSETS BEFORE LOSS ON SALE OF PROPERTY	(313,068)	38,225	(274,843)	(284,173)
LOSS ON SALE OF PROPERTY	(6,481)	-	(6,481)	(4,583)
GAIN (LOSS) ON INVESTMENT IN LIMITED PARTNERSHIPS	<u>18,116</u>	<u>-</u>	<u>18,116</u>	<u>(188)</u>
CHANGE IN NET ASSETS	(301,433)	38,225	(263,208)	(288,944)
NET ASSETS, BEGINNING OF YEAR	3,787,422	144,691	3,932,113	3,397,772
NET ASSETS TRANSFERRED FROM LIMITED PARTNERSHIP	<u>1,436,682</u>	<u>-</u>	<u>1,436,682</u>	<u>823,285</u>
NET ASSETS, END OF YEAR	<u>\$ 4,922,671</u>	<u>\$ 182,916</u>	<u>\$ 5,105,587</u>	<u>\$ 3,932,113</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENTS OF CASH FLOWS**
FOR THE YEARS ENDED MAY 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (263,208)	\$ (288,944)
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Depreciation and amortization	580,115	467,929
Loss on sale of property	6,481	4,583
(Gain) loss on investment in limited partnerships	(18,116)	188
Forgiveness of debt	(388,849)	(75,971)
(Increase) decrease in assets:		
Accounts receivable	(185,904)	265,199
Prepaid expenses	5,509	(3,439)
Interest receivable	-	(4,480)
Due from related parties	44,240	66,149
Security deposits	5,151	(2,623)
Increase (decrease) in liabilities:		
Accounts payable	145,829	(53,220)
Accrued expenses	(106,905)	(38,863)
Accrued payroll and payroll taxes	(16,792)	9,657
Other current liabilities	3,167	(13,125)
Refundable advances	(12,937)	(44,414)
Interest payable	49,547	-
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(152,672)</u>	<u>288,626</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase) decrease in escrow funds	(33,568)	5,846
Proceeds from sale of property	215,000	-
Purchase of property	(139,717)	(142,791)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>41,715</u>	<u>(136,945)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term debt	40,048	76,143
Repayment of long term debt	(160,029)	(112,612)
NET CASH USED IN FINANCING ACTIVITIES	<u>(119,981)</u>	<u>(36,469)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(230,938)	115,212
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,086,895	947,175
CASH TRANSFERRED FROM LIMITED PARTNERSHIP	<u>26,230</u>	<u>24,508</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 882,187</u>	<u>\$ 1,086,895</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED MAY 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 203,408</u>	<u>\$ 142,467</u>
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Transfer of assets from newly consolidated LP:		
Prepaid expenses	\$ (22,212)	\$ (12,328)
Land and buildings	(2,373,335)	(894,504)
Furniture and fixtures	(168,237)	(96,338)
Cash escrow and reserve funds	(297,913)	(164,110)
Security deposits	<u>(16,151)</u>	<u>(11,467)</u>
Total transfer of assets from newly consolidated LP	<u>\$ (2,877,848)</u>	<u>\$ (1,178,747)</u>
Transfer of liabilities from newly consolidated LP:		
Accounts payable	\$ 121,699	\$ 10,810
Accrued expenses	20,347	11,199
Due to related parties	85,181	-
Long term debt	<u>1,332,075</u>	<u>304,073</u>
Total transfer of liabilities from newly consolidated LP	<u>\$ 1,559,302</u>	<u>\$ 326,082</u>
Total partners' capital from newly consolidated LP	<u>\$ 1,344,776</u>	<u>\$ 877,173</u>
Partners' capital previously recorded as investment in related parties	<u>91,906</u>	<u>(53,888)</u>
Total transfer of partners' capital from newly consolidated LP	<u>\$ 1,436,682</u>	<u>\$ 823,285</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2019**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2019 Total
Payroll	\$ 432,968	\$ 1,224,986	\$ 377,595	\$ 775,425	\$ 414,730	\$ 432,826	\$ 3,658,530	\$ 753,068	\$ 4,411,508
Payroll taxes	33,521	97,919	29,527	59,738	33,519	34,195	288,419	58,304	346,723
Employee benefits	106,054	415,690	142,654	289,985	97,771	180,294	1,232,648	111,111	1,343,759
Retirement	29,200	70,406	16,908	61,936	27,831	18,181	224,462	71,547	296,009
Advertising	-	500	1,912	4,013	818	9,487	16,730	-	18,730
Bank charges	-	-	-	4,444	-	1	4,445	7,329	11,774
Bad debt expense	-	10	-	90	-	-	100	-	100
Computer cost	-	24,540	4,759	3,027	14,928	750	48,002	116,848	164,848
Contractual	629,045	32,930	230,884	38,696	2,719	116,585	1,050,959	39,743	1,090,702
Depreciation	-	28,300	108,291	281,950	-	14,207	432,748	147,367	580,115
Dues/registration	-	5,277	-	488	868	1,312	7,945	11,879	19,824
Duplicating	-	8,852	-	-	-	-	8,852	4,155	13,007
Insurance	6,714	14,798	23,590	60,672	14,130	7,164	127,068	33,892	160,960
Interest	-	7,775	6,022	21,856	-	1,810	39,363	164,045	203,408
Meeting and conference	8,673	813	2,567	8,104	565	22,569	43,291	24,957	68,248
Miscellaneous expense	181	1,695	637	34,793	3,651	2,931	43,888	19,278	63,166
Miscellaneous taxes	-	-	-	34,900	-	-	34,900	389	35,289
Equipment purchases	1,292	15,274	-	7,287	-	-	23,853	1,180	25,033
Office expense	24,820	8,499	6,695	11,475	6,458	807	58,754	11,656	70,410
Postage	97	268	138	53	214	-	770	24,238	25,008
Professional fees	4,300	-	1,301	36,095	-	-	41,696	90,968	132,664
Staff development and training	2,128	1,580	1,678	72	1,804	21,877	29,239	10,590	39,829
Subscriptions	-	-	-	655	354	-	1,009	399	1,408
Telephone	2,087	2,358	18,479	17,817	2,336	1,589	44,664	52,308	96,972
Travel	7,951	16,256	15,412	5,183	29,531	808	74,941	4,855	79,796
Vehicle	2,300	5,225	1,088	37,795	44,426	8,568	99,402	13,436	112,838
Rent	-	24,800	-	150	-	-	24,950	-	24,950
Space costs	-	194,946	332,351	512,392	1,000	378	1,041,065	106,866	1,147,931
Direct client assistance	3,947,152	214,436	668,284	10,674	23,819	21,049	4,885,214	-	4,885,214
In-kind expenses	-	241,499	-	-	-	-	241,499	-	241,499
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	5,238,483	2,659,830	1,994,872	2,319,865	721,370	894,986	13,829,406	1,880,406	15,709,812
Allocation of management and general expenses	712,284	361,661	271,246	315,436	98,086	121,893	1,880,406	(1,880,406)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,950,767	\$ 3,021,491	\$ 2,266,118	\$ 2,635,301	\$ 819,456	\$ 1,016,879	\$ 15,709,812	\$ -	\$ 15,709,812

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC.

**CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2018**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2018 Total
Payroll	\$ 398,452	\$ 1,208,631	\$ 435,538	\$ 771,028	\$ 405,189	\$ 439,358	\$ 3,658,196	\$ 774,466	\$ 4,432,662
Payroll taxes	31,599	99,882	34,153	56,803	30,416	36,918	289,771	60,913	350,684
Employee benefits	122,782	453,204	146,394	278,393	87,744	187,020	1,275,517	54,590	1,330,107
Retirement	24,960	69,878	21,031	64,244	19,260	17,448	216,821	73,148	289,969
Advertising	-	142	1,897	4,166	2,114	16,172	24,491	-	24,491
Bank charges	15	-	120	3,834	-	-	3,969	9,079	13,048
Computer cost	-	9,185	4,300	14,144	14,298	3,500	45,427	62,052	107,479
Contractual	518,340	52,463	242,935	20,362	2,718	109,718	946,536	14,821	961,457
Depreciation	-	28,300	108,291	167,840	-	16,131	320,562	147,367	467,929
Dues/registration	-	6,036	-	343	968	997	8,364	10,175	18,539
Duplicating	1,564	8,148	-	-	-	-	9,732	4,321	14,053
Insurance	5,909	13,361	23,653	52,287	14,610	6,248	116,068	38,380	154,448
Interest	-	8,656	7,759	6,997	-	2,554	25,966	116,501	142,467
Meeting and conference	3,961	58	9,293	7,177	600	10,305	40,394	35,924	76,318
Miscellaneous expense	909	971	2,303	18,696	4,442	18,560	45,881	13,182	59,063
Miscellaneous taxes	-	-	-	26,381	-	-	26,381	966	27,367
Equipment purchases	4,870	24,320	80	12,348	-	-	41,418	2,305	43,723
Office expense	34,413	12,613	8,440	14,506	12,042	4,076	86,090	20,402	106,492
Postage	132	274	182	31	348	50	1,017	22,918	23,935
Professional fees	4,890	-	1,875	15,879	-	-	22,644	83,786	106,410
Staff development and training	1,430	23,724	2,624	8,287	5,675	28,044	69,784	2,943	72,727
Subscriptions	-	-	28	87	-	-	115	1,329	1,444
Telephone	2,086	15,297	19,681	14,569	2,435	3,239	57,307	56,576	113,883
Travel	5,335	20,013	20,312	5,195	29,509	2,000	82,364	3,509	85,873
Vehicle	2,140	2,510	712	31,826	45,200	9,201	91,569	10,661	102,570
Rent	-	25,201	-	-	-	-	25,201	-	25,201
Space costs	148	140,213	256,849	438,344	-	1,009	836,563	128,966	965,529
Direct client assistance	3,683,466	145,220	823,938	14,447	50,531	23,843	4,741,445	-	4,741,445
In-kind expenses	-	161,852	-	-	-	-	161,852	-	161,852
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	4,847,201	2,530,152	2,172,388	2,048,214	728,119	945,391	13,271,465	1,749,700	15,021,165
Allocation of management and general expenses	639,051	333,573	286,407	270,035	95,995	124,639	1,749,700	(1,749,700)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,486,252	\$ 2,863,725	\$ 2,458,795	\$ 2,318,249	\$ 824,114	\$ 1,070,030	\$ 15,021,165	\$ -	\$ 15,021,165

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2019 AND 2018

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Southwestern Community Services, Inc. (the Organization) is a New Hampshire nonprofit corporation formed as an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in the Cheshire and Sullivan counties of New Hampshire. Various programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing, and homelessness prevention. Services are provided through Southwestern Community Services, Inc., and its related corporations, SCS Management Corporation, SCS Housing, Inc., SCS Development Corporation, SCS Housing Development, Inc., and various limited partnerships, as described below. The Organization is committed to providing respectful support service and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty. The primary source of revenues is derived from governmental contracts.

Principles of Consolidation

The consolidated financial statements include the accounts of Southwestern Community Services, Inc. and the following entities as Southwestern Community Services, Inc. has both an economic interest and control of the entities through a majority voting interest in their governing board. All significant intercompany items and transactions have been eliminated from the basic consolidated financial statements.

- SCS Management Corporation
- SCS Housing, Inc.
- SCS Development Corporation
- SCS Housing Development, Inc.
- Drewsville Carriage House Associates, Limited Partnership (Drewsville)
- Jaffrey Housing Associates, Limited Partnership (Jaffrey) – Sold 2/1/19
- Troy Senior Housing Associates, Limited Partnership (Troy Senior)
- Keene East Side Senior Housing Associates, Limited Partnership (Keene East Side)
- Winchester Senior Housing Associates, Limited Partnership (Winchester)
Consolidation began 8/16/17
- Swanzey Township Housing Associates, Limited Partnership (Swanzey)
Consolidation began 6/30/18
- Snow Brook Meadow Village Housing Associates, Limited Partnership
(Snow Brook) Consolidation began 5/01/19

Basis of Accounting

The consolidated financial statements of Southwestern Community Services, Inc. and related companies have been prepared utilizing the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications. The classes of net assets are determined by the presence or absence of donor-imposed restrictions.

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 Organization. These net assets may be used at the discretion of the Organization's Board of Directors.

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 Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

As of May 31, 2019 and 2018, the Organization had net assets without donor restrictions and with donor restrictions.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended May 31, 2018 from which the summarized information was derived.

Refundable Advances

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

In-Kind Support

The Organization records various types of in-kind support including professional services and materials. Contributed professional services are recognized if the service received creates or enhances long-lived assets or requires specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

Estimates

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all liquid investments purchased with original maturities of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at May 31, 2019 and 2018. The Organization has no policy for charging interest on overdue accounts.

Notes Receivable

The Organization has two notes receivable from an unrelated third party. The notes receivables are stated at the amount that is expected to be collected at year end. Interest is accrued at a rate of 4% annually. The balance of the notes receivable and related interest receivable was \$112,000 and \$45,547, respectively, at May 31, 2019 and 2018.

Current Vulnerability Due to Certain Concentrations

The Organization is operated in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change. For the years ended May 31, 2019 and 2018, approximately 68% and 75%, respectively, of the Organization's total revenue was received from government agencies. The future nature of the organization is dependent upon continued support from the government.

Concentration of Credit Risk

The Organization maintains its cash accounts in several financial institutions, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts.

Property and Depreciation

Purchased property and equipment are stated at cost at the date of acquisition or at fair value at the date of receipt in the case of donated property. The Organization generally capitalizes and depreciates all assets with a cost greater than \$5,000 and an expected life greater than one year. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Buildings and improvements	10 - 40 Years
Vehicles and equipment	5 - 10 Years
Furniture and fixtures	7 Years

The use of certain assets is specified under the terms of grants received from agencies of the federal government. These grants also place liens on certain assets and impose restrictions on the use of funds received from the disposition of the property. Depreciation expense for the years ended May 31, 2019 and 2018 totaled \$580,115 and \$467,929, respectively.

Advertising

The Organization expenses advertising costs as incurred.

Revenue Recognition

Amounts received from conditional grants and contracts received for specific purposes are generally recognized as income to the extent that related expenses and conditions are incurred or met. Conditional grants received prior to the conditions being met are reported as refundable advances. Contributions of cash and other assets are reported as with donor restrictions if they are received with donor imposed stipulations that limit the use of the donated assets. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as without donor restrictions.

Income Taxes

Southwestern Community Services, Inc. and SCS Management Corporation are exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and are not private foundations. As such, they are exempt from income tax on their exempt function income.

SCS Housing, Inc., SCS Development Corporation and SCS Housing Development, Inc. are taxed as corporations. SCS Housing Inc. has federal net operating loss carryforwards totaling \$1,012,604 and \$915,425 at May 31, 2019 and 2018, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2027. SCS Development Corporation has federal net operating loss carryforwards totaling \$579 and \$607 at May 31, 2019 and 2018, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2022.

The tax effects of the carryforwards as related to deferred tax assets is as follows as of May 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Tax benefit from loss carryforwards	\$212,768	\$137,408
Valuation allowance	<u>(212,768)</u>	<u>(137,408)</u>
Deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

Drewsville, Jaffrey, Troy Senior, Winchester, Keene East Side, Swanzey, and Snow Brook are taxed as partnerships. Federal income taxes are not payable by, or provided for these entities. Earnings and losses are included in the partners' federal income tax returns based on their share of partnership earnings. Partnerships are required to file income tax returns with the State of New Hampshire and pay an income tax at the state's statutory rate.

Accounting Standard Codification No. 740, "Accounting for Income Taxes," established the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. Management has analyzed the Organization's tax position taken on its income tax returns for all open years (tax years ending May 31, 2017 – 2019), and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

Fair Value of Financial Instruments

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

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

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

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

The carrying amount of cash, accounts receivables, prepaid expenses, accounts payable, accrued expenses, and refundable advances approximates fair value because of the short maturity of those instruments.

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 Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Natural expenses are defined by their nature, such as salaries, rent, supplies, etc. Functional expenses are classified by the type of activity for which expenses are incurred, such as management and general and direct program costs. Expenses are allocated by function using a reasonable and consistent approach that is primarily based on function and use. The costs of providing certain program and supporting services have been directly charged.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human services. The indirect cost rate is 11.96% effective from June 1, 2017 through May 31, 2020.

NOTE 2 BANK LINE OF CREDIT

The Organization has a \$250,000 revolving line of credit agreement with a bank. Interest is due monthly and is stated at the Wall Street Journal Prime Rate. The line is secured by all the Organization's assets. As of May 31, 2019 and 2018, the interest rate was 5.50% and 4.75%, respectively. There was no outstanding balance at May 31, 2019 and 2018.

NOTE 3**LONG TERM DEBT**

The long term debt at May 31, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
1% mortgage payable to New Hampshire Housing in monthly installments for principal and interest of \$891 through August 2032. The note is secured by real estate of the Organization (NHHFA, 96 Main Street).	\$ 145,647	\$ 154,832
Non-interest bearing mortgage payable to Community Development Finance Authority, in quarterly principal payments based on operating income formula applied to affordable housing portion of the specified real estate. The note is secured by real estate of the Organization (CDFA, 96 Main Street).	31,589	32,147
5.5% note payable to a bank in monthly installments for principal and interest of \$978 through March 2021. The note is secured by real estate of the Organization (People's United Bank, Ashuelot).	20,672	31,143
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through September 2031, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHHFA, 17 Pearl).	244,505	244,505
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through July 2032, unless there is surplus cash from which to make a payment, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHHFA, 41-43 Central).	376,363	376,363
4.25% mortgage payable to a bank in monthly installments for principal and interest of \$1,875 through December 2016, with a balloon payment that was due January 2017. The note was amended during the year ended May 31, 2019 and is now due December 2026. Under the amendment, interest rate is 4.94% and monthly installments for principal and interest are \$1,957. The note is secured by real estate of the Organization (People's United Bank, Milestones).	146,515	162,223

	<u>2019</u>	<u>2018</u>
4.375% note payable to Rural Housing Service in monthly installments for principal and interest of \$11,050 through May 2049. The note is secured by real estate of the Organization (TD Bank, Keene Office).	2,212,288	2,247,266
Non-interest bearing note payable to Cheshire County in New Hampshire. Payment is not necessary unless Organization defaults on contract. The note is secured by real estate of the Organization (CDBG, Keene Office).	460,000	460,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2019 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).	63,000	63,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2019 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).	45,000	45,000
Note payable to a bank in monthly installments for principal and interest of \$2,463 including interest through May 2039. Interest is adjusted every five years based on remaining principal balance and "Classic Advantage Rate" provided by Federal Home Loan Bank of Boston which resulted in an interest rate of 4.67% and 4.07% at May 31, 2019 and 2018, respectively. The note is secured by real estate of the Organization (TD Bank, Keene Office/Community Way).	401,891	414,567
5.19% note payable to a bank in monthly installments for principal and interest of \$889 through May 2021. The note is secured by real estate of the Organization (TD Bank, 45 Central Street).	94,733	100,254

	<u>2019</u>	<u>2018</u>
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, Ashuelot).	125,000	150,000
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, 112 Charlestown Road).	75,000	90,000
Non-interest bearing note payable to New Hampshire Housing in annual payments in the amount of 50% of annual surplus cash through July 2042 at which time the remaining balance is due. The note is secured by real estate of the Organization (NHHFA, Second Chance).	794,189	794,189
Non-interest bearing note payable to a county in New Hampshire. No payment is due and 5% of the balance is forgiven each year through 2032 when the remaining balance becomes due. The note is secured by real estate of the Organization (CDBG, Second Chance).	344,536	363,677
6.99% note payable to a finance company in monthly installments for principal and interest of \$652 through June 2019. The note is secured by a vehicle (TCF, Econoline Van).	1,293	8,741
5.54% note payable to a finance company in monthly installments for principal and interest of \$543 through August 2022. The note is secured by a vehicle (Ally, Econoline Van).	19,287	24,564

	<u>2019</u>	<u>2018</u>
Jaffrey - 30-year deferred note payable to the Town of Jaffrey, New Hampshire. Payment of principal and accrued interest at 1% were deferred until the note matures in June 2027. The note was secured by land and buildings. The balance included cumulative accrued interest of \$53,651 (CDBG). Jaffrey was sold during the year ended May 31, 2019 and the balance was forgiven.	-	303,651
Jaffrey - 6% note payable to a bank in monthly installments for principal and interest of \$485 through August 2027. The note was secured by land and buildings (TD Bank). Jaffrey was sold during the year ended May 31, 2019 and this note was paid in full.	-	41,099
Troy Senior - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in June 2029. The note is secured by real estate of the Organization (CDBG).	640,000	640,000
Troy Senior - Non-interest bearing note payable to New Hampshire Housing Finance Authority to fund energy efficiency improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHHFA).	140,210	140,210
Keene East Side - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in December 2028. The note is secured by real estate of the Organization (CDBG).	900,000	900,000
Keene East Side - Non-interest bearing note payable to New Hampshire Community Development Finance Authority (CDFA) to fund energy upgrades and capital improvements. Beginning in 2016, 10% of the note is forgiven each year based on the rolling balance. The mortgage may be released after ten years in January 2026. The note is secured by real estate of the Organization (CDFA).	185,899	178,172

	<u>2019</u>	<u>2018</u>
Keene East Side - Non-interest bearing note payable to New Hampshire Housing to fund energy efficiency improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHHFA).	228,934	228,934
Swanзей - Non-recourse, 4.90% simple interest mortgage note payable to the New Hampshire Housing (HOME), due September, 2033, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	282,720	-
Swanзей - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due September 2043, payable in monthly installments of \$1,698, including interest at 2.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 40 year term of the mortgage.	377,110	-
Snow Brook - Non-recourse, mortgage note payable to New Hampshire Housing, due July 2057, payable in monthly installments of \$2,002 including interest at 4.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	446,561	-
Snow Brook - Non-recourse, zero interest mortgage note payable to New Hampshire Housing (AHF), due June 2034, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	237,173	-

	<u>2019</u>	<u>2018</u>
Winchester - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due May 2032, payable in monthly installments of \$370, including interest at 2.00%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHHFA).	50,436	53,826
Winchester - Non-recourse, zero interest bearing mortgage note payable to New Hampshire Housing (FAF), due May 2032, payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30-year term of the mortgage note (NHHFA).	92,058	92,058
Winchester - Non-recourse, zero interest bearing, direct subsidy AHP loan secured by the Partnership's land and buildings, subject to low-income housing restrictions under the terms of the AHP agreement. In the event of a default under the aforementioned agreement, the loan is due upon demand with interest accrued at a rate of 11.67% for the period the funds were outstanding (Federal Home Loan Bank).	<u>150,000</u>	<u>150,000</u>
Total long-term debt before unamortized deferred financing costs	9,332,609	8,490,421
Unamortized deferred financing costs	<u>(18,943)</u>	<u>-</u>
	9,313,666	8,490,421
Less current portion due within one year	<u>227,221</u>	<u>216,438</u>
	<u>\$ 9,086,445</u>	<u>\$ 8,273,983</u>

The schedule of maturities of long term debt at May 31, 2019 is as follows:

<u>Year Ending</u> <u>May 31</u>	<u>Amount</u>
2020	\$ 227,221
2021	121,051
2022	115,864
2023	115,596
2024	118,605
Thereafter	<u>8,634,272</u>
Total	<u>\$ 9,332,609</u>

NOTE 4 OPERATING LEASES

The Organization leases facilities, equipment and vehicles under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2024. Monthly lease payments range from \$60 to \$3,625. Lease expense for the years ended May 31, 2019 and 2018 totaled \$144,880 and \$136,963 respectively.

Future minimum payments as of May 31, 2019 on the above leases are as follows:

Year Ending	Amount
<u>May 31</u>	
2020	\$ 78,745
2021	21,677
2022	18,318
2023	1,050
2024	720
Thereafter	<u>120</u>
Total	<u>\$ 120,630</u>

NOTE 5 ACCRUED COMPENSATED BALANCES

At May 31, 2019 and 2018, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$131,864 and \$130,140, respectively.

NOTE 6 CONTINGENCIES

Southwestern Community Services, Inc. is the 100% owner of SCS Housing, Inc. and SCS Housing Development, Inc. SCS Housing, Inc. and SCS Housing Development, Inc. are the general partners of ten limited partnerships formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc., SCS Housing, Inc. and SCS Housing Development, Inc. have guaranteed repayment of liabilities of various partnerships totaling approximately \$14,151,000 and \$15,553,000 at May 31, 2019 and 2018, respectively.

Partnership real estate with a cost basis of approximately \$35,831,000 and \$41,158,000 at May 31, 2019 and 2018, respectively, provides collateral on these loans.

The Organization receives funds under various state grants and from Federal sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If costs were found not to have been incurred in compliance with the laws and regulations, the Organization might be required to repay the funds.

No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of May 31, 2019 and 2018.

NOTE 7 **RELATED PARTY TRANSACTIONS**

During the years ended May 31, 2019 and 2018, SCS Housing, Inc. managed ten limited partnerships. Management fees charged by SCS Housing, Inc. totaled \$313,466 and \$322,973, for the years ended May 31, 2019 and 2018, respectively. Additionally, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years.

The Organization has also advanced funds to a related entity for Department of Housing and Urban Development (HUD) sponsorship purposes.

The total amounts due and expected to be collected from the limited partnerships and related entities totaled \$59,102 and \$188,523, respectively, at May 31, 2019 and 2018.

NOTE 8 **EQUITY INVESTMENT**

Southwestern Community Services, Inc. and related companies use the equity method to account for their financial interests in the following companies:

	<u>2019</u>	<u>2018</u>
Cityside Housing Associates, LP	\$ (9,500)	\$ (9,492)
Marlborough Homes, LP	(11)	8
Payson Village Senior Housing Associates, LP	(12,503)	(12,491)
Railroad Square Senior Housing Associates, LP	(1,897)	(1,715)
Warwick Meadows Housing Associates, LP	(21)	(17)
Woodcrest Drive Housing Associates, LP	222,842	222,846
Westmill Senior Housing, LP	78	90
Swanzey Township Housing Associates, LP	-	(31,190)
Snow Brook Meadow Village Housing Associates, LP	-	(60,716)
Keene Highland Housing Associates, LP	(260)	(243)
Pilot Health, LLC	-	(18,374)
	<u>\$ 198,728</u>	<u>\$ 88,706</u>

SCS Housing Development, Inc. is a 0.01% partner of Cityside Housing Associates, LP, Marlborough Homes, LP, Payson Village Senior Housing Associates, LP, Warwick Meadows Housing Associates, LP, and Woodcrest Drive Housing Associates, LP, a 0.10% partner of Railroad Square Senior Housing Associates, LP, and a 1% partner in Westmill Senior Housing, LP during the years ended May 31, 2019 and 2018.

SCS Housing, Inc. is a 0.01% partner of Winchester Senior Housing Associates, LP, Swanzey Township Housing Associates, LP, Snow Brook Meadow Village Housing Associates, LP, and Keene Highland Housing Associates, LP during the years ended May 31, 2019 and 2018.

The remaining 99.99% ownership interest in Swanzey Township Housing Associates, LP and Snow Brook Meadow Village Housing Associates, LP were acquired by Southwestern Community Services, Inc. during the year ending May 31, 2019 (see Note 12), and therefore the limited partnership is included in the consolidated financial statements for the year ended May 31, 2019. The remaining 99.99% ownership interest in Winchester Senior Housing Associates, LP was acquired by Southwestern Community Service, Inc. during the year ended May 31, 2018 (see Note 12), and therefore the limited partnership is included in the consolidated financial statements for the year ended May 31, 2019 and 2018.

Southwestern Community Services, Inc. was a 14.3% member of Pilot Health, LLC during the year ended May 31, 2018. Pilot Health was terminated during the year ended May 31, 2019.

Summarized financial information for entities accounted for under the equity method, as of May 31, 2019 and 2018, consists of the following:

	<u>2019</u>	<u>2018</u>
Total assets	<u>\$ 5,745</u>	<u>\$ 32,782</u>
Total liabilities	2,454	47,461
Capital/Member's equity	<u>3,291</u>	<u>(14,679)</u>
	<u>\$ 5,745</u>	<u>\$ 32,782</u>
Income	\$ 426	\$ 84,713
Expenses	<u>661</u>	<u>81,478</u>
Net income (loss)	<u>\$ (235)</u>	<u>\$ 3,235</u>

NOTE 9 RETIREMENT PLAN

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the internal Revenue Code. All employees who have had at least 30 days of service to the Organization are eligible to contribute to the plan. The Organization begins matching contributions after the employee has reached one year of service. Employer contributions are at the Organization's discretion and totaled \$296,009 and \$289,969 for the years ended May 31, 2019 and 2018, respectively.

NOTE 10 RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions are available for the following purposes:

	<u>2019</u>	<u>2018</u>
NNECAC – Annual Conference Fund	\$ 5,973	\$ 21,327
Stand Down	-	4,963
GAPS/Warm Fund	91,908	118,401
Transport	47,260	-
HS Parents Association	6,575	-
EHS	<u>31,200</u>	<u>-</u>
Total net assets with donor restrictions	<u>\$ 182,916</u>	<u>\$ 144,691</u>

NOTE 11 FORGIVENESS OF DEBT

During the year ended May 31, 2019, the Organization realized forgiveness of debt income in connection with notes payable to Community Development Block Grant, HUD and Community Development Finance Authority. Forgiveness of debt income totaled \$388,849 for the year ended May 31, 2019.

During the year ended May 31, 2018, the Organization realized forgiveness of debt income in connection with notes payable to the County of Cheshire, HUD and New Hampshire Housing. Forgiveness of debt income totaled \$75,971 for the year ended May 31, 2018.

NOTE 12 TRANSFER OF PARTNERSHIP INTEREST

During the years ended May 31, 2019 and 2018, Southwestern Community Services, Inc. acquired a partnership interest in three low-income housing limited partnerships: Winchester, Swanzey and Snow Brook. The amount paid for the partnership interest in Winchester, Swanzey and Snow Brook was \$1 each, and at the time of acquisition, Southwestern Community Services, Inc. became the general partner. The following is a summary of the assets and liabilities of the partnership at the date of acquisition:

	<u>2018</u>	<u>2019</u>	
	<u>Winchester</u>	<u>Swanzey</u>	<u>Snow Brook</u>
Date of Transfer	08/16/2017	06/30/2018	05/01/2019
Cash	\$ 24,508	\$ 12,856	\$13,374
Security deposits	11,467	7,330	8,821
Cash reserves	164,110	119,061	178,852
Property, net	990,842	1,330,231	1,211,341
Other assets	<u>12,328</u>	<u>6,436</u>	<u>15,776</u>
Total assets	<u>1,203,255</u>	<u>1,475,914</u>	<u>1,428,164</u>
Notes payable	304,073	666,902	665,173
Other Liabilities	<u>22,009</u>	<u>87,108</u>	<u>140,119</u>
Total liabilities	<u>326,082</u>	<u>754,010</u>	<u>805,292</u>
Partners' capital	877,173	721,904	622,872
Partners' capital previously recorded as an investment in related parties	<u>(53,888)</u>	<u>31,190</u>	<u>60,716</u>
Partners' capital transferred	<u>\$ 823,285</u>	<u>\$ 753,094</u>	<u>\$ 683,588</u>

NOTE 13 **AVAILABILITY AND LIQUIDITY**

The following represents Southwestern Community Services' financial assets as of May 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 882,187	\$ 1,086,895
Accounts receivable	1,245,826	1,095,486
Due from related party	59,102	188,523
Notes receivable	112,000	112,000
Interest receivable	45,547	45,547
Cash escrow and reserve funds	<u>849,334</u>	<u>517,853</u>
Total financial assets	<u>3,193,996</u>	<u>3,046,304</u>
Less amounts not available to be used within one year:		
Due from related party	(59,102)	(188,523)
Notes receivable	(112,000)	(112,000)
Interest receivable	(45,547)	(45,547)
Reserve funds	<u>(729,486)</u>	<u>(444,980)</u>
Total amounts not available within one year	<u>(946,135)</u>	<u>(791,050)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 2,247,861</u>	<u>\$ 2,255,254</u>

The Organization has a goal to maintain unrestricted cash on hand to meet 30 days of normal operating expenditures, which are, on average, approximately \$1,224,000 and \$1,183,000 at May 31, 2019 and 2018, respectively. The Organization has a \$250,000 line of credit available to meet cash flow needs.

NOTE 14 **RECLASSIFICATION**

Certain amounts and accounts from the prior year's financial statements were reclassified to enhance comparability with the current year's financial statements.

NOTE 15 **SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through November 5, 2019, the date the financial statements were available to be issued.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2019**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2019 Total
REVENUES									
Government contracts	\$ 4,846,587	\$ 2,853,470	\$ 1,607,684	\$ 53,038	\$ 734,568	\$ 148,424	\$ 10,243,789	\$ 428,933	\$ 10,672,702
Program service fees	572,421	-	74,144	997,150	24,700	772,976	2,441,391	44,014	2,485,405
Rental income	-	-	84,704	909,276	-	1,400	995,380	-	995,380
Developer fee income	-	-	-	-	-	-	-	-	-
Support	12,751	16,848	123,635	-	168,704	130,453	452,391	-	452,391
Sponsorship	-	2,713	1,104	-	-	66,814	70,631	262	70,893
Interest income	12	-	2,183	3,211	13	21	5,440	1,713	7,153
Forgiveness of debt	-	-	59,141	329,708	-	-	388,849	-	388,849
Miscellaneous	2,770	10,389	4,844	69,893	25,146	-	113,042	7,655	120,697
In-kind contributions	-	241,499	-	-	-	-	241,499	-	241,499
Total revenues and other support	\$ 5,434,541	\$ 3,124,919	\$ 1,957,439	\$ 2,382,278	\$ 853,129	\$ 1,120,088	\$ 14,952,392	\$ 482,577	\$ 15,434,969
EXPENSES									
Payroll	\$ 432,968	\$ 1,224,888	\$ 377,595	\$ 775,425	\$ 414,730	\$ 432,826	\$ 3,658,530	\$ 753,068	\$ 4,411,598
Payroll taxes	33,521	97,919	29,527	59,738	33,519	34,185	288,419	58,304	346,723
Employee benefits	106,054	415,890	142,854	289,985	97,771	180,294	1,232,648	111,111	1,343,759
Retirement	29,200	70,406	18,908	61,936	27,831	16,181	224,482	71,547	296,009
Advertising	-	500	1,912	4,013	818	9,487	16,730	-	16,730
Bank charges	-	-	-	4,444	-	1	4,445	7,329	11,774
Bad debt	-	10	-	90	-	-	100	-	100
Computer cost	-	24,540	4,759	3,027	14,926	750	48,002	116,846	164,848
Contractual	629,045	32,930	230,984	38,696	2,719	116,585	1,050,959	39,743	1,090,702
Depreciation	-	26,300	108,291	281,950	-	14,207	432,748	147,387	580,115
Dues/registration	-	5,277	-	488	888	1,312	7,945	11,879	19,824
Duplicating	-	8,852	-	-	-	-	8,852	4,155	13,007
Insurance	6,714	14,798	23,590	80,672	14,130	7,164	127,088	33,892	160,960
Interest	-	7,775	8,022	21,956	-	1,610	39,363	184,045	203,408
Meeting and conference	8,673	813	2,567	8,104	565	22,569	43,291	24,957	68,248
Miscellaneous expense	181	1,695	637	34,793	3,651	2,931	43,888	19,278	63,166
Miscellaneous taxes	-	-	-	34,900	-	-	34,900	389	35,289
Equipment purchases	1,292	15,274	-	7,287	-	-	23,853	1,180	25,033
Office expense	24,820	8,499	6,695	11,475	6,458	807	58,754	11,656	70,410
Postage	97	268	138	53	214	-	770	24,238	25,008
Professional fees	4,300	-	1,301	36,095	-	-	41,696	90,968	132,664
Staff development and training	2,128	1,580	1,678	72	1,904	21,877	29,239	10,590	39,829
Subscriptions	-	-	-	655	354	-	1,009	399	1,408
Telephone	2,067	2,356	18,479	17,817	2,336	1,589	44,684	52,308	96,972
Travel	7,951	16,256	15,412	5,183	29,531	606	74,941	4,855	79,796
Vehicle	2,300	5,225	1,088	37,795	44,426	8,568	89,402	13,436	112,838
Rent	-	24,800	-	150	-	-	24,950	-	24,950
Space costs	-	194,946	332,351	512,392	1,000	378	1,041,065	106,888	1,147,931
Direct client assistance	3,947,152	214,438	688,284	10,674	23,619	21,049	4,885,214	-	4,885,214
In-kind expenses	-	241,499	-	-	-	-	241,499	-	241,499
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	5,238,483	2,659,830	1,994,872	2,319,865	721,370	894,988	13,829,406	1,880,406	15,709,812
Allocation of management and general expenses	712,284	361,661	271,248	315,436	98,086	121,693	1,880,406	(1,880,406)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,950,767	\$ 3,021,491	\$ 2,266,118	\$ 2,635,301	\$ 819,456	\$ 1,016,679	\$ 15,709,812	\$ -	\$ 15,709,812

See Independent Auditors' Report

SOUTHWESTERN COMMUNITY SERVICES, INC.

**CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2018**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2018 Total
REVENUES									
Government contracts	\$ 4,934,242	\$ 2,823,698	\$ 1,820,112	\$ 47,823	\$ 758,952	\$ 168,921	\$ 10,849,748	\$ 405,345	\$ 11,055,093
Program service fee	-	-	78,508	978,904	17,915	794,883	1,868,188	-	1,868,188
Rental income	-	-	117,370	684,072	-	200	801,642	-	801,642
Developer fee income	-	-	-	50,000	-	-	50,000	-	50,000
Support	104,617	35,405	99,437	-	139,240	130,530	509,229	-	509,229
Sponsorship	-	-	80	-	-	105,208	105,288	-	105,288
Interest income	23	7	1,051	1,382	-	35	2,478	6,481	8,959
Forgiveness of debt	-	-	59,141	16,830	-	-	75,971	-	75,971
Miscellaneous	2,010	126	6,485	42,373	47,352	-	98,346	2,428	100,772
In-kind contributions	-	181,852	-	-	-	-	181,852	-	181,852
Total revenues	\$ 5,040,892	\$ 3,021,088	\$ 2,280,182	\$ 1,821,364	\$ 961,459	\$ 1,197,755	\$ 14,322,740	\$ 414,252	\$ 14,736,992
EXPENSES									
Payroll	\$ 398,452	\$ 1,208,631	\$ 435,538	\$ 771,028	\$ 405,189	\$ 439,358	\$ 3,858,196	\$ 774,486	\$ 4,432,062
Payroll taxes	31,599	99,882	34,153	56,803	30,416	36,918	289,771	60,913	350,884
Employee benefits	122,782	453,204	148,394	278,393	87,744	187,020	1,275,517	54,500	1,330,107
Retirement	24,960	69,878	21,031	64,244	19,280	17,448	216,821	73,148	289,969
Advertising	-	142	1,897	4,186	2,114	16,172	24,491	-	24,491
Bank Charges	15	-	120	3,834	-	-	3,969	9,079	13,048
Computer cost	-	9,185	4,300	14,144	14,298	3,500	45,427	62,052	107,478
Contractual	518,340	52,463	242,935	20,362	2,718	109,718	948,536	14,921	961,457
Depreciation	-	28,300	108,291	167,840	-	16,131	320,562	147,367	467,929
Dues/registration	-	6,038	-	343	988	997	8,364	10,175	18,539
Duplicating	1,584	8,148	-	-	-	-	9,732	4,321	14,053
Insurance	5,909	13,381	23,653	52,287	14,610	6,248	118,068	38,380	154,448
Interest	-	8,658	7,759	6,997	-	2,554	25,968	116,501	142,467
Meeting and conference	3,961	58	9,293	7,177	600	19,305	40,394	35,924	78,318
Miscellaneous expense	909	971	2,303	18,696	4,442	18,560	45,881	13,182	59,063
Miscellaneous taxes	-	-	-	26,381	-	-	26,381	988	27,367
Equipment purchases	4,670	24,320	80	12,348	-	-	41,418	2,305	43,723
Office expense	34,413	12,613	8,440	14,506	12,042	4,076	86,090	20,402	106,492
Postage	132	274	182	31	348	50	1,017	22,918	23,935
Professional	4,890	-	1,875	15,879	-	-	22,644	83,786	106,410
Staff development and training	1,430	23,724	2,624	8,287	5,875	28,044	69,784	2,943	72,727
Subscriptions	-	-	28	87	-	-	115	1,329	1,444
Telephone	2,088	15,297	19,881	14,569	2,435	3,239	57,307	56,576	113,883
Travel	5,335	20,013	20,312	5,195	29,509	2,000	82,364	3,509	85,873
Vehicle	2,140	2,510	712	31,826	45,200	9,201	91,589	10,981	102,570
Rent	-	25,201	-	-	-	-	25,201	-	25,201
Space costs	148	140,213	258,849	438,344	-	1,009	836,583	128,966	965,529
Direct client assistance	3,683,486	145,220	823,938	14,447	50,531	23,843	4,741,445	-	4,741,445
In-kind expenses	-	181,852	-	-	-	-	181,852	-	181,852
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	4,847,201	2,530,152	2,172,388	2,048,214	728,119	945,391	13,271,485	1,749,700	15,021,165
Allocation of management and general expenses	639,051	333,574	286,406	270,035	95,995	124,639	1,749,700	(1,749,700)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,486,252	\$ 2,863,726	\$ 2,458,794	\$ 2,318,249	\$ 824,114	\$ 1,070,030	\$ 15,021,165	\$ -	\$ 15,021,165

See Independent Auditors' Report

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2019**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S NUMBER	FEDERAL EXPENDITURE
U.S. Department of Agriculture				
Rural Housing Preservation Grant	10.433	Direct Funding	3403-02801-806	\$ 22,975
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	347,817
Child and Adult Care Food Program	10.658	State of NH, Dept of Education	Unknown	131,288
Food Distribution Cluster				
Commodity Supplemental Food Program	10.585	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	\$ 2,883
Emergency Food Assistance Program (Admin)	10.588	Community Action Program Belknap-Merrimack Counties	Unknown	1,444
Emergency Food Assistance Program (Food Commodities)	10.589	Community Action Program Belknap-Merrimack Counties	Unknown	89,046
				<u>93,373</u>
Total U.S. Department of Agriculture				<u>\$ 595,433</u>
U.S. Department of Housing and Urban Development				
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Homeless & Housing	05-05-058310-717800000-102-50731	\$ 155,482
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Office of Human Services	010-042-7827-102-0731	<u>82,399</u>
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Homeless & Housing	05-05-058310-717800000-102-50731	217,705
Shelter Plus Care	14.238	State of NH, DHHS, Bureau of Homeless & Housing	05-05-058310-717800000-102-50731	281,485
Continuum of Care Program	14.287	State of NH, DHHS, Bureau of Homeless & Housing	05-05-058310-717800000-102-50731	<u>153,421</u>
Total U.S. Department of Housing and Urban Development				<u>\$ 800,492</u>
U.S. Department of Labor				
WIOA Cluster				
WIA Adult Program	17.258	Southern NH Services	Unknown	\$ 42,285
WIA Dislocated Worker Formula Grants	17.278	Southern NH Services	Unknown	<u>34,319</u>
				<u>\$ 76,604</u>
Total U.S. Department of Labor/WIA Cluster				<u>\$ 76,604</u>
U.S. Department of Transportation Federal Transit Administration (FTA)				
Formula Grants for Rural Areas	20.500	State of NH, Department of Transportation	04-06-06-064010-2916	\$ 247,987
Transit Services Programs Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of NH, Department of Transportation	04-06-06-064010-2916	<u>26,359</u>
Total U.S. Department of Transportation Federal Transit Administration (FTA)				<u>\$ 274,326</u>
U.S. Department of Veterans Affairs				
VA Supportive Services for Veteran Families Program	64.033	Harbor Homes, Inc.	Unknown	\$ 97,479
Total U.S. Department of Veterans Affairs				<u>\$ 97,479</u>
U.S. Department of Energy				
Weatherization Assistance for Low-Income Persons	81.042	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 116,184
Total U.S. Department of Energy				<u>\$ 116,184</u>
U.S. Department of Health & Human Services				
Aging Cluster				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	63.044	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 5,324
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	63.044	State of NH, DHHS, Bureau of Elderly & Adult Services	05-05-48-481010-7872	<u>37,929</u>
Grants to States to Support Oral Health Workforce Activities	63.236	State of NH, DHHS, Division of Family Assistance	Unknown	\$ 43,253
Drug-Free Communities Support Program Grants	63.278	Direct Funding	5178SP018677-08	13,478
Affordable Care Act (ACA) - Consumer Assistance Program Grants	63.519	Direct Funding	HCBCJCFI	137,670
TANF Cluster				<u>6,149</u>
Temporary Assistance for Needy Families	63.558	Southern NH Services	Unknown	299,534
Low Income Home Energy Assistance (Fuel Assistance)	63.588	State of NH, Office of Energy & Planning	01-02-02-024010-77060000-500587	4,303,059
Low Income Home Energy Assistance (FERP)	63.588	State of NH, Office of Energy & Planning	01-02-02-024010-77060000-500587	185,562
Low Income Home Energy Assistance (BWP)	63.588	State of NH, Office of Energy & Planning	01-02-02-024010-77060000-500587	<u>218,521</u>
Community Services Block Grant	63.589	State of NH, DHHS, Div. of Family Assistance	800731	4,687,172
Community Services Block Grant - Discretionary	63.570	State of NH, DHHS, Div. of Family Assistance		406,883
Head Start	63.600	Direct Funding	01CH9959	22,306
Medicaid Cluster				<u>2,328,288</u>
Medical Assistance Program	63.778	State of NH, DHHS, Office of Human Services	05-05-47-470010-52010000	12,271
Total U.S. Department of Health & Human Services				<u>\$ 7,867,003</u>
U.S. Department of Homeland Security				
Emergency Food and Shelter National Board Program	97.024	State of NH, DHHS, Office of Human Services	Unknown	\$ 2,099
Total U.S. Department of Homeland Security				<u>\$ 2,099</u>
TOTAL				<u><u>\$ 10,819,820</u></u>

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2019**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Southwestern Community Services, Inc. under programs of the federal government for the year ended May 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Southwestern Community Services, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

Southwestern Community Services, Inc. has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 FOOD DONATION

Nonmonetary assistance is reported in the Schedule at the fair value of the commodities received and disbursed.

NOTE 5 SUBRECIPIENTS

Southwestern Community Services, Inc. had no subrecipients for the year ended May 31, 2019.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statement of financial position as of May 31, 2019, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related consolidated notes to the financial statements, and have issued our report thereon dated November 5, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southwestern Community Services, Inc.'s consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

*Leon, McDonnell & Roberts
Professional Association*

November 5, 2019
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

We have audited Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southwestern Community Services, Inc.'s major federal programs for the year ended May 31, 2019. Southwestern Community Services, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Southwestern Community Services, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Southwestern Community Services, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Southwestern Community Services, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Southwestern Community Services, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2019.

Report on Internal Control Over Compliance

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

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

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

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

*Leon, McDonnell & Roberts
Professional Association*

November 5, 2019
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MAY 31, 2019**

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Southwestern Community Services, Inc. were prepared in accordance with GAAP.
2. No significant deficiencies disclosed during the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
3. No instances of noncompliance material to the consolidated financial statements of Southwestern Community Services, Inc. which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Southwestern Community Services, Inc. expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs were: U.S. Department of Health and Human Services; Low-Income Home Energy Assistance, 93.568, and U.S. Department of Transportation; Formula Grants for Rural Areas, 20.509.
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Southwestern Community Services, Inc. was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED MAY 31, 2019

There were no findings or questioned costs that were required to be reported in the Schedule of Findings and Questioned Costs for the year ended May 31, 2018.

Southwestern Community Services, Inc. Board of Directors - Composition – 2019 –

CHESHIRE COUNTY

SULLIVAN COUNTY

**CONSTITUENT
SECTOR**

Beth Fox

Assistant City Manager/
Human Resources Director
City of Keene

Mary Lou Huffling

Fall Mountain Emergency Food Shelf
Alstead Friendly Meals

Brianna Trombi

Head Start Policy Council
Parent Representative

**PRIVATE
SECTOR**

Elaine Amer, Clerk/Treasurer
Amer Electric Company (*retired*)

Anne Beattie

Newport Service Organization

Kevin Watterson, Chair
Clarke Companies (*retired*)

**PUBLIC
SECTOR**

Jay Kahn

State Senator, District 10

Kerry Belknap Morris, M.Ed.

Early Childhood Education
River Valley Community College

David Edkins

Walpole, NH

Derek Ferland

Sullivan County Manager

CRAIG A. HENDERSON

SUMMARY OF QUALIFICATIONS

- Proficient in: Word, Excel, PowerPoint, Internet, Outlook, Photoshop,
- Ability to prioritize in a fast paced environment and to learn new tasks quickly and effectively
- Dedicated, reliable and responsible
- Extensive background in Social Services, Property Management, Finance, and Customer Service

EDUCATION

- B.A. Psychology with a specialization in counseling May, 1999
- B.S. Business Management
Keene State College
Keene, NH 03435

EMPLOYMENT HISTORY

Henderson & Bosley Property Management 8/02-Present
President Keene, NH

- Adhering to NH State housing laws and government housing programs
- Advertising and marketing of vacant apartments, Creating leases, Performing credit checks
- Property inspections and maintenance- including basic carpentry, landscaping etc.
- Research and management of investment opportunities

Southwestern Community Services 10/07-Present
Director of Housing Stabilization Services

- Designs and implements systems to provide efficient operation of all Housing Stabilization programs.
- Manages and leads assigned staff to ensure SCS policies and procedures are followed in a manner consistent with the organization's mission, values, and culture.
- Participates in the hiring of new employees and oversees the orientation and training of all assigned staff.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

Southwestern Community Services 10/07-Present
Assistant Director of Housing Stabilization Services Keene, NH

- Monitor quality of services, operation of assigned programs, facilities, and staff.
- Process and certify tenant/client applications for all Supportive Housing Programs; facilitate move-in process; track and collect rents/subsidies utilizing Classic Real Estate Software; track and collect all match documentation; recertify tenants when necessary and in a timely manner.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

Southwestern Community Services 02/03-10/07
Long Term Transitional Housing Program Administrator Keene, NH

- Responsibilities include: Assisting the homeless of Cheshire County with budgeting and referrals to other needed services; Advocating on behalf of clients to create new networks and improve current relationships; providing counsel through tough transitions, as well as, creating and maintaining an environment of success through programs such as Mediation Training, Consumer Credit Counseling, Psychological Therapy, Parenting Classes, and First Time Homebuyers programs.
- Basic maintenance of shelter properties and inventory control
- Responsible to track data and create statistical reports based on information collected to assist in budget allocations for Southwestern Community Services

Coldwell Banker / Tattersall 1/02-3/04
Real Estate Sales Associate Keene, NH

- Assisting buyers and sellers of real estate through customer/client interaction
- Informing clients/customers of federal and state regulations, financing options, and negotiating
- Creating marketing plans and researching pricing through competitive market analysis

**Vision Appraisal Technology
Data Collector**

**5/02-2/03
Keene, NH**

- Assured accurate and consistent real-estate assessments with the emphasis in field work
- Position required strong attention to detail with the emphasis in property measurement and appraisal as well as requiring strong customer skill by acting as a liaison between town assessors office and the property owner

**Monadnet
Customer Service Supervisor**

**8/99-8/01
Keene, NH**

- Responsibilities include maintaining all major accounts and new account data; managing projects and delegating responsibilities, A/R and A/P reconciliation, Collections of delinquent accounts.
- Financial Analysis and Trend Monitoring, Billing Systems Analyst
- Direct mediation and resolution of customer service issues.

AWARDS RECEIVED

- Delta Mu Delta: National Business Honor Society
- Psi Chi: National Psychology Honor Society

CONTINUING EDUCATION AND CERTIFICATIONS

04/18/2007 Certified Occupancy Specialist – National Center for Housing Management

09/23/2008 Successful completion of “Landlord and Tenant Law” seminar – Lorman Educational Services

02/23/2016 HUD Certified Housing Quality Standards Inspector

01/21/2016 Completed 8.5 hours of Nonviolent Crisis Intervention training

04/26/2013 Certification in Fair Housing Law – Granite State Managers Association

08/10/2016 Blood Borne Pathogen Training

08/24/2016 6 hours of comprehensive low income housing tax credit training – Johnson Consulting Services, Inc

John A. Manning

[REDACTED]
[REDACTED]

Summary

Over 30 years of experience with non-profit organizations, as both an outside auditor and presently Chief Financial Officer of a large community action agency.

Experience

2014–Present Southwestern Community Services Inc.
Keene, NH

Chief Executive Officer

Oversees all fiscal functions for a community action agency providing services to low and moderate income individuals. Programs include Head Start, Fuel Assistance, and multiple affordable housing projects. Reports to the agency board of directors.

1990–2014 Southwestern Community Services Inc.
Keene, NH

Chief Financial Officer

Oversees all fiscal functions for a community action agency providing services to low and moderate income individuals. Programs include Head Start, Fuel Assistance, and multiple affordable housing projects. Supervises a staff of 7, with an agency budget of over \$ 13,000,000. Also oversees agency property management department, which manages over 300 units of affordable housing.

1985-1995 Keene State College Keene, NH

Adjunct Professor

Taught evening accounting classes for their continuing education program.

1978-1990 John A. Manning, Keene, NH

Certified Public Accountant

Provided public accounting services to small and medium sized clients, including multiple non-profit organizations. Performed certified audits on several clients, including Head Start and other non-profit clients

1975-1978 Kostin and Co. CPA's West Hartford, Ct.

Staff Accountant

Performed all aspects of public accounting for medium sized accounting firm. Audited large number of privately held and non-profit clients.

Education

1971-1975 University of Mass. Amherst, Ma.

- B.S. Business Administration in Accounting

Organizations

American Institute of Certified Public Accountants
NH Society of Certified Public Accountants

Margaret Freeman



Experience

2000 – Present

Southwestern Community Services Inc.

Keene, NH

Chief Financial Officer (2014 – present)

Supervising the quality of accounting and financial reporting of SCS; a Community Action Agency. Total funding of \$18 million; federal, state and local funding sources. Primary responsibilities include overseeing the accounting functions, implementation and monitoring of internal controls, reporting financial position to the Board of Directors, preparation of the annual A-133 audit, member of agencies Senior Staff.

Fiscal Director (2000-2014)

Responsible to lead and manage the daily operations of the Fiscal Department of SCS. Primary duties include budget preparation and analysis, financial statement preparation and audit coordination.

1993 –2000

Emile J. Legeré Management Corp

Keene, NH

Accountant

Provided bookkeeping for real estate management/development corp. Managed 16 affordable housing properties. Responsible for cash management, general ledger, A/P, A/R, financial statement prep, and audit prep. Leasing Manager of large commercial/retail property responsible for lease management and marketing of over 30 retail spaces.

Education

Leadership New Hampshire, Graduate 2011

Plymouth State University, Plymouth, NH

M.B.A., 1999

Keene State College, Keene, NH

B.S., Management, 1991; concentration Mathematics and Computer Science

SOUTHWESTERN COMMUNITY SERVICES INC
Cheshire Permanent Housing Program

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
John Manning	CEO	\$132,080	0	0
Meg Freeman	CFO	\$90,854	0	0
Craig Henderson	Director of Housing Stabilization	\$51,043	3.8%	\$1,948



Jeffrey A. Meyers
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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHNNH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHNNH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

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

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are sole source because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

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

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

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

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.


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.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner

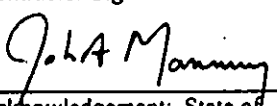
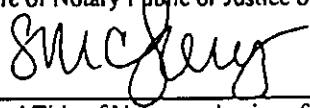
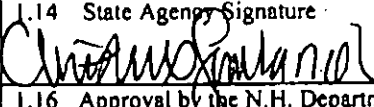
Subject: Continuum of Care, Permanent Housing Program (Cheshire County), SS-2020-BHS-03-PERMA-18

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 Southwestern Community Services, Inc.		1.4 Contractor Address 63 Community Way P.O. Box 603 Keene, NH 03431-0603	
1.5 Contractor Phone Number (603) 352-7512	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$85,230
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 John A. Manning Chief Executive Officer	
1.13 Acknowledgement: State of NH, County of Cheshire On: 05/23/19, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  (Seal)			
1.13.2 Name and Title of Notary or Justice of the Peace Stacey McGilvery, Notary			
1.14 State Agency Signature  Date: 5/29/19 Christine Santanelli, Director, DHS			
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: Christina Wela On: June 4, 2019			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

gm
5/23/19

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.



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 (BHS)
129 Pleasant Street
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

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Exhibit A

- 1.10. 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 Services

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Supportive Housing program serving approximately twenty-eight (28) homeless individuals and or families with a mental illness, substance use issue or other disabilities, and which includes, but is not limited to:
 - 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
 - 2.2.2. The development 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 must 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).
 - 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.

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Exhibit A

- 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, 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 must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, 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 must 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 has 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 must 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 must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were 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).



Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 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.
 - 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the 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 as required by this Agreement and state and federal laws and regulations;
 - 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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

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Exhibit A

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 HUD New Project Application, federal fiscal year 2018, #SF-424; and

5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.

5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. 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 a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.

6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.

6.2.1. Project outcomes shall include, but are not limited to:

6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.

6.2.1.2. Participants experience increased connections to:

6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;

6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and

6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.

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



New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Permanent Supportive Housing Program Funding

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
 - 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0019L1T001811
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing
 - 1.2.7. Total Amount Continuum of Care;
 - 1.2.7.1. not to exceed \$85,230
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Operating Expenses: \$83,282
 - 1.2.8.2. Administrative Expenses: \$1,948
 - 1.2.8.3. Total program amount: \$85,230
- 1.3. The Contractor agrees to 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
129 Pleasant Street
Concord, NH 03301
- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

- 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/Grant completion date.

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

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).

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 are to be documented with each payment request.
- 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
- 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
 - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
 - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
 - 3.3.3.4. 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, subject to the availability of sufficient funds.



New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.
- 3.4.5. Schedule of Payments:
- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:
housingsupportsinvoices@dhhs.nh.gov
- 3.4.5.3. 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.
- 3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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 the terms and conditions of this Agreement.



New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

6. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

- 5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

- 5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

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

- 5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

- 5.3.2.4. 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;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. 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;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. 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;
- 5.3.2.10. 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 the 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;
- 5.3.2.11. 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;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. 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;
- 5.3.2.14. 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;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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Date 5/23/19



New Hampshire Department of Health and Human Services
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Exhibit B

- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
- 5.3.2.19. 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.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. 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.
- 5.4.6. 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.
- 5.4.7. 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.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.



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Continuum of Care Program**

Exhibit B

5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. 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.
- 5.4.9.2. 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.
- 5.4.9.3. 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.
- 5.4.9.4. 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.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

- 5.5.1.1. 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; and
- 5.5.1.2. 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:
 - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
 - 5.5.1.2.1.1. 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:



New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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.

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

5.6.1. Requirements:

- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. 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.

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

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



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;

Exhibit C – Special Provisions

Contractor Initials

gm

Date

5/23/19



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

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

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

New Hampshire Department of Health and Human Services
Exhibit C



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

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



- 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.

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5/23/19



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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

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5/23/19
Date



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 GRANTEEES OTHER THAN INDIVIDUALS

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

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

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

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

New Hampshire Department of Health and Human Services
Exhibit D



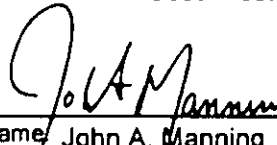
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted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

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

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

Vendor Name: Southwestern Community Services, Inc.

05/23/19
Date


Name: John A. Manning
Title: Chief Executive Officer



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

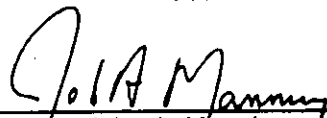
The undersigned certifies, to the best of his or her knowledge and belief, that:

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: Southwestern Community Services, Inc.

05/23/19
Date


Name: John A. Manning
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

Jm
5/23/19

New Hampshire Department of Health and Human Services
Exhibit F



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

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

PRIMARY COVERED TRANSACTIONS

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


LOWER TIER COVERED TRANSACTIONS

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

Vendor Name: Southwestern Community Services, Inc.


05/23/19

Date



Name: John A. Manning
Title: Chief Executive Officer

Vendor Initials


Date 5/23/19



**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

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

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: Southwestern Community Services, Inc.

05/23/19
Date

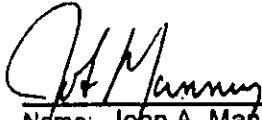


Name: John A. Manning
Title: Chief Executive Officer

Exhibit G

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

Vendor Initials

Date


5/23/19



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: Southwestern Community Services, Inc.

05/23/19

Date

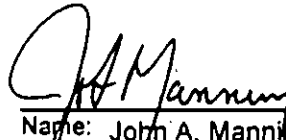

Name: John A. Manning
Title: Chief Executive Officer



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

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

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

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



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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



Exhibit I

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

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



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) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

Department of Health and Human Services

Southwestern Community Services, Inc.

The State

Name of the Vendor

Christine Santanillo
Signature of Authorized Representative

John A. Manning
Signature of Authorized Representative

Christine Santanillo
Name of Authorized Representative

John A. Manning
Name of Authorized Representative

Director, DEHS
Title of Authorized Representative

Chief Executive Officer
Title of Authorized Representative

5/29/19
Date

05/23/19
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: Southwestern Community Services, Inc.

05/23/19

Date

Name: John A. Manning
Title: Chief Executive Officer

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

X NO YES

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

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

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

_____ NO _____ YES

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

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

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

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

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

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

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

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

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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

New Hampshire Department of Health and Human Services

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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

New Hampshire Department of Health and Human Services

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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

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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

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

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New Hampshire Department of Health and Human Services

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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

JM
5/23/19

New Hampshire Department of Health and Human Services

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

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

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DHHS Information Security Requirements



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

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

V. LOSS REPORTING

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

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

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

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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



**New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program**

**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Continuum of Care, Coordinated Entry Program**

This 1st Amendment to the Continuum of Care, Coordinated Entry Program contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Southwestern Community Services, Inc., (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 63 Community Way, P.O. Box 603, Keene, NH, 03431.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2021.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$173,104.
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2., Paragraph 1.2.4. to read:
1.2.4. Grant Numbers
1.2.4.1. NH0096L1T001803 (Grant Year 1)
1.2.4.2. NH0096L1T001904 (Grant Year 2)
4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2., Paragraph 1.2.7, Subparagraph 1.2.7.1. to read:
1.2.7.1 Not to exceed \$173,104
5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2., Paragraph 1.2.8., to read:
1.2.8. Funds allocation under this agreement for Continuum of Care Program;

		<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1.	Rental Assistance	\$0	\$0
1.2.8.2.	Supportive Services	\$84,092	\$84,092
1.2.8.3.	Administrative Expenses	<u>\$2,460</u>	<u>\$2,460</u>
1.2.8.4.	Total Program Amount	\$86,552	\$86,552



**New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program**

All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

4/13/20
Date

Christine L. Santaniello
Name: Christine L. Santaniello
Title: Director DEHS

Southwestern Community Services, Inc.

3-26-20
Date

John Manning
Name: John Manning
Title: Chief Executive Officer

JM
3/26/2020

New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program



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

OFFICE OF THE ATTORNEY GENERAL

4/17/20
Date

Will Rue
Name:
Title:

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

gm
3/26/2021

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHWESTERN COMMUNITY SERVICES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 19, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 65514¹

Certificate Number: 0004822550



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 3rd day of March A.D. 2020.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

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

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on February 18, 2016 :
(Date)

RESOLVED: That the Chief Executive Officer
(Title of Contract Signatory)

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

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 26 day of March, 2020
(Date Amendment Signed)

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

of the Agency.

Elaine M. Amer
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

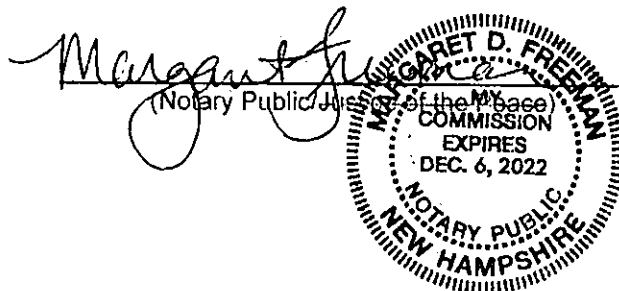
County of Cheshire

The forgoing instrument was acknowledged before me this 26 day of Mar, 2020

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

(NOTARY SEAL)

Commission Expires: 12-6-2022





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/5/2020

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

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

PRODUCER Clark - Mortenson Insurance P.O. Box 606 Keene NH 03431	CONTACT NAME:	FAX (A/C, No): 603-357-8491	
	PHONE (A/C, No, Ext): 603-352-2121	E-MAIL ADDRESS: csr24admin@clark-mortenson.com	
INSURED Southwestern Comm Services Inc PO Box 603 Keene NH 03431	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Philadelphia Insurance Company		0
	INSURER B: Maine Employer Mutual Insurance Co.		
	INSURER C:		
	INSURER D:		
	INSURER E:		
INSURER F:			

COVERAGES

CERTIFICATE NUMBER: 964223655

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD YWYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC <input type="checkbox"/> OTHER:		PHPK2000692	6/30/2019	6/30/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		PHPK2000704	6/30/2019	6/30/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000 <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE		PHUS681878	6/30/2019	6/30/2020	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N N/A	3102800768	4/1/2019	4/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Professional Liability		PHPK2000692	6/30/2019	6/30/2020	\$1,000,000 per \$2,000,000 general occurrence aggregate

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

Workers Compensation Statutory coverage provided for the State of NH
All Executive Officers are included in the Workers Compensation coverage

CERTIFICATE HOLDER**CANCELLATION**

State of NH, DHHS
129 Pleasant Street
Concord NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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Vision Statement

Southwestern Community Services

SCS seeks to **create** and **support** a climate within the communities of southwestern New Hampshire wherein **poverty is never accepted** as a chronic or permanent condition of any person's life.

Mission Statement

Southwestern Community Services

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

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

Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC.
AND RELATED COMPANIES

**FOR THE YEARS ENDED
MAY 31, 2019 AND 2018
AND
INDEPENDENT AUDITORS' REPORTS**

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2019 AND 2018

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

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statements of financial position as of May 31, 2019 and 2018, and the related consolidated statements of cash flows, functional expenses, and notes to the consolidated financial statements for the years then ended, and the related consolidated statement of activities for the year ended May 31, 2019.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. and related companies as of May 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Southwestern Community Services, Inc. and related companies' 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 17, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedules of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedules of Functional Revenues and Expenses, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2019, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southwestern Community Services, Inc.'s internal control over financial reporting and compliance.

Leon, Mc Donnell : Roberts
Professional Association

November 5, 2019
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MAY 31, 2019 AND 2018****ASSETS**

	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 882,187	\$ 1,086,895
Accounts receivable	1,245,826	1,059,922
Prepaid expenses	51,722	35,019
Notes receivable	112,000	112,000
Interest receivable	<u>45,547</u>	<u>45,547</u>
Total current assets	<u>2,337,282</u>	<u>2,339,383</u>
PROPERTY		
Land and buildings	19,188,791	14,438,178
Vehicles and equipment	554,976	549,305
Furniture and fixtures	<u>220,291</u>	<u>39,617</u>
Total property	<u>19,964,058</u>	<u>15,027,100</u>
Less accumulated depreciation	<u>7,938,217</u>	<u>4,880,952</u>
Property, net	<u>12,025,841</u>	<u>10,146,148</u>
OTHER ASSETS		
Investment in related parties	198,728	88,706
Due from related parties	59,102	188,523
Cash escrow and reserve funds	849,334	517,853
Security deposits	62,996	51,996
Other assets	<u>384</u>	<u>384</u>
Total other assets	<u>1,170,544</u>	<u>847,462</u>
Total assets	<u>\$ 15,533,667</u>	<u>\$ 13,332,993</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 391,613	\$ 124,085
Accrued expenses	119,620	206,178
Accrued payroll and payroll taxes	233,900	250,692
Other current liabilities	138,740	135,573
Refundable advances	180,994	193,931
Interest payable	49,547	-
Current portion of long term debt	<u>227,221</u>	<u>216,438</u>
Total current liabilities	1,341,635	1,126,897
NONCURRENT LIABILITIES		
Long term debt, less current portion shown above	<u>9,086,445</u>	<u>8,273,983</u>
Total liabilities	<u>10,428,080</u>	<u>9,400,880</u>
NET ASSETS		
Without donor restrictions	4,922,671	3,787,422
With donor restrictions	<u>182,916</u>	<u>144,691</u>
Total net assets	<u>5,105,587</u>	<u>3,932,113</u>
Total liabilities and net assets	<u>\$ 15,533,667</u>	<u>\$ 13,332,993</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MAY 31, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Total</u>	<u>2018 Total</u>
REVENUES AND OTHER SUPPORT				
Government contracts	\$ 10,672,702	\$ -	\$ 10,672,702	\$ 11,055,093
Program service fees	2,485,405	-	2,485,405	1,868,188
Rental income	995,380	-	995,380	801,642
Developer fee income	-	-	-	50,000
Support	326,558	125,833	452,391	509,229
Sponsorship	70,893	-	70,893	105,286
Interest income	7,153	-	7,153	8,959
Forgiveness of debt	388,849	-	388,849	75,971
Miscellaneous	120,697	-	120,697	100,772
In-kind contributions	241,499	-	241,499	161,852
Total revenues and other support	15,309,136	125,833	15,434,969	14,736,992
NET ASSETS RELEASED FROM RESTRICTIONS	<u>87,608</u>	<u>(87,608)</u>	<u>-</u>	<u>-</u>
Total revenues, other support, and net assets released from restrictions	<u>15,396,744</u>	<u>38,225</u>	<u>15,434,969</u>	<u>14,736,992</u>
EXPENSES				
Program services				
Home energy programs	5,238,483	-	5,238,483	4,847,201
Education and nutrition	2,659,830	-	2,659,830	2,530,152
Homeless programs	1,994,872	-	1,994,872	2,172,388
Housing services	2,319,865	-	2,319,865	2,048,214
Economic development services	721,370	-	721,370	728,119
Other programs	894,986	-	894,986	945,391
Total program services	13,829,406	-	13,829,406	13,271,465
Supporting activities				
Management and general	<u>1,880,406</u>	<u>-</u>	<u>1,880,406</u>	<u>1,749,700</u>
Total expenses	<u>15,709,812</u>	<u>-</u>	<u>15,709,812</u>	<u>15,021,165</u>
CHANGES IN NET ASSETS BEFORE LOSS ON SALE OF PROPERTY	(313,068)	38,225	(274,843)	(284,173)
LOSS ON SALE OF PROPERTY	(6,481)	-	(6,481)	(4,583)
GAIN (LOSS) ON INVESTMENT IN LIMITED PARTNERSHIPS	<u>18,116</u>	<u>-</u>	<u>18,116</u>	<u>(188)</u>
CHANGE IN NET ASSETS	(301,433)	38,225	(263,208)	(288,944)
NET ASSETS, BEGINNING OF YEAR	3,787,422	144,691	3,932,113	3,397,772
NET ASSETS TRANSFERRED FROM LIMITED PARTNERSHIP	<u>1,436,682</u>	<u>-</u>	<u>1,436,682</u>	<u>823,285</u>
NET ASSETS, END OF YEAR	<u>\$ 4,922,671</u>	<u>\$ 182,916</u>	<u>\$ 5,105,587</u>	<u>\$ 3,932,113</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENTS OF CASH FLOWS**
FOR THE YEARS ENDED MAY 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (263,208)	\$ (288,944)
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Depreciation and amortization	580,115	467,929
Loss on sale of property	6,481	4,583
(Gain) loss on investment in limited partnerships	(18,116)	188
Forgiveness of debt	(388,849)	(75,971)
(Increase) decrease in assets:		
Accounts receivable	(185,904)	265,199
Prepaid expenses	5,509	(3,439)
Interest receivable	-	(4,480)
Due from related parties	44,240	66,149
Security deposits	5,151	(2,623)
Increase (decrease) in liabilities:		
Accounts payable	145,829	(53,220)
Accrued expenses	(106,905)	(38,863)
Accrued payroll and payroll taxes	(16,792)	9,657
Other current liabilities	3,167	(13,125)
Refundable advances	(12,937)	(44,414)
Interest payable	49,547	-
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(152,672)</u>	<u>288,626</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase) decrease in escrow funds	(33,568)	5,846
Proceeds from sale of property	215,000	-
Purchase of property	<u>(139,717)</u>	<u>(142,791)</u>
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>41,715</u>	<u>(136,945)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term debt	40,048	76,143
Repayment of long term debt	<u>(160,029)</u>	<u>(112,612)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(119,981)</u>	<u>(36,469)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	<u>(230,938)</u>	<u>115,212</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,086,895</u>	<u>947,175</u>
CASH TRANSFERRED FROM LIMITED PARTNERSHIP	<u>26,230</u>	<u>24,508</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 882,187</u>	<u>\$ 1,086,895</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED MAY 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 203,408</u>	<u>\$ 142,467</u>
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Transfer of assets from newly consolidated LP:		
Prepaid expenses	\$ (22,212)	\$ (12,328)
Land and buildings	(2,373,335)	(894,504)
Furniture and fixtures	(168,237)	(96,338)
Cash escrow and reserve funds	(297,913)	(164,110)
Security deposits	<u>(16,151)</u>	<u>(11,467)</u>
Total transfer of assets from newly consolidated LP	<u>\$ (2,877,848)</u>	<u>\$ (1,178,747)</u>
Transfer of liabilities from newly consolidated LP:		
Accounts payable	\$ 121,699	\$ 10,810
Accrued expenses	20,347	11,199
Due to related parties	85,181	-
Long term debt	<u>1,332,075</u>	<u>304,073</u>
Total transfer of liabilities from newly consolidated LP	<u>\$ 1,559,302</u>	<u>\$ 326,082</u>
Total partners' capital from newly consolidated LP	<u>\$ 1,344,776</u>	<u>\$ 877,173</u>
Partners' capital previously recorded as investment in related parties	<u>91,906</u>	<u>(53,888)</u>
Total transfer of partners' capital from newly consolidated LP	<u>\$ 1,436,682</u>	<u>\$ 823,285</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2019**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2019 Total
Payroll	\$ 432,968	\$ 1,224,988	\$ 377,595	\$ 775,425	\$ 414,730	\$ 432,826	\$ 3,658,530	\$ 753,068	\$ 4,411,508
Payroll taxes	33,521	97,819	29,527	59,738	33,519	34,195	288,419	58,304	346,723
Employee benefits	106,054	415,890	142,654	289,985	97,771	180,294	1,232,848	111,111	1,343,759
Retirement	29,200	70,406	18,908	81,936	27,831	18,181	224,462	71,547	296,009
Advertising	-	500	1,812	4,013	818	9,487	18,730	-	18,730
Bank charges	-	-	-	4,444	-	1	4,445	7,329	11,774
Bad debt expense	-	10	-	90	-	-	100	-	100
Computer cost	-	24,540	4,759	3,027	14,926	750	48,002	116,846	164,848
Contractual	629,045	32,930	230,984	38,696	2,719	116,585	1,050,959	39,743	1,090,702
Depreciation	-	28,300	108,291	281,950	-	14,207	432,748	147,367	580,115
Dues/registration	-	5,277	-	488	868	1,312	7,945	11,879	19,824
Duplicating	-	8,852	-	-	-	-	8,852	4,155	13,007
Insurance	6,714	14,798	23,590	60,672	14,130	7,164	127,068	33,892	160,980
Interest	-	7,775	8,022	21,856	-	1,810	39,363	164,045	203,408
Meeting and conference	8,673	813	2,567	8,104	585	22,569	43,291	24,957	68,248
Miscellaneous expense	181	1,695	637	34,793	3,851	2,831	43,888	19,278	63,166
Miscellaneous taxes	-	-	-	34,900	-	-	34,900	389	35,289
Equipment purchases	1,292	15,274	-	7,287	-	-	23,853	1,180	25,033
Office expense	24,820	8,499	6,695	11,475	6,458	807	58,754	11,856	70,410
Postage	97	268	138	53	214	-	770	24,238	25,008
Professional fees	4,300	-	1,301	36,095	-	-	41,696	90,968	132,664
Staff development and training	2,128	1,580	1,878	72	1,804	21,877	29,239	10,590	39,829
Subscriptions	-	-	-	655	354	-	1,009	399	1,406
Telephone	2,087	2,356	18,479	17,817	2,336	1,589	44,664	52,308	96,972
Travel	7,951	16,256	15,412	5,183	29,531	608	74,941	4,855	79,796
Vehicle	2,300	5,225	1,088	37,795	44,428	8,568	99,402	13,436	112,838
Rent	-	24,800	-	150	-	-	24,950	-	24,950
Space costs	-	194,946	332,351	512,392	1,000	378	1,041,065	106,868	1,147,931
Direct client assistance	3,947,152	214,436	668,284	10,674	23,619	21,049	4,885,214	-	4,885,214
In-kind expenses	-	241,499	-	-	-	-	241,499	-	241,499
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	5,238,483	2,659,630	1,894,872	2,319,865	721,370	894,886	13,829,406	1,880,406	15,709,812
Allocation of management and general expenses	712,284	361,661	271,246	315,436	98,088	121,693	1,880,406	(1,880,406)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,950,767	\$ 3,021,491	\$ 2,266,118	\$ 2,635,301	\$ 819,458	\$ 1,016,679	\$ 15,709,812	\$ -	\$ 15,709,812

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC.

**CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2018**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2018 Total
Payroll	\$ 398,452	\$ 1,208,631	\$ 435,538	\$ 771,028	\$ 405,189	\$ 439,358	\$ 3,658,196	\$ 774,486	\$ 4,432,662
Payroll taxes	31,599	99,882	34,153	56,803	30,418	36,918	289,771	60,913	350,684
Employee benefits	122,782	453,204	148,394	278,393	87,744	187,020	1,275,517	54,590	1,330,107
Retirement	24,980	89,878	21,031	64,244	19,280	17,448	216,821	73,148	289,969
Advertising	-	142	1,887	4,186	2,114	16,172	24,491	-	24,491
Bank charges	15	-	120	3,834	-	-	3,969	9,079	13,048
Computer cost	-	9,185	4,300	14,144	14,298	3,500	45,427	62,052	107,479
Contractual	518,340	52,483	242,935	20,362	2,718	108,718	948,536	14,821	961,457
Depreciation	-	28,300	108,291	167,840	-	16,131	320,562	147,367	487,928
Dues/registration	-	6,036	-	343	988	997	8,364	10,175	18,539
Duplicating	1,584	8,148	-	-	-	-	9,732	4,321	14,053
Insurance	5,909	13,381	23,853	52,287	14,610	6,248	116,068	38,380	154,448
Interest	-	8,658	7,759	6,997	-	2,554	25,968	116,501	142,487
Meeting and conference	3,961	58	9,293	7,177	600	19,305	40,394	35,924	76,318
Miscellaneous expense	909	971	2,303	18,896	4,442	18,560	45,881	13,182	59,063
Miscellaneous taxes	-	-	-	26,381	-	-	26,381	986	27,367
Equipment purchases	4,670	24,320	80	12,348	-	-	41,418	2,305	43,723
Office expense	34,413	12,613	8,440	14,506	12,042	4,076	88,090	20,402	108,492
Postage	132	274	182	31	348	50	1,017	22,918	23,935
Professional fees	4,890	-	1,875	15,879	-	-	22,644	83,766	106,410
Staff development and training	1,430	23,724	2,624	8,287	5,875	28,044	69,784	2,943	72,727
Subscriptions	-	-	28	87	-	-	115	1,329	1,444
Telephone	2,088	15,297	19,681	14,569	2,435	3,239	57,307	56,578	113,883
Travel	5,335	20,013	20,312	5,195	28,509	2,000	82,364	3,509	85,873
Vehicle	2,140	2,510	712	31,828	45,200	9,201	91,589	10,981	102,570
Rent	-	25,201	-	-	-	-	25,201	-	25,201
Space costs	148	140,213	258,849	438,344	-	1,009	838,563	128,968	966,529
Direct client assistance	3,683,486	145,220	823,938	14,447	50,531	23,843	4,741,445	-	4,741,445
In-kind expenses	-	181,852	-	-	-	-	181,852	-	181,852
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	4,847,201	2,530,152	2,172,388	2,048,214	728,119	945,391	13,271,465	1,749,700	15,021,185
Allocation of management and general expenses	<u>639,051</u>	<u>333,573</u>	<u>286,407</u>	<u>270,035</u>	<u>95,995</u>	<u>124,839</u>	<u>1,749,700</u>	<u>(1,749,700)</u>	<u>-</u>
TOTAL FUNCTIONAL EXPENSES	\$ 5,486,252	\$ 2,863,725	\$ 2,458,795	\$ 2,318,249	\$ 824,114	\$ 1,070,030	\$ 15,021,165	\$ -	\$ 15,021,165

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEARS ENDED MAY 31, 2019 AND 2018**

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Southwestern Community Services, Inc. (the Organization) is a New Hampshire nonprofit corporation formed as an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in the Cheshire and Sullivan counties of New Hampshire. Various programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing, and homelessness prevention. Services are provided through Southwestern Community Services, Inc., and its related corporations, SCS Management Corporation, SCS Housing, Inc., SCS Development Corporation, SCS Housing Development, Inc., and various limited partnerships, as described below. The Organization is committed to providing respectful support service and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty. The primary source of revenues is derived from governmental contracts.

Principles of Consolidation

The consolidated financial statements include the accounts of Southwestern Community Services, Inc. and the following entities as Southwestern Community Services, Inc. has both an economic interest and control of the entities through a majority voting interest in their governing board. All significant intercompany items and transactions have been eliminated from the basic consolidated financial statements.

- SCS Management Corporation
- SCS Housing, Inc.
- SCS Development Corporation
- SCS Housing Development, Inc.
- Drewsville Carriage House Associates, Limited Partnership (Drewsville)
- Jaffrey Housing Associates, Limited Partnership (Jaffrey) – Sold 2/1/19
- Troy Senior Housing Associates, Limited Partnership (Troy Senior)
- Keene East Side Senior Housing Associates, Limited Partnership (Keene East Side)
- Winchester Senior Housing Associates, Limited Partnership (Winchester)
Consolidation began 8/16/17
- Swanzey Township Housing Associates, Limited Partnership (Swanzey)
Consolidation began 6/30/18
- Snow Brook Meadow Village Housing Associates, Limited Partnership
(Snow Brook) Consolidation began 5/01/19

Basis of Accounting

The consolidated financial statements of Southwestern Community Services, Inc. and related companies have been prepared utilizing the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications. The classes of net assets are determined by the presence or absence of donor-imposed restrictions.

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 Organization. These net assets may be used at the discretion of the Organization's Board of Directors.

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 Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

As of May 31, 2019 and 2018, the Organization had net assets without donor restrictions and with donor restrictions.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended May 31, 2018 from which the summarized information was derived.

Refundable Advances

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

In-Kind Support

The Organization records various types of in-kind support including professional services and materials. Contributed professional services are recognized if the service received creates or enhances long-lived assets or requires specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

Estimates

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all liquid investments purchased with original maturities of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at May 31, 2019 and 2018. The Organization has no policy for charging interest on overdue accounts.

Notes Receivable

The Organization has two notes receivable from an unrelated third party. The notes receivables are stated at the amount that is expected to be collected at year end. Interest is accrued at a rate of 4% annually. The balance of the notes receivable and related interest receivable was \$112,000 and \$45,547, respectively, at May 31, 2019 and 2018.

Current Vulnerability Due to Certain Concentrations

The Organization is operated in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change. For the years ended May 31, 2019 and 2018, approximately 68% and 75%, respectively, of the Organization's total revenue was received from government agencies. The future nature of the organization is dependent upon continued support from the government.

Concentration of Credit Risk

The Organization maintains its cash accounts in several financial institutions, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts.

Property and Depreciation

Purchased property and equipment are stated at cost at the date of acquisition or at fair value at the date of receipt in the case of donated property. The Organization generally capitalizes and depreciates all assets with a cost greater than \$5,000 and an expected life greater than one year. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Buildings and improvements	10 - 40 Years
Vehicles and equipment	5 - 10 Years
Furniture and fixtures	7 Years

The use of certain assets is specified under the terms of grants received from agencies of the federal government. These grants also place liens on certain assets and impose restrictions on the use of funds received from the disposition of the property. Depreciation expense for the years ended May 31, 2019 and 2018 totaled \$580,115 and \$467,929, respectively.

Advertising

The Organization expenses advertising costs as incurred.

Revenue Recognition

Amounts received from conditional grants and contracts received for specific purposes are generally recognized as income to the extent that related expenses and conditions are incurred or met. Conditional grants received prior to the conditions being met are reported as refundable advances. Contributions of cash and other assets are reported as with donor restrictions if they are received with donor imposed stipulations that limit the use of the donated assets. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as without donor restrictions.

Income Taxes

Southwestern Community Services, Inc. and SCS Management Corporation are exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and are not private foundations. As such, they are exempt from income tax on their exempt function income.

SCS Housing, Inc., SCS Development Corporation and SCS Housing Development, Inc. are taxed as corporations. SCS Housing Inc. has federal net operating loss carryforwards totaling \$1,012,604 and \$915,425 at May 31, 2019 and 2018, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2027. SCS Development Corporation has federal net operating loss carryforwards totaling \$579 and \$607 at May 31, 2019 and 2018, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2022.

The tax effects of the carryforwards as related to deferred tax assets is as follows as of May 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Tax benefit from loss carryforwards	\$212,768	\$137,408
Valuation allowance	<u>(212,768)</u>	<u>(137,408)</u>
Deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

Drewsville, Jaffrey, Troy Senior, Winchester, Keene East Side, Swanzey, and Snow Brook are taxed as partnerships. Federal income taxes are not payable by, or provided for these entities. Earnings and losses are included in the partners' federal income tax returns based on their share of partnership earnings. Partnerships are required to file income tax returns with the State of New Hampshire and pay an income tax at the state's statutory rate.

Accounting Standard Codification No. 740, "Accounting for Income Taxes," established the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. Management has analyzed the Organization's tax position taken on its income tax returns for all open years (tax years ending May 31, 2017 – 2019), and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

Fair Value of Financial Instruments

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

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

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

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

The carrying amount of cash, accounts receivables, prepaid expenses, accounts payable, accrued expenses, and refundable advances approximates fair value because of the short maturity of those instruments.

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 Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Natural expenses are defined by their nature, such as salaries, rent, supplies, etc. Functional expenses are classified by the type of activity for which expenses are incurred, such as management and general and direct program costs. Expenses are allocated by function using a reasonable and consistent approach that is primarily based on function and use. The costs of providing certain program and supporting services have been directly charged.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human services. The indirect cost rate is 11.96% effective from June 1, 2017 through May 31, 2020.

NOTE 2

BANK LINE OF CREDIT

The Organization has a \$250,000 revolving line of credit agreement with a bank. Interest is due monthly and is stated at the Wall Street Journal Prime Rate. The line is secured by all the Organization's assets. As of May 31, 2019 and 2018, the interest rate was 5.50% and 4.75%, respectively. There was no outstanding balance at May 31, 2019 and 2018.

NOTE 3**LONG TERM DEBT**

The long term debt at May 31, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
1% mortgage payable to New Hampshire Housing in monthly installments for principal and interest of \$891 through August 2032. The note is secured by real estate of the Organization (NHHFA, 96 Main Street).	\$ 145,647	\$ 154,832
Non-interest bearing mortgage payable to Community Development Finance Authority, in quarterly principal payments based on operating income formula applied to affordable housing portion of the specified real estate. The note is secured by real estate of the Organization (CDFA, 96 Main Street).	31,589	32,147
5.5% note payable to a bank in monthly installments for principal and interest of \$978 through March 2021. The note is secured by real estate of the Organization (People's United Bank, Ashuelot).	20,672	31,143
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through September 2031, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHHFA, 17 Pearl).	244,505	244,505
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through July 2032, unless there is surplus cash from which to make a payment, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHHFA, 41-43 Central).	376,363	376,363
4.25% mortgage payable to a bank in monthly installments for principal and interest of \$1,875 through December 2016, with a balloon payment that was due January 2017. The note was amended during the year ended May 31, 2019 and is now due December 2026. Under the amendment, interest rate is 4.94% and monthly installments for principal and interest are \$1,957. The note is secured by real estate of the Organization (People's United Bank, Milestones).	146,515	162,223

	<u>2019</u>	<u>2018</u>
4.375% note payable to Rural Housing Service in monthly installments for principal and interest of \$11,050 through May 2049. The note is secured by real estate of the Organization (TD Bank, Keene Office).	2,212,288	2,247,266
Non-interest bearing note payable to Cheshire County in New Hampshire. Payment is not necessary unless Organization defaults on contract. The note is secured by real estate of the Organization (CDBG, Keene Office).	460,000	460,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2019 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).	63,000	63,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2019 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).	45,000	45,000
Note payable to a bank in monthly installments for principal and interest of \$2,463 including interest through May 2039. Interest is adjusted every five years based on remaining principal balance and "Classic Advantage Rate" provided by Federal Home Loan Bank of Boston which resulted in an interest rate of 4.67% and 4.07% at May 31, 2019 and 2018, respectively. The note is secured by real estate of the Organization (TD Bank, Keene Office/Community Way).	401,891	414,567
5.19% note payable to a bank in monthly installments for principal and interest of \$889 through May 2021. The note is secured by real estate of the Organization (TD Bank, 45 Central Street).	94,733	100,254

	<u>2019</u>	<u>2018</u>
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, Ashuelot).	125,000	150,000
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, 112 Charlestown Road).	75,000	90,000
Non-interest bearing note payable to New Hampshire Housing in annual payments in the amount of 50% of annual surplus cash through July 2042 at which time the remaining balance is due. The note is secured by real estate of the Organization (NHHFA, Second Chance).	794,189	794,189
Non-interest bearing note payable to a county in New Hampshire. No payment is due and 5% of the balance is forgiven each year through 2032 when the remaining balance becomes due. The note is secured by real estate of the Organization (CDBG, Second Chance).	344,536	363,677
6.99% note payable to a finance company in monthly installments for principal and interest of \$652 through June 2019. The note is secured by a vehicle (TCF, Econoline Van).	1,293	8,741
5.54% note payable to a finance company in monthly installments for principal and interest of \$543 through August 2022. The note is secured by a vehicle (Ally, Econoline Van).	19,287	24,564

	<u>2019</u>	<u>2018</u>
Jaffrey - 30-year deferred note payable to the Town of Jaffrey, New Hampshire. Payment of principal and accrued interest at 1% were deferred until the note matures in June 2027. The note was secured by land and buildings. The balance included cumulative accrued interest of \$53,651 (CDBG). Jaffrey was sold during the year ended May 31, 2019 and the balance was forgiven.	-	303,651
Jaffrey - 6% note payable to a bank in monthly installments for principal and interest of \$485 through August 2027. The note was secured by land and buildings (TD Bank). Jaffrey was sold during the year ended May 31, 2019 and this note was paid in full.	-	41,099
Troy Senior - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in June 2029. The note is secured by real estate of the Organization (CDBG).	640,000	640,000
Troy Senior - Non-interest bearing note payable to New Hampshire Housing Finance Authority to fund energy efficiency improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHHFA).	140,210	140,210
Keene East Side - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in December 2028. The note is secured by real estate of the Organization (CDBG).	900,000	900,000
Keene East Side - Non-interest bearing note payable to New Hampshire Community Development Finance Authority (CDFA) to fund energy upgrades and capital improvements. Beginning in 2016, 10% of the note is forgiven each year based on the rolling balance. The mortgage may be released after ten years in January 2026. The note is secured by real estate of the Organization (CDFA).	185,899	178,172

	<u>2019</u>	<u>2018</u>
Keene East Side - Non-interest bearing note payable to New Hampshire Housing to fund energy efficiency improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHHFA).	228,934	228,934
Swansey - Non-recourse, 4.90% simple interest mortgage note payable to the New Hampshire Housing (HOME), due September, 2033, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	282,720	-
Swansey - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due September 2043, payable in monthly installments of \$1,698, including interest at 2.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 40 year term of the mortgage.	377,110	-
Snow Brook - Non-recourse, mortgage note payable to New Hampshire Housing, due July 2057, payable in monthly installments of \$2,002 including interest at 4.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	446,561	-
Snow Brook - Non-recourse, zero interest mortgage note payable to New Hampshire Housing (AHF), due June 2034, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	237,173	-

	<u>2019</u>	<u>2018</u>
Winchester - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due May 2032, payable in monthly installments of \$370, including interest at 2.00%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHHFA).	50,436	53,826
Winchester - Non-recourse, zero interest bearing mortgage note payable to New Hampshire Housing (FAF), due May 2032, payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30-year term of the mortgage note (NHHFA).	92,058	92,058
Winchester - Non-recourse, zero interest bearing, direct subsidy AHP loan secured by the Partnership's land and buildings, subject to low-income housing restrictions under the terms of the AHP agreement. In the event of a default under the aforementioned agreement, the loan is due upon demand with interest accrued at a rate of 11.67% for the period the funds were outstanding (Federal Home Loan Bank).	<u>150,000</u>	<u>150,000</u>
Total long-term debt before unamortized deferred financing costs	9,332,609	8,490,421
Unamortized deferred financing costs	<u>(18,943)</u>	<u>-</u>
	9,313,666	8,490,421
Less current portion due within one year	<u>227,221</u>	<u>216,438</u>
	<u>\$ 9,086,445</u>	<u>\$ 8,273,983</u>

The schedule of maturities of long term debt at May 31, 2019 is as follows:

<u>Year Ending</u> <u>May 31</u>	<u>Amount</u>
2020	\$ 227,221
2021	121,051
2022	115,864
2023	115,596
2024	118,605
Thereafter	<u>8,634,272</u>
Total	<u>\$ 9,332,609</u>

NOTE 4 OPERATING LEASES

The Organization leases facilities, equipment and vehicles under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2024. Monthly lease payments range from \$60 to \$3,625. Lease expense for the years ended May 31, 2019 and 2018 totaled \$144,880 and \$136,963 respectively.

Future minimum payments as of May 31, 2019 on the above leases are as follows:

<u>Year Ending</u> <u>May 31</u>	<u>Amount</u>
2020	\$ 78,745
2021	21,677
2022	18,318
2023	1,050
2024	720
Thereafter	<u>120</u>
Total	<u>\$ 120,630</u>

NOTE 5 ACCRUED COMPENSATED BALANCES

At May 31, 2019 and 2018, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$131,864 and \$130,140, respectively.

NOTE 6 CONTINGENCIES

Southwestern Community Services, Inc. is the 100% owner of SCS Housing, Inc. and SCS Housing Development, Inc. SCS Housing, Inc. and SCS Housing Development, Inc. are the general partners of ten limited partnerships formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc., SCS Housing, Inc. and SCS Housing Development, Inc. have guaranteed repayment of liabilities of various partnerships totaling approximately \$14,151,000 and \$15,553,000 at May 31, 2019 and 2018, respectively.

Partnership real estate with a cost basis of approximately \$35,831,000 and \$41,158,000 at May 31, 2019 and 2018, respectively, provides collateral on these loans.

The Organization receives funds under various state grants and from Federal sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If costs were found not to have been incurred in compliance with the laws and regulations, the Organization might be required to repay the funds.

No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of May 31, 2019 and 2018.

NOTE 7 **RELATED PARTY TRANSACTIONS**

During the years ended May 31, 2019 and 2018, SCS Housing, Inc. managed ten limited partnerships. Management fees charged by SCS Housing, Inc. totaled \$313,466 and \$322,973, for the years ended May 31, 2019 and 2018, respectively. Additionally, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years.

The Organization has also advanced funds to a related entity for Department of Housing and Urban Development (HUD) sponsorship purposes.

The total amounts due and expected to be collected from the limited partnerships and related entities totaled \$59,102 and \$188,523, respectively, at May 31, 2019 and 2018.

NOTE 8 **EQUITY INVESTMENT**

Southwestern Community Services, Inc. and related companies use the equity method to account for their financial interests in the following companies:

	<u>2019</u>	<u>2018</u>
Cityside Housing Associates, LP	\$ (9,500)	\$ (9,492)
Marlborough Homes, LP	(11)	8
Payson Village Senior Housing Associates, LP	(12,503)	(12,491)
Railroad Square Senior Housing Associates, LP	(1,897)	(1,715)
Warwick Meadows Housing Associates, LP	(21)	(17)
Woodcrest Drive Housing Associates, LP	222,842	222,846
Westmill Senior Housing, LP	78	90
Swanzy Township Housing Associates, LP	-	(31,190)
Snow Brook Meadow Village Housing Associates, LP	-	(60,716)
Keene Highland Housing Associates, LP	(260)	(243)
Pilot Health, LLC	-	(18,374)
	<u>\$ 198,728</u>	<u>\$ 88,706</u>

SCS Housing Development, Inc. is a 0.01% partner of Cityside Housing Associates, LP, Marlborough Homes, LP, Payson Village Senior Housing Associates, LP, Warwick Meadows Housing Associates, LP, and Woodcrest Drive Housing Associates, LP, a 0.10% partner of Railroad Square Senior Housing Associates, LP, and a 1% partner in Westmill Senior Housing, LP during the years ended May 31, 2019 and 2018.

SCS Housing, Inc. is a 0.01% partner of Winchester Senior Housing Associates, LP, Swanzey Township Housing Associates, LP, Snow Brook Meadow Village Housing Associates, LP, and Keene Highland Housing Associates, LP during the years ended May 31, 2019 and 2018.

The remaining 99.99% ownership interest in Swanzey Township Housing Associates, LP and Snow Brook Meadow Village Housing Associates, LP were acquired by Southwestern Community Services, Inc. during the year ending May 31, 2019 (see Note 12), and therefore the limited partnership is included in the consolidated financial statements for the year ended May 31, 2019. The remaining 99.99% ownership interest in Winchester Senior Housing Associates, LP was acquired by Southwestern Community Service, Inc. during the year ended May 31, 2018 (see Note 12), and therefore the limited partnership is included in the consolidated financial statements for the year ended May 31, 2019 and 2018.

Southwestern Community Services, Inc. was a 14.3% member of Pilot Health, LLC during the year ended May 31, 2018. Pilot Health was terminated during the year ended May 31, 2019.

Summarized financial information for entities accounted for under the equity method, as of May 31, 2019 and 2018, consists of the following:

	<u>2019</u>	<u>2018</u>
Total assets	<u>\$ 5,745</u>	<u>\$ 32,782</u>
Total liabilities	2,454	47,461
Capital/Member's equity	<u>3,291</u>	<u>(14,679)</u>
	<u>\$ 5,745</u>	<u>\$ 32,782</u>
Income	\$ 426	\$ 84,713
Expenses	<u>661</u>	<u>81,478</u>
Net income (loss)	<u>\$ (235)</u>	<u>\$ 3,235</u>

NOTE 9 RETIREMENT PLAN

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the internal Revenue Code. All employees who have had at least 30 days of service to the Organization are eligible to contribute to the plan. The Organization begins matching contributions after the employee has reached one year of service. Employer contributions are at the Organization's discretion and totaled \$296,009 and \$289,969 for the years ended May 31, 2019 and 2018, respectively.

NOTE 10 RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions are available for the following purposes:

	<u>2019</u>	<u>2018</u>
NNECAC – Annual Conference Fund	\$ 5,973	\$ 21,327
Stand Down	-	4,963
GAPS/Warm Fund	91,908	118,401
Transport	47,260	-
HS Parents Association	6,575	-
EHS	<u>31,200</u>	<u>-</u>
Total net assets with donor restrictions	<u>\$ 182,916</u>	<u>\$ 144,691</u>

NOTE 11 FORGIVENESS OF DEBT

During the year ended May 31, 2019, the Organization realized forgiveness of debt income in connection with notes payable to Community Development Block Grant, HUD and Community Development Finance Authority. Forgiveness of debt income totaled \$388,849 for the year ended May 31, 2019.

During the year ended May 31, 2018, the Organization realized forgiveness of debt income in connection with notes payable to the County of Cheshire, HUD and New Hampshire Housing. Forgiveness of debt income totaled \$75,971 for the year ended May 31, 2018.

NOTE 12 TRANSFER OF PARTNERSHIP INTEREST

During the years ended May 31, 2019 and 2018, Southwestern Community Services, Inc. acquired a partnership interest in three low-income housing limited partnerships: Winchester, Swanzey and Snow Brook. The amount paid for the partnership interest in Winchester, Swanzey and Snow Brook was \$1 each, and at the time of acquisition, Southwestern Community Services, Inc. became the general partner. The following is a summary of the assets and liabilities of the partnership at the date of acquisition:

	<u>2018</u>	<u>2019</u>	
	<u>Winchester</u>	<u>Swanzey</u>	<u>Snow Brook</u>
Date of Transfer	08/16/2017	06/30/2018	05/01/2019
Cash	\$ 24,508	\$ 12,856	\$13,374
Security deposits	11,467	7,330	8,821
Cash reserves	164,110	119,061	178,852
Property, net	990,842	1,330,231	1,211,341
Other assets	<u>12,328</u>	<u>6,436</u>	<u>15,776</u>
Total assets	<u>1,203,255</u>	<u>1,475,914</u>	<u>1,428,164</u>
Notes payable	304,073	666,902	665,173
Other Liabilities	<u>22,009</u>	<u>87,108</u>	<u>140,119</u>
Total liabilities	<u>326,082</u>	<u>754,010</u>	<u>805,292</u>
Partners' capital	877,173	721,904	622,872
Partners' capital previously recorded as an investment in related parties	<u>(53,888)</u>	<u>31,190</u>	<u>60,716</u>
Partners' capital transferred	<u>\$ 823,285</u>	<u>\$ 753,094</u>	<u>\$ 683,588</u>

NOTE 13 **AVAILABILITY AND LIQUIDITY**

The following represents Southwestern Community Services' financial assets as of May 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 882,187	\$ 1,086,895
Accounts receivable	1,245,826	1,095,486
Due from related party	59,102	188,523
Notes receivable	112,000	112,000
Interest receivable	45,547	45,547
Cash escrow and reserve funds	<u>849,334</u>	<u>517,853</u>
Total financial assets	<u>3,193,996</u>	<u>3,046,304</u>
Less amounts not available to be used within one year:		
Due from related party	(59,102)	(188,523)
Notes receivable	(112,000)	(112,000)
Interest receivable	(45,547)	(45,547)
Reserve funds	<u>(729,486)</u>	<u>(444,980)</u>
Total amounts not available within one year	<u>(946,135)</u>	<u>(791,050)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 2,247,861</u>	<u>\$ 2,255,254</u>

The Organization has a goal to maintain unrestricted cash on hand to meet 30 days of normal operating expenditures, which are, on average, approximately \$1,224,000 and \$1,183,000 at May 31, 2019 and 2018, respectively. The Organization has a \$250,000 line of credit available to meet cash flow needs.

NOTE 14 **RECLASSIFICATION**

Certain amounts and accounts from the prior year's financial statements were reclassified to enhance comparability with the current year's financial statements.

NOTE 15 **SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through November 5, 2019, the date the financial statements were available to be issued.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES
CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2019

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2019 Total
REVENUES									
Government contracts	\$ 4,848,587	\$ 2,853,470	\$ 1,807,684	\$ 53,038	\$ 734,566	\$ 148,424	\$ 10,243,769	\$ 428,933	\$ 10,672,702
Program service fees	572,421	-	74,144	997,150	24,700	772,976	2,441,391	44,014	2,485,405
Rental income	-	-	84,704	908,276	-	1,400	995,380	-	995,380
Developer fee income	-	-	-	-	-	-	-	-	-
Support	12,751	16,848	123,635	-	168,704	130,453	452,391	-	452,391
Sponsorship	-	2,713	1,104	-	-	66,814	70,631	262	70,893
Interest income	12	-	2,183	3,211	13	21	5,440	1,713	7,153
Forgiveness of debt	-	-	59,141	329,708	-	-	388,849	-	388,849
Miscellaneous	2,770	10,389	4,844	69,893	25,148	-	113,042	7,655	120,697
In-kind contributions	-	241,499	-	-	-	-	241,499	-	241,499
Total revenues and other support	\$ 5,434,541	\$ 3,124,919	\$ 1,957,439	\$ 2,382,276	\$ 953,129	\$ 1,120,088	\$ 14,952,392	\$ 482,577	\$ 15,434,969
EXPENSES									
Payroll	\$ 432,968	\$ 1,224,986	\$ 377,595	\$ 775,425	\$ 414,730	\$ 432,826	\$ 3,658,530	\$ 753,068	\$ 4,411,598
Payroll taxes	33,521	97,919	29,527	59,738	33,519	34,195	288,419	58,304	346,723
Employee benefits	106,054	415,890	142,654	289,985	97,771	180,294	1,232,648	111,111	1,343,759
Retirement	29,200	70,406	18,908	61,938	27,831	16,181	224,462	71,547	296,009
Advertising	-	500	1,912	4,013	818	9,487	16,730	-	16,730
Bank charges	-	-	-	4,444	-	1	4,445	7,329	11,774
Bad debt	-	10	-	90	-	-	100	-	100
Computer cost	-	24,540	4,759	3,027	14,928	750	48,002	116,848	164,848
Contractual	629,045	32,930	230,984	38,696	2,719	116,585	1,050,959	39,743	1,090,702
Depreciation	-	28,300	108,291	281,950	-	14,207	432,748	147,367	580,115
Dues/registration	-	5,277	-	488	868	1,312	7,945	11,879	19,824
Duplicating	-	8,852	-	-	-	-	8,852	4,155	13,007
Insurance	6,714	14,798	23,590	60,672	14,130	7,184	127,068	33,892	160,960
Interest	-	7,775	8,022	21,956	-	1,610	39,363	184,045	203,408
Meeting and conference	8,673	813	2,567	8,104	565	22,569	43,291	24,957	68,248
Miscellaneous expense	181	1,695	637	34,793	3,851	2,931	43,888	19,278	63,166
Miscellaneous taxes	-	-	-	34,900	-	-	34,900	389	35,289
Equipment purchases	1,292	15,274	-	7,287	-	-	23,853	1,180	25,033
Office expense	24,820	8,499	6,895	11,475	8,458	807	58,754	11,656	70,410
Postage	97	268	138	53	214	-	770	24,238	25,008
Professional fees	4,300	-	1,301	36,095	-	-	41,696	90,968	132,664
Staff development and training	2,128	1,580	1,678	72	1,904	21,877	29,239	10,590	39,829
Subscriptions	-	-	-	655	354	-	1,009	399	1,406
Telephone	2,087	2,356	18,479	17,817	2,336	1,589	44,664	52,308	96,972
Travel	7,951	16,256	15,412	5,183	29,531	608	74,941	4,855	79,796
Vehicle	2,300	5,225	1,088	37,795	44,426	8,568	99,402	13,436	112,838
Rent	-	24,800	-	150	-	-	24,950	-	24,950
Space costs	-	194,946	332,351	512,392	1,000	376	1,041,065	106,866	1,147,931
Direct client assistance	3,947,152	214,436	668,284	10,674	23,619	21,049	4,885,214	-	4,885,214
In-kind expenses	-	241,499	-	-	-	-	241,499	-	241,499
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	5,238,483	2,659,830	1,994,872	2,319,865	721,370	894,986	13,829,406	1,880,406	15,709,812
Allocation of management and general expenses	712,284	361,661	271,246	315,436	98,088	121,693	1,880,406	(1,880,406)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,950,767	\$ 3,021,491	\$ 2,266,118	\$ 2,635,301	\$ 819,458	\$ 1,016,679	\$ 15,709,812	\$ -	\$ 15,709,812

See Independent Auditors' Report

SOUTHWESTERN COMMUNITY SERVICES, INC.

**CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2018**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2018 Total
REVENUES									
Government contracts	\$ 4,834,242	\$ 2,823,698	\$ 1,920,112	\$ 47,823	\$ 756,952	\$ 168,921	\$ 10,649,748	\$ 405,345	\$ 11,055,093
Program service fee	-	-	78,508	978,904	17,915	794,863	1,868,188	-	1,868,188
Rental income	-	-	117,370	684,072	-	200	801,642	-	801,642
Developer fee income	-	-	-	50,000	-	-	50,000	-	50,000
Support	104,617	35,405	99,437	-	139,240	130,530	509,229	-	509,229
Sponsorship	-	-	80	-	-	105,206	105,286	-	105,286
Interest income	23	7	1,051	1,382	-	35	2,478	8,481	8,859
Forgiveness of debt	-	-	59,141	16,830	-	-	75,971	-	75,971
Miscellaneous	2,010	126	6,485	42,373	47,352	-	98,346	2,426	100,772
In-kind contributions	-	161,852	-	-	-	-	161,852	-	161,852
Total revenues	\$ 5,040,892	\$ 3,021,088	\$ 2,280,182	\$ 1,821,364	\$ 961,459	\$ 1,197,755	\$ 14,322,740	\$ 414,252	\$ 14,736,992
EXPENSES									
Payroll	\$ 398,452	\$ 1,208,631	\$ 435,538	\$ 771,028	\$ 405,189	\$ 439,358	\$ 3,858,196	\$ 774,466	\$ 4,432,662
Payroll taxes	31,599	99,882	34,153	56,803	30,416	36,818	289,771	60,913	350,884
Employee benefits	122,782	453,204	148,394	278,393	87,744	187,020	1,275,517	54,590	1,330,107
Retirement	24,960	69,878	21,031	64,244	19,260	17,448	218,821	73,148	289,969
Advertising	-	142	1,897	4,166	2,114	18,172	24,491	-	24,491
Bank charges	15	-	120	3,834	-	-	3,969	9,079	13,048
Computer cost	-	9,185	4,300	14,144	14,298	3,500	45,427	62,052	107,479
Contractual	518,340	52,463	242,935	20,362	2,718	109,718	946,536	14,921	961,457
Depreciation	-	28,300	108,291	167,840	-	16,131	320,562	147,387	467,929
Dues/registration	-	6,038	-	343	988	997	8,364	10,175	18,539
Duplicating	1,584	6,148	-	-	-	-	9,732	4,321	14,053
Insurance	5,909	13,381	23,653	52,287	14,810	6,248	118,068	38,380	154,448
Interest	-	8,656	7,759	6,997	-	2,554	25,966	116,501	142,467
Meeting and conference	3,861	58	9,293	7,177	600	19,305	40,394	35,924	78,318
Miscellaneous expense	909	971	2,303	18,696	4,442	18,560	45,881	13,182	59,063
Miscellaneous taxes	-	-	-	26,381	-	-	26,381	988	27,367
Equipment purchases	4,670	24,320	80	12,348	-	-	41,418	2,305	43,723
Office expense	34,413	12,613	8,440	14,506	12,042	4,078	86,090	20,402	106,492
Postage	132	274	182	31	348	50	1,017	22,918	23,935
Professional	4,890	-	1,875	15,879	-	-	22,644	83,766	106,410
Staff development and training	1,430	23,724	2,624	8,287	5,675	28,044	69,784	2,943	72,727
Subscriptions	-	-	28	87	-	-	115	1,329	1,444
Telephone	2,086	15,297	19,681	14,569	2,435	3,239	57,307	56,576	113,883
Travel	5,335	20,013	20,312	5,195	29,509	2,000	82,364	3,509	85,873
Vehicle	2,140	2,510	712	31,826	45,200	9,201	91,589	10,961	102,570
Rent	-	25,201	-	-	-	-	25,201	-	25,201
Space costs	148	140,213	256,849	438,344	-	1,009	836,563	128,966	965,529
Direct client assistance	3,683,466	145,220	823,938	14,447	50,531	23,843	4,741,445	-	4,741,445
In-kind expenses	-	161,852	-	-	-	-	161,852	-	161,852
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	4,847,201	2,530,152	2,172,388	2,048,214	728,119	945,391	13,271,465	1,749,700	15,021,165
Allocation of management and general expenses	639,051	333,574	286,406	270,035	95,995	124,639	1,749,700	(1,749,700)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,486,252	\$ 2,863,726	\$ 2,458,794	\$ 2,318,249	\$ 824,114	\$ 1,070,030	\$ 15,021,165	\$ -	\$ 15,021,165

See Independent Auditors' Report

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2011

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S NUMBER	FEDERAL EXPENDITURE
U.S. Department of Agriculture				
Rural Housing Preservation Grant	10.433	Direct Funding	3403-02001-808	\$ 22,975
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	State of NH Dept. of Health & Human Services	010-090-52000000-102-500734	347,817
Child and Adult Care Food Program	10.558	State of NH, Dept of Education	Unknown	131,288
Food Distribution Cluster				
Commodity Supplemental Food Program	10.565	State of NH Dept. of Health & Human Services	010-090-52000000-102-500734	\$ 2,883
Emergency Food Assistance Program (Admin)	10.568	Community Action Program Belknap-Merrimack Counties	Unknown	1,444
Emergency Food Assistance Program (Food Commodities)	10.569	Community Action Program Belknap-Merrimack Counties	Unknown	89,048
				<u>93,373</u>
Total U.S. Department of Agriculture				\$ 695,433
U.S. Department of Housing and Urban Development				
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Homeless & Housing	05-05-05-958310-717800000-102-50731	\$ 155,482
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Office of Human Services	010-042-7927-102-0731	52,399
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Homeless & Housing	05-05-05-958310-717800000-102-50731	217,705
Shelter Plus Care	14.238	State of NH, DHHS, Bureau of Homeless & Housing	05-05-05-958310-717800000-102-50731	281,485
Continuum of Care Program	14.267	State of NH, DHHS, Bureau of Homeless & Housing	05-05-05-958310-717800000-102-50731	153,421
Total U.S. Department of Housing and Urban Development				\$ 900,492
U.S. Department of Labor				
WIOA Cluster				
WIA Adult Program	17.258	Southern NH Services	Unknown	\$ 42,285
WIA Dislocated Worker Formula Grants	17.278	Southern NH Services	Unknown	34,319
				<u>76,604</u>
Total U.S. Department of Labor/WIA Cluster				\$ 76,604
U.S. Department of Transportation Federal Transit Administration (FTA)				
Formula Grants for Rural Areas	20.509	State of NH, Department of Transportation	04-06-06-964010-2916	\$ 247,967
Transit Services Programs Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of NH, Department of Transportation	04-06-06-964010-2916	29,359
Total U.S. Department of Transportation Federal Transit Administration (FTA)				\$ 274,326
U.S. Department of Veterans Affairs				
VA Supportive Services for Veteran Families Program	04.033	Harbor Homes, Inc.	Unknown	\$ 97,479
Total U.S. Department of Veterans Affairs				\$ 97,479
U.S. Department of Energy				
Weatherization Assistance for Low-Income Persons	81.042	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 119,184
Total U.S. Department of Energy				\$ 119,184
U.S. Department of Health & Human Services				
Aging Cluster				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 5,324
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, DHHS, Bureau of Elderly & Adult Services	05-05-48-481010-7872	37,829
Grants to States to Support Oral Health Workforce Activities	93.236	State of NH, DHHS, Division of Family Assistance	Unknown	43,253
Drug-Free Communities Support Program Grants	93.278	Direct Funding	5H79SP018677-08	13,479
Affordable Care Act (ACA) - Consumer Assistance Program Grants	93.519	Direct Funding	HCBC/CFI	137,870
TANF Cluster				6,149
Temporary Assistance for Needy Families	93.558	Southern NH Services	Unknown	299,534
Low Income Home Energy Assistance (Fuel Assistance)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-77050000-500587	4,303,059
Low Income Home Energy Assistance (HRRP)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-77050000-500587	185,592
Low Income Home Energy Assistance (BYPP)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-77050000-500587	218,621
Community Services Block Grant	93.596	State of NH, DHHS, Div. of Family Assistance	500731	4,887,172
Community Services Block Grant - Discretionary	93.570	State of NH, DHHS, Div. of Family Assistance		408,863
Head Start	93.800	Direct Funding	01CH9859	22,308
Medical Cluster				2,328,288
Medical Assistance Program	93.778	State of NH, DHHS, Office of Human Services	05-05-47-470010-52010000	12,271
Total U.S. Department of Health & Human Services				\$ 7,957,003
U.S. Department of Homeland Security				
Emergency Food and Shelter National Board Program	97.024	State of NH, DHHS, Office of Human Services	Unknown	\$ 2,099
Total U.S. Department of Homeland Security				\$ 2,099
TOTAL				<u>\$ 10,919,820</u>

See Notes to Schedule of Expenditures of Federal Awards

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2019**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Southwestern Community Services, Inc. under programs of the federal government for the year ended May 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Southwestern Community Services, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

Southwestern Community Services, Inc. has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 FOOD DONATION

Nonmonetary assistance is reported in the Schedule at the fair value of the commodities received and disbursed.

NOTE 5 SUBRECIPIENTS

Southwestern Community Services, Inc. had no subrecipients for the year ended May 31, 2019.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statement of financial position as of May 31, 2019, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related consolidated notes to the financial statements, and have issued our report thereon dated November 5, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southwestern Community Services, Inc.'s consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

*Leon, McDonnell & Roberts
Professional Association*

November 5, 2019
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

We have audited Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southwestern Community Services, Inc.'s major federal programs for the year ended May 31, 2019. Southwestern Community Services, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Southwestern Community Services, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Southwestern Community Services, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Southwestern Community Services, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Southwestern Community Services, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2019.

Report on Internal Control Over Compliance

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

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

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

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

*Leon, McDonnell & Roberts
Professional Association*

November 5, 2019
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MAY 31, 2019

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Southwestern Community Services, Inc. were prepared in accordance with GAAP.
2. No significant deficiencies disclosed during the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
3. No instances of noncompliance material to the consolidated financial statements of Southwestern Community Services, Inc. which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Southwestern Community Services, Inc. expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs were: U.S. Department of Health and Human Services; Low-Income Home Energy Assistance, 93.568, and U.S. Department of Transportation; Formula Grants for Rural Areas, 20.509.
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Southwestern Community Services, Inc. was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED MAY 31, 2019**

There were no findings or questioned costs that were required to be reported in the Schedule of Findings and Questioned Costs for the year ended May 31, 2018.

Southwestern Community Services, Inc. Board of Directors - Composition – 2019 –

CHESHIRE COUNTY

SULLIVAN COUNTY

**CONSTITUENT
SECTOR**

Beth Fox

Assistant City Manager/
Human Resources Director
City of Keene

Mary Lou Huffling

Fall Mountain Emergency Food Shelf
Alstead Friendly Meals

Brianna Trombi

Head Start Policy Council
Parent Representative

**PRIVATE
SECTOR**

Elaine Amer, Clerk/Treasurer

Amer Electric Company (*retired*)

Anne Beattie

Newport Service Organization

Kevin Watterson, Chair

Clarke Companies (*retired*)

**PUBLIC
SECTOR**

Jay Kahn

State Senator, District 10

Kerry Belknap Morris, M.Ed.

Early Childhood Education
River Valley Community College

David Edkins

Walpole, NH

Derek Ferland

Sullivan County Manager

CRAIG A. HENDERSON

SUMMARY OF QUALIFICATIONS

- Proficient in: Word, Excel, PowerPoint, Internet, Outlook, Photoshop,
 - Ability to prioritize in a fast paced environment and to learn new tasks quickly and effectively
 - Dedicated, reliable and responsible
 - Extensive background in Social Services, Property Management, Finance, and Customer Service
-

EDUCATION

- B.A. Psychology with a specialization in counseling May, 1999
 - B.S. Business Management
Keene State College
Keene, NH 03435
-

EMPLOYMENT HISTORY

Henderson & Bosley Property Management 8/02-Present
President Keene, NH

- Adhering to NH State housing laws and government housing programs
- Advertising and marketing of vacant apartments, Creating leases, Performing credit checks
- Property inspections and maintenance- including basic carpentry, landscaping etc.
- Research and management of investment opportunities

Southwestern Community Services 10/07-Present
Director of Housing Stabilization Services

- Designs and implements systems to provide efficient operation of all Housing Stabilization programs.
- Manages and leads assigned staff to ensure SCS policies and procedures are followed in a manner consistent with the organization's mission, values, and culture.
- Participates in the hiring of new employees and oversees the orientation and training of all assigned staff.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

Southwestern Community Services 10/07-Present
Assistant Director of Housing Stabilization Services Keene, NH

- Monitor quality of services, operation of assigned programs, facilities, and staff.
- Process and certify tenant/client applications for all Supportive Housing Programs; facilitate move-in process; track and collect rents/subsidies utilizing Classic Real Estate Software; track and collect all match documentation; recertify tenants when necessary and in a timely manner.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

Southwestern Community Services 02/03-10/07
Long Term Transitional Housing Program Administrator Keene, NH

- Responsibilities include: Assisting the homeless of Cheshire County with budgeting and referrals to other needed services; Advocating on behalf of clients to create new networks and improve current relationships; providing counsel through tough transitions, as well as, creating and maintaining an environment of success through programs such as Mediation Training, Consumer Credit Counseling, Psychological Therapy, Parenting Classes, and First Time Homebuyers programs.
- Basic maintenance of shelter properties and inventory control
- Responsible to track data and create statistical reports based on information collected to assist in budget allocations for Southwestern Community Services

Coldwell Banker / Tattersall 1/02-3/04
Real Estate Sales Associate Keene, NH

- Assisting buyers and sellers of real estate through customer/client interaction
- Informing clients/customers of federal and state regulations, financing options, and negotiating
- Creating marketing plans and researching pricing through competitive market analysis

**Vision Appraisal Technology
Data Collector**

**5/02-2/03
Keene, NH**

- Assured accurate and consistent real-estate assessments with the emphasis in field work
- Position required strong attention to detail with the emphasis in property measurement and appraisal as well as requiring strong customer skill by acting as a liaison between town assessors office and the property owner

**Monadnet
Customer Service Supervisor**

**8/99-8/01
Keene, NH**

- Responsibilities include maintaining all major accounts and new account data; managing projects and delegating responsibilities, A/R and A/P reconciliation, Collections of delinquent accounts.
- Financial Analysis and Trend Monitoring, Billing Systems Analyst
- Direct mediation and resolution of customer service issues.

AWARDS RECEIVED

- Delta Mu Delta: National Business Honor Society
- Psi Chi: National Psychology Honor Society

CONTINUING EDUCATION AND CERTIFICATIONS

04/18/2007 Certified Occupancy Specialist – National Center for Housing Management.

09/23/2008 Successful completion of "Landlord and Tenant Law" seminar – Lorman Educational Services

02/23/2016 HUD Certified Housing Quality Standards Inspector

01/21/2016 Completed 8.5 hours of Nonviolent Crisis Intervention training

04/26/2013 Certification in Fair Housing Law – Granite State Managers Association

08/10/2016 Blood Borne Pathogen Training

08/24/2016 6 hours of comprehensive low income housing tax credit training – Johnson Consulting Services, Inc

John A. Manning

[REDACTED]
[REDACTED]

Summary

Over 30 years of experience with non-profit organizations, as both an outside auditor and presently Chief Financial Officer of a large community action agency.

Experience

2014–Present Southwestern Community Services Inc.
Keene, NH

Chief Executive Officer

Oversees all fiscal functions for a community action agency providing services to low and moderate income individuals. Programs include Head Start, Fuel Assistance, and multiple affordable housing projects. Reports to the agency board of directors.

1990–2014 Southwestern Community Services Inc.
Keene, NH

Chief Financial Officer

Oversees all fiscal functions for a community action agency providing services to low and moderate income individuals. Programs include Head Start, Fuel Assistance, and multiple affordable housing projects. Supervises a staff of 7, with an agency budget of over \$ 13,000,000. Also oversees agency property management department, which manages over 300 units of affordable housing.

1985-1995 Keene State College Keene, NH

Adjunct Professor

Taught evening accounting classes for their continuing education program.

1978-1990 John A. Manning, Keene, NH

Certified Public Accountant

Provided public accounting services to small and medium sized clients, including multiple non-profit organizations. Performed certified audits on several clients, including Head Start and other non-profit clients

1975-1978 Kostin and Co. CPA's West Hartford, Ct.

Staff Accountant

Performed all aspects of public accounting for medium sized accounting firm. Audited large number of privately held and non-profit clients.

Education

1971-1975 University of Mass. Amherst, Ma.

- B.S. Business Administration in Accounting

Organizations

American Institute of Certified Public Accountants
NH Society of Certified Public Accountants

Margaret Freeman



Experience

2000 – Present

Southwestern Community Services Inc.

Keene, NH

Chief Financial Officer (2014 – present)

Supervising the quality of accounting and financial reporting of SCS; a Community Action Agency. Total funding of \$18 million; federal, state and local funding sources. Primary responsibilities include overseeing the accounting functions, implementation and monitoring of internal controls, reporting financial position to the Board of Directors, preparation of the annual A-133 audit, member of agencies Senior Staff.

Fiscal Director (2000-2014)

Responsible to lead and manage the daily operations of the Fiscal Department of SCS. Primary duties include budget preparation and analysis, financial statement preparation and audit coordination.

1993 –2000

Emile J. Legere Management Corp

Keene, NH

Accountant

Provided bookkeeping for real estate management/development corp. Managed 16 affordable housing properties. Responsible for cash management, general ledger, A/P, A/R, financial statement prep, and audit prep. Leasing Manager of large commercial/retail property responsible for lease management and marketing of over 30 retail spaces.

Education

Leadership New Hampshire, Graduate 2011

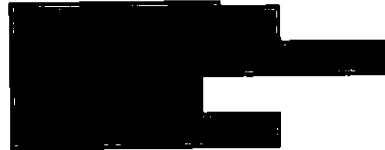
Plymouth State University, Plymouth, NH

M.B.A., 1999

Keene State College, Keene, NH

B.S., Management, 1991; concentration Mathematics and Computer Science

Rob Waters



Education

Keene State College

Fall Mountain Reg. High School

Graduate 1998

Keene, New Hampshire

Langdon NH

Employment History

2017-Present SCS

Coordinated Entry Manager

Keene, New Hampshire

- ❖ Act as the main point of contact for individuals and families experiencing homelessness or who are in need of homeless prevention assistance for Cheshire and Sullivan counties
- ❖ Make appropriate housing program referrals
- ❖ Oversee SHP case managers and Shelter Managers to ensure proficient workflow and processes in regards to housing individuals and families
- ❖ Physically outreach to known and unknown sites offering assistance to those displaced by their homeless situation
- ❖ Administer the EHP RRH program
- ❖ Assist superior staff with any other tasks as appropriate
- ❖ Case manage clients enrolled in the EHP program, and provide as needed case management to clients if so needed
- ❖ Timely intakes and exits for outreach programs

2015-2017 SCS
Hampshire

Shelter Manager & Homeless Outreach

Claremont, New

- ❖ Outreach to known/unknown sites in Sullivan county, offering assistance to those displaced by homelessness
- ❖ Uphold the rules and regulations of our shelters as laid out by BHS and HUD
- ❖ Timely intakes and exits for both outreach and shelter programs
- ❖ Work closely with the SHP program to identify qualified persons for various SHP programs
- ❖ Oversee resident manager staff
- ❖ Assist in administering the EHP RRH program
- ❖ Monitor budgets in regards to the shelter
- ❖ Case manager all shelter clients in an effort to help them build up and move forward from their homeless experience

2007-2015

Aarons Sales and Lease

Assistant Manager/Trainer

Maine,

New Hampshire, Vermont

- ❖ Supervised staff
- ❖ Responsible for opening and closing store
- ❖ Responsible for balancing registers and bank deposits
- ❖ Assisted customers with merchandise selection and purchases
- ❖ Train sales and collections staff
- ❖ Help under performing stores turn performance around
- ❖ Retrain management
- ❖ Control service logs and loaner items to provide the highest level of service to our customers
- ❖ Set and achieve aggressive sales and renewal goals

Affiliation and Volunteer Experience

2013-2014. Arms for Kids non profit	ASST Director	Arms for Kids
Built for Zero team subcommittee	Member	BHS, DHHS
CCAR Recovery Coach training	Trainer	CCAR/SCS

SOUTHWESTERN COMMUNITY SERVICES
Coordinated Entry Program

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
John Manning	CEO	\$132,080	0	0
Meg Freeman	CFO	\$90,854	0	0
Craig Henderson	Director of Housing Stabilization	\$51,043	4.8%	\$2,460
Rob Waters	Coordinated Entry Manager	\$36,920	100%	\$36,920



Jeffrey A. Meyers
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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020, 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

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

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are sole source because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

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

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

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

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.

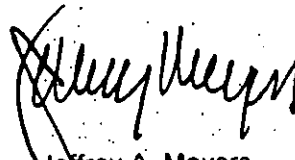
Source of funds: 100% Federal Funds from the U.S. Department of Housing and Urban Development, Office of Community Planning and Development, Catalog of Federal Domestic Assistance Number (CFDA) #14.267.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner

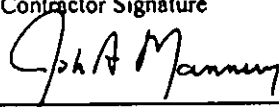
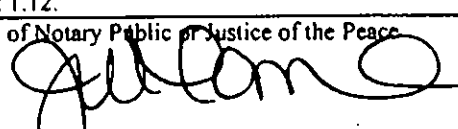
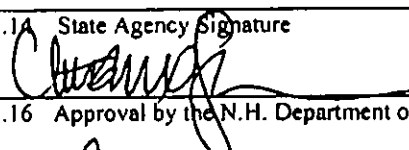


Subject: Continuum of Care, Coordinated Entry Program, SS-2020-BHS-05-Coord-02

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**I. 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 Southwestern Community Services, Inc.		1.4 Contractor Address 63 Community Way P.O. Box 603 Keene, NH 03431-0603	
1.5 Contractor Phone Number (603) 352-7512	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$86,552
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 John A. Manning Chief Executive Officer	
1.13 Acknowledgement: State of NH, County of Cheshire On 05/23/19, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal] JILL A. TOMLIN, Justice of the Peace State of New Hampshire My Commission Expires April 5, 2022			
1.13.2 Name and Title of Notary or Justice of the Peace Jill Tomlin, Justice of the Peace			
1.14 State Agency Signature  Date: 5/29/19		1.15 Name and Title of State Agency Signatory Christine Santamaria, Director, DEHHS	
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:  On: 6/4/2019			
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.



SCOPE OF SERVICES

Coordinated Entry 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
129 Pleasant Street
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may 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. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.7. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.
- 1.8. Failure to submit required reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by BHS.



2. Scope of Services

- 2.1. Based on the continued receipt/availability of federal funds from HUD Continuum of Care Program, the Contractor shall provide a Coordinated Entry program that shall serve approximately one-thousand (1000) homeless individuals or individuals at imminent risk of homelessness.
- 2.2. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 2.3. The Contractor shall support the primary goal of this program which is to identify and engage unsheltered homeless persons and persons at imminent risk of homelessness, and to provide basic interventions such as food and referrals to services and to facilitate their movement to shelter, permanent housing and maximum self-sufficiency.
- 2.4. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations, or at imminent risk of homelessness. The Contractor must obtain and retain appropriate documentation.
- 2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.
- 2.6. The contractor shall participate in their regional Coordinated Entry process.

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/Grant 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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.
- 4.3. All contract records (originals or copies made by microfilming, photocopying, or other similar methods) shall be retained for a period of five (5) years or as required by state or federal law, following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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Exhibit A

5. Performance Measures

- 5.1. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and all terms and conditions, and amendments thereto, as detailed in the relevant fiscal year Notice of Funding Available (NOFA) CoC Project Application approved by HUD; and
 - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
 - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Coordinated Entry Program

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
 - 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0096L1T001803
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Coordinated Entry
 - 1.2.7. Total Amount Continuum of Care;
 - 1.2.7.1. not to exceed \$86,552
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Leasing Expenses: \$0.000
 - 1.2.8.2. Rental Assistance: \$0,000
 - 1.2.8.3. Operating Expenses: \$0,000
 - 1.2.8.4. Supportive Services: \$84,092
 - 1.2.8.5. Administrative Expenses: \$2,460
 - 1.2.8.6. Total program amount: \$86,552
- 1.3. The Contractor agrees to 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
129 Pleasant Street
Concord, NH 03301

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Exhibit B

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used 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/Grant completion date.

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

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).

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 are to be documented with each payment request.
- 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
 - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
 - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
 - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
 - 3.3.3.4. 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, subject to the availability of sufficient funds.

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Continuum of Care Program**

Exhibit B

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.

3.4.5. Schedule of Payments:

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:
housingsupportsinvoices@dhhs.nh.gov
- 3.4.5.3. 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.

3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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 or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, and may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

5. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

- 5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

- 5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

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

- 5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;



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- 5.3.2.4. 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;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. 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;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. 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;
- 5.3.2.10. 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 the 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;
- 5.3.2.11. 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;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. 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;
- 5.3.2.14. 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;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
- 5.3.2.19. 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.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures – established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. 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.
- 5.4.6. 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.
- 5.4.7. 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.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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Exhibit B

5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

5.4.9.1. 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.

5.4.9.2. 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.

5.4.9.3. 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.

5.4.9.4. 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.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

5.5.1.1. 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; and

5.5.1.2. 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:

5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.

5.5.1.2.1.1. 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:

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New Hampshire Department of Health and Human Services
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Exhibit B

- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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.

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5.6.1. Requirements:

- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. 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.

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

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

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SPECIAL PROVISIONS

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

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

Exhibit C – Special Provisions

Contractor Initials

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New Hampshire Department of Health and Human Services
Exhibit C



- 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.

Exhibit C - Special Provisions

Contractor Initials

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5/23/19

Date

New Hampshire Department of Health and Human Services
Exhibit C



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

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

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more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP 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 EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP 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

New Hampshire Department of Health and Human Services
Exhibit C



- 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.

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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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.



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 GRANTEEES OTHER THAN INDIVIDUALS

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

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

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

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

New Hampshire Department of Health and Human Services
Exhibit D



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


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

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

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date


Name: John A. Manning
Title: Chief Executive Officer



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-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date

Name: John A. Manning

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

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New Hampshire Department of Health and Human Services
Exhibit F



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

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

PRIMARY COVERED TRANSACTIONS

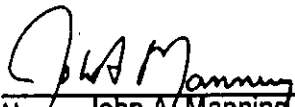
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 -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


LOWER TIER COVERED TRANSACTIONS

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

Vendor Name: Southwestern Community Services, Inc.

05/23/19
Date


Name: John A. Manning
Title: Chief Executive Officer

Vendor Initials 
Date 5/23/19



**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

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

Vendor Initials

Jm

5/23/19

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: Southwestern Community Services, Inc.

05/23/19
Date

A handwritten signature in dark ink, appearing to read "John A. Manning".
Name: John A. Manning

Title: Chief Executive Officer

Exhibit G

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

Vendor Initials

Handwritten initials "Jm" in dark ink.

Date 5/23/19



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.

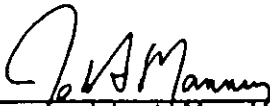
The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

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: Southwestern Community Services, Inc.

05/23/19

Date



Name: John A. Manning
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

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

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

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



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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



Exhibit I

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

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



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) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

Department of Health and Human Services

Southwestern Community Services, Inc.

The State

Name of the Vendor

Christine Sanborn

John A. Manning

Signature of Authorized Representative

Signature of Authorized Representative

Christine Sanborn

John A. Manning

Name of Authorized Representative

Name of Authorized Representative

Director D91H

Chief Executive Officer

Title of Authorized Representative

Title of Authorized Representative

5/29/19

05/23/19

Date

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: Southwestern Community Services, Inc.

05/23/19

Date

Name: John A. Manning

Title: Chief Executive Officer

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

 X NO YES

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

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

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

_____ NO _____ YES

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

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

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

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

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

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

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

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

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5/23/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

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

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5/23/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

II. METHODS OF SECURE TRANSMISSION OF DATA

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

Jm
5/23/19



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

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

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

A. Retention

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

V. LOSS REPORTING

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

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

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

New Hampshire Department of Health and Human Services
Continuum of Care, Shelter Plus Care (SPC)



State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Continuum of Care, Shelter Plus Care (SPC)

This 1st Amendment to the Continuum of Care, Shelter Plus Care (SPC) contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Southwestern Community Services, Inc., (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 63 Community Way, P.O. Box 603, Keene, NH, 03431.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2021.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$570,368.
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Shelter Plus Care Program Funding, Subsection 1.2., Paragraph 1.2.4., to read:
1.2.4. Grant Numbers:
1.2.4.1 NH0057L1T001809 (Grant Year 1)
1.2.4.2 NH0057L1T001910 (Grant Year 2)
4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Shelter Plus Care Program Funding, Subsection 1.2., Paragraph 1.2.7., Subparagraph 1.2.7.1. to read:
1.2.7.1 Not to exceed \$570,368
5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Shelter Plus Care Program Funding, Subsection 1.2., Paragraph 1.2.8., to read:
1.2.8. Funds allocation under this agreement for Continuum of Care Program;

	<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1. Rental Assistance	\$268,152	\$274,872
1.2.8.2. Administrative Expenses	<u>\$13,672</u>	<u>\$13,672</u>
1.2.8.3. Total Program Amount	\$281,824	\$288,544

Jm
3/26/2020

New Hampshire Department of Health and Human Services
Continuum of Care, Shelter Plus Care (SPC)



All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

4/13/20
Date

Christine Santantello
Name: Christine Santantello
Title: Director DEHS

Southwestern Community Services, Inc.

3-26-20
Date

John Manning
Name: John Manning
Title: Chief Executive Officer

8/26/2010

New Hampshire Department of Health and Human Services
Continuum of Care, Shelter Plus Care (SPC)



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

OFFICE OF THE ATTORNEY GENERAL

4/17/20
Date

Gail Rie
Name:
Title:

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

gm
3/26/2020

State of New Hampshire

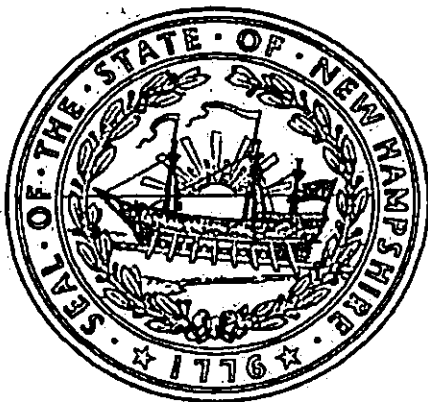
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHWESTERN COMMUNITY SERVICES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 19, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 65514

Certificate Number: 0004822550



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 3rd day of March A.D. 2020.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

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

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on February 18, 2016 :
(Date)

RESOLVED: That the Chief Executive Officer
(Title of Contract Signatory)

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

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 24th day of March, 2020
(Date Amendment Signed)

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

of the Agency.

Elaine M. Amer
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

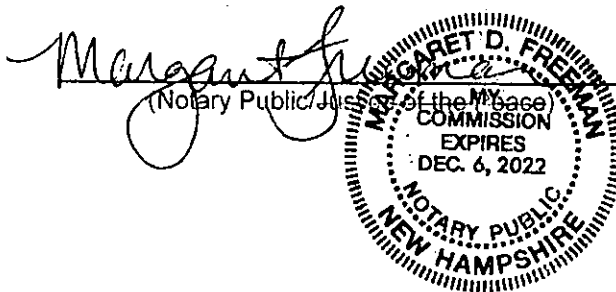
County of Cheshire

The forgoing instrument was acknowledged before me this 24th day of Mar, 2020

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

(NOTARY SEAL)

Commission Expires: 12-6-2022





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/5/2020

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

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

PRODUCER Clark - Mortenson Insurance P.O. Box 606 Keene NH 03431	CONTACT NAME:	
	PHONE (A/C No., Ext): 603-352-2121	FAX (A/C No.): 603-357-8491
E-MAIL ADDRESS: csr24admin@clark-mortenson.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Philadelphia Insurance Company		0
INSURER B: Maine Employer Mutual Insurance Co.		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

INSURED
Southwestern Comm Services Inc
PO Box 603
Keene NH 03431

SOUTHWESTERNCOM

COVERAGES

CERTIFICATE NUMBER: 964223655

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK2000692	6/30/2019	6/30/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			PHPK2000704	6/30/2019	6/30/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTIONS \$ 10,000			PHUB681876	6/30/2019	6/30/2020	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) if yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	N/A	3102800768	4/1/2019	4/1/2020	<input checked="" type="checkbox"/> PER STATUTE OTHER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Professional Liability			PHPK2000692	6/30/2019	6/30/2020	\$1,000,000 per occurrence \$2,000,000 general aggregate

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

Workers Compensation Statutory coverage provided for the State of NH
All Executive Officers are included in the Workers Compensation coverage

CERTIFICATE HOLDER

CANCELLATION

State of NH, DHHS
129 Pleasant Street
Concord NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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Vision Statement

Southwestern Community Services

SCS seeks to **create** and **support** a climate within the communities of southwestern New Hampshire wherein **poverty is never accepted** as a chronic or permanent condition of any person's life.

Mission Statement

Southwestern Community Services

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

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

Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC.
AND RELATED COMPANIES

**FOR THE YEARS ENDED
MAY 31, 2019 AND 2018
AND
INDEPENDENT AUDITORS' REPORTS**

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2019 AND 2018

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

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statements of financial position as of May 31, 2019 and 2018, and the related consolidated statements of cash flows, functional expenses, and notes to the consolidated financial statements for the years then ended, and the related consolidated statement of activities for the year ended May 31, 2019.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. and related companies as of May 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Southwestern Community Services, Inc. and related companies' 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 17, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedules of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedules of Functional Revenues and Expenses, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2019, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southwestern Community Services, Inc.'s internal control over financial reporting and compliance.

Leon, McDonnell : Roberts
Professional Association

November 5, 2019
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MAY 31, 2019 AND 2018****ASSETS**

	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 882,187	\$ 1,086,895
Accounts receivable	1,245,826	1,059,922
Prepaid expenses	51,722	35,019
Notes receivable	112,000	112,000
Interest receivable	<u>45,547</u>	<u>45,547</u>
Total current assets	<u>2,337,282</u>	<u>2,339,383</u>
PROPERTY		
Land and buildings	19,188,791	14,438,178
Vehicles and equipment	554,976	549,305
Furniture and fixtures	<u>220,291</u>	<u>39,617</u>
Total property	<u>19,964,058</u>	<u>15,027,100</u>
Less accumulated depreciation	<u>7,938,217</u>	<u>4,880,952</u>
Property, net	<u>12,025,841</u>	<u>10,146,148</u>
OTHER ASSETS		
Investment in related parties	198,728	88,706
Due from related parties	59,102	188,523
Cash escrow and reserve funds	849,334	517,853
Security deposits	62,996	51,996
Other assets	<u>384</u>	<u>384</u>
Total other assets	<u>1,170,544</u>	<u>847,462</u>
Total assets	<u>\$ 15,533,667</u>	<u>\$ 13,332,993</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 391,613	\$ 124,085
Accrued expenses	119,620	206,178
Accrued payroll and payroll taxes	233,900	250,692
Other current liabilities	138,740	135,573
Refundable advances	180,994	193,931
Interest payable	49,547	-
Current portion of long term debt	<u>227,221</u>	<u>216,438</u>
Total current liabilities	1,341,635	1,126,897
NONCURRENT LIABILITIES		
Long term debt, less current portion shown above	<u>9,086,445</u>	<u>8,273,983</u>
Total liabilities	<u>10,428,080</u>	<u>9,400,880</u>
NET ASSETS		
Without donor restrictions	4,922,671	3,787,422
With donor restrictions	<u>182,916</u>	<u>144,691</u>
Total net assets	<u>5,105,587</u>	<u>3,932,113</u>
Total liabilities and net assets	<u>\$ 15,533,667</u>	<u>\$ 13,332,993</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MAY 31, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Total</u>	<u>2018 Total</u>
REVENUES AND OTHER SUPPORT				
Government contracts	\$ 10,672,702	\$ -	\$ 10,672,702	\$ 11,055,093
Program service fees	2,485,405	-	2,485,405	1,868,188
Rental income	995,380	-	995,380	801,642
Developer fee income	-	-	-	50,000
Support	326,558	125,833	452,391	509,229
Sponsorship	70,893	-	70,893	105,286
Interest income	7,153	-	7,153	8,959
Forgiveness of debt	388,849	-	388,849	75,971
Miscellaneous	120,697	-	120,697	100,772
In-kind contributions	241,499	-	241,499	161,852
Total revenues and other support	15,309,136	125,833	15,434,969	14,736,992
NET ASSETS RELEASED FROM RESTRICTIONS	<u>87,608</u>	<u>(87,608)</u>	<u>-</u>	<u>-</u>
Total revenues, other support, and net assets released from restrictions	<u>15,396,744</u>	<u>38,225</u>	<u>15,434,969</u>	<u>14,736,992</u>
EXPENSES				
Program services				
Home energy programs	5,238,483	-	5,238,483	4,847,201
Education and nutrition	2,659,830	-	2,659,830	2,530,152
Homeless programs	1,994,872	-	1,994,872	2,172,388
Housing services	2,319,865	-	2,319,865	2,048,214
Economic development services	721,370	-	721,370	728,119
Other programs	894,986	-	894,986	945,391
Total program services	13,829,406	-	13,829,406	13,271,465
Supporting activities				
Management and general	<u>1,880,406</u>	<u>-</u>	<u>1,880,406</u>	<u>1,749,700</u>
Total expenses	<u>15,709,812</u>	<u>-</u>	<u>15,709,812</u>	<u>15,021,165</u>
CHANGES IN NET ASSETS BEFORE LOSS ON SALE OF PROPERTY	(313,068)	38,225	(274,843)	(284,173)
LOSS ON SALE OF PROPERTY	(6,481)	-	(6,481)	(4,583)
GAIN (LOSS) ON INVESTMENT IN LIMITED PARTNERSHIPS	<u>18,116</u>	<u>-</u>	<u>18,116</u>	<u>(188)</u>
CHANGE IN NET ASSETS	(301,433)	38,225	(263,208)	(288,944)
NET ASSETS, BEGINNING OF YEAR	3,787,422	144,691	3,932,113	3,397,772
NET ASSETS TRANSFERRED FROM LIMITED PARTNERSHIP	<u>1,436,682</u>	<u>-</u>	<u>1,436,682</u>	<u>823,285</u>
NET ASSETS, END OF YEAR	<u>\$ 4,922,671</u>	<u>\$ 182,916</u>	<u>\$ 5,105,587</u>	<u>\$ 3,932,113</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENTS OF CASH FLOWS**
FOR THE YEARS ENDED MAY 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (263,208)	\$ (288,944)
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Depreciation and amortization	580,115	467,929
Loss on sale of property	6,481	4,583
(Gain) loss on investment in limited partnerships	(18,116)	188
Forgiveness of debt	(388,849)	(75,971)
(Increase) decrease in assets:		
Accounts receivable	(185,904)	265,199
Prepaid expenses	5,509	(3,439)
Interest receivable	-	(4,480)
Due from related parties	44,240	66,149
Security deposits	5,151	(2,623)
Increase (decrease) in liabilities:		
Accounts payable	145,829	(53,220)
Accrued expenses	(106,905)	(38,863)
Accrued payroll and payroll taxes	(16,792)	9,657
Other current liabilities	3,167	(13,125)
Refundable advances	(12,937)	(44,414)
Interest payable	49,547	-
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(152,672)</u>	<u>288,626</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase) decrease in escrow funds	(33,568)	5,846
Proceeds from sale of property	215,000	-
Purchase of property	<u>(139,717)</u>	<u>(142,791)</u>
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>41,715</u>	<u>(136,945)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term debt	40,048	76,143
Repayment of long term debt	<u>(160,029)</u>	<u>(112,612)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(119,981)</u>	<u>(36,469)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	<u>(230,938)</u>	<u>115,212</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,086,895</u>	<u>947,175</u>
CASH TRANSFERRED FROM LIMITED PARTNERSHIP	<u>26,230</u>	<u>24,508</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 882,187</u>	<u>\$ 1,086,895</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED MAY 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 203,408</u>	<u>\$ 142,467</u>
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Transfer of assets from newly consolidated LP:		
Prepaid expenses	\$ (22,212)	\$ (12,328)
Land and buildings	(2,373,335)	(894,504)
Furniture and fixtures	(168,237)	(96,338)
Cash escrow and reserve funds	(297,913)	(164,110)
Security deposits	<u>(16,151)</u>	<u>(11,467)</u>
Total transfer of assets from newly consolidated LP	<u>\$ (2,877,848)</u>	<u>\$ (1,178,747)</u>
Transfer of liabilities from newly consolidated LP:		
Accounts payable	\$ 121,699	\$ 10,810
Accrued expenses	20,347	11,199
Due to related parties	85,181	-
Long term debt	<u>1,332,075</u>	<u>304,073</u>
Total transfer of liabilities from newly consolidated LP	<u>\$ 1,559,302</u>	<u>\$ 326,082</u>
Total partners' capital from newly consolidated LP	<u>\$ 1,344,776</u>	<u>\$ 877,173</u>
Partners' capital previously recorded as investment in related parties	<u>91,906</u>	<u>(53,888)</u>
Total transfer of partners' capital from newly consolidated LP	<u>\$ 1,436,682</u>	<u>\$ 823,285</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2019**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2019 Total
Payroll	\$ 432,968	\$ 1,224,986	\$ 377,595	\$ 775,425	\$ 414,730	\$ 432,826	\$ 3,658,530	\$ 753,068	\$ 4,411,588
Payroll taxes	33,521	97,919	29,527	59,738	33,519	34,195	288,419	58,304	346,723
Employee benefits	106,054	415,890	142,654	289,985	97,771	180,294	1,232,648	111,111	1,343,759
Retirement	29,200	70,406	18,908	61,936	27,831	16,181	224,462	71,547	296,009
Advertising	-	500	1,912	4,013	818	9,487	16,730	-	18,730
Bank charges	-	-	-	4,444	-	1	4,445	7,329	11,774
Bad debt expense	-	10	-	90	-	-	100	-	100
Computer cost	-	24,540	4,759	3,027	14,926	750	48,002	116,846	164,848
Contractual	629,045	32,930	230,984	38,696	2,719	116,585	1,050,959	39,743	1,090,702
Depreciation	-	28,300	108,291	281,950	-	14,207	432,748	147,367	580,115
Dues/registration	-	5,277	-	488	888	1,312	7,945	11,879	19,824
Duplicating	-	8,852	-	-	-	-	8,852	4,155	13,007
Insurance	6,714	14,798	23,590	60,672	14,130	7,164	127,068	33,892	160,960
Interest	-	7,775	8,022	21,956	-	1,610	39,363	164,045	203,408
Meeting and conference	8,673	813	2,567	8,104	585	22,569	43,291	24,957	68,248
Miscellaneous expense	181	1,695	637	34,793	3,651	2,931	43,888	19,278	63,166
Miscellaneous taxes	-	-	-	34,900	-	-	34,900	389	35,289
Equipment purchases	1,292	15,274	-	7,287	-	-	23,853	1,180	25,033
Office expense	24,820	8,499	6,895	11,475	6,458	807	58,754	11,656	70,410
Postage	97	268	138	53	214	-	770	24,238	25,008
Professional fees	4,300	-	1,301	36,095	-	-	41,696	90,968	132,664
Staff development and training	2,128	1,580	1,678	72	1,904	21,877	29,239	10,590	39,829
Subscriptions	-	-	-	655	354	-	1,009	399	1,408
Telephone	2,087	2,356	18,479	17,817	2,336	1,589	44,664	52,308	96,972
Travel	7,951	16,258	15,412	5,183	29,531	808	74,941	4,855	79,796
Vehicle	2,300	5,225	1,088	37,795	44,426	8,568	99,402	13,436	112,838
Rent	-	24,800	-	150	-	-	24,950	-	24,950
Space costs	-	194,946	332,351	512,392	1,000	376	1,041,065	106,866	1,147,931
Direct client assistance	3,947,152	214,436	668,284	10,674	23,619	21,049	4,885,214	-	4,885,214
In-kind expenses	-	241,499	-	-	-	-	241,499	-	241,499
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	5,238,483	2,659,830	1,994,872	2,319,865	721,370	894,986	13,829,406	1,880,406	15,709,812
Allocation of management and general expenses	712,284	361,661	271,246	315,436	98,066	121,893	1,880,406	(1,880,406)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,950,767	\$ 3,021,491	\$ 2,266,118	\$ 2,635,301	\$ 819,436	\$ 1,016,879	\$ 15,709,812	\$ -	\$ 15,709,812

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC.

**CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2018**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2018 Total
Payroll	\$ 398,452	\$ 1,208,631	\$ 435,538	\$ 771,028	\$ 405,189	\$ 439,358	\$ 3,658,196	\$ 774,466	\$ 4,432,862
Payroll taxes	31,599	99,882	34,153	56,803	30,416	36,918	289,771	60,913	350,684
Employee benefits	122,782	453,204	146,394	278,393	87,744	187,020	1,275,517	54,590	1,330,107
Retirement	24,960	69,878	21,031	84,244	19,200	17,448	216,821	73,148	289,969
Advertising	-	142	1,897	4,166	2,114	16,172	24,491	-	24,491
Bank charges	15	-	120	3,834	-	-	3,969	9,079	13,048
Computer cost	-	9,185	4,300	14,144	14,298	3,500	45,427	62,052	107,479
Contractual	518,340	52,463	242,935	20,362	2,718	109,718	946,536	14,921	961,457
Depreciation	-	28,300	108,291	167,840	-	16,131	320,562	147,387	487,929
Dues/registration	-	6,036	-	343	988	997	8,364	10,175	18,539
Duplicating	1,584	8,148	-	-	-	-	9,732	4,321	14,053
Insurance	5,909	13,361	23,653	52,287	14,610	6,248	115,068	38,380	154,448
Interest	-	8,656	7,759	6,997	-	2,554	25,968	116,501	142,467
Meeting and conference	3,961	58	9,293	7,177	800	19,305	40,394	35,924	76,318
Miscellaneous expense	909	971	2,303	18,996	4,442	18,560	45,881	13,182	59,063
Miscellaneous taxes	-	-	-	26,381	-	-	26,381	986	27,367
Equipment purchases	4,670	24,320	80	12,348	-	-	41,418	2,305	43,723
Office expense	34,413	12,813	8,440	14,506	12,042	4,076	86,090	20,402	106,492
Postage	132	274	182	31	348	50	1,017	22,918	23,935
Professional fees	4,890	-	1,875	15,879	-	-	22,844	83,766	106,410
Staff development and training	1,430	23,724	2,624	8,287	5,675	28,044	69,784	2,943	72,727
Subscriptions	-	-	28	87	-	-	115	1,328	1,444
Telephone	2,086	15,297	19,681	14,569	2,435	3,239	57,307	56,576	113,883
Travel	5,335	20,013	20,312	5,195	29,509	2,000	82,364	3,509	85,873
Vehicle	2,140	2,510	712	31,826	45,200	9,201	91,569	10,981	102,570
Rent	-	25,201	-	-	-	-	25,201	-	25,201
Space costs	148	140,213	256,849	438,344	-	1,009	836,563	128,966	965,529
Direct client assistance	3,683,486	145,220	823,938	14,447	50,531	23,843	4,741,445	-	4,741,445
In-kind expenses	-	161,852	-	-	-	-	161,852	-	161,852
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	4,847,201	2,530,152	2,172,388	2,048,214	728,119	945,391	13,271,465	1,749,700	15,021,165
Allocation of management and general expenses	<u>639,051</u>	<u>333,573</u>	<u>286,407</u>	<u>270,035</u>	<u>95,995</u>	<u>124,639</u>	<u>1,749,700</u>	<u>(1,749,700)</u>	<u>-</u>
TOTAL FUNCTIONAL EXPENSES	\$ 5,486,252	\$ 2,863,725	\$ 2,458,795	\$ 2,318,249	\$ 824,114	\$ 1,070,030	\$ 15,021,165	\$ -	\$ 15,021,165

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEARS ENDED MAY 31, 2019 AND 2018**

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Southwestern Community Services, Inc. (the Organization) is a New Hampshire nonprofit corporation formed as an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in the Cheshire and Sullivan counties of New Hampshire. Various programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing, and homelessness prevention. Services are provided through Southwestern Community Services, Inc., and its related corporations, SCS Management Corporation, SCS Housing, Inc., SCS Development Corporation, SCS Housing Development, Inc., and various limited partnerships, as described below. The Organization is committed to providing respectful support service and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty. The primary source of revenues is derived from governmental contracts.

Principles of Consolidation

The consolidated financial statements include the accounts of Southwestern Community Services, Inc. and the following entities as Southwestern Community Services, Inc. has both an economic interest and control of the entities through a majority voting interest in their governing board. All significant intercompany items and transactions have been eliminated from the basic consolidated financial statements.

- SCS Management Corporation
- SCS Housing, Inc.
- SCS Development Corporation
- SCS Housing Development, Inc.
- Drewsville Carriage House Associates, Limited Partnership (Drewsville)
- Jaffrey Housing Associates, Limited Partnership (Jaffrey) – Sold 2/1/19
- Troy Senior Housing Associates, Limited Partnership (Troy Senior)
- Keene East Side Senior Housing Associates, Limited Partnership (Keene East Side)
- Winchester Senior Housing Associates, Limited Partnership (Winchester)
Consolidation began 8/16/17
- Swanzey Township Housing Associates, Limited Partnership (Swanzey)
Consolidation began 6/30/18
- Snow Brook Meadow Village Housing Associates, Limited Partnership
(Snow Brook) Consolidation began 5/01/19

Basis of Accounting

The consolidated financial statements of Southwestern Community Services, Inc. and related companies have been prepared utilizing the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications. The classes of net assets are determined by the presence or absence of donor-imposed restrictions.

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 Organization. These net assets may be used at the discretion of the Organization's Board of Directors.

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 Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

As of May 31, 2019 and 2018, the Organization had net assets without donor restrictions and with donor restrictions.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended May 31, 2018 from which the summarized information was derived.

Refundable Advances

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

In-Kind Support

The Organization records various types of in-kind support including professional services and materials. Contributed professional services are recognized if the service received creates or enhances long-lived assets or requires specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

Estimates

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all liquid investments purchased with original maturities of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at May 31, 2019 and 2018. The Organization has no policy for charging interest on overdue accounts.

Notes Receivable

The Organization has two notes receivable from an unrelated third party. The notes receivables are stated at the amount that is expected to be collected at year end. Interest is accrued at a rate of 4% annually. The balance of the notes receivable and related interest receivable was \$112,000 and \$45,547, respectively, at May 31, 2019 and 2018.

Current Vulnerability Due to Certain Concentrations

The Organization is operated in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change. For the years ended May 31, 2019 and 2018, approximately 68% and 75%, respectively, of the Organization's total revenue was received from government agencies. The future nature of the organization is dependent upon continued support from the government.

Concentration of Credit Risk

The Organization maintains its cash accounts in several financial institutions, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts.

Property and Depreciation

Purchased property and equipment are stated at cost at the date of acquisition or at fair value at the date of receipt in the case of donated property. The Organization generally capitalizes and depreciates all assets with a cost greater than \$5,000 and an expected life greater than one year. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Buildings and improvements	10 - 40 Years
Vehicles and equipment	5 - 10 Years
Furniture and fixtures	7 Years

The use of certain assets is specified under the terms of grants received from agencies of the federal government. These grants also place liens on certain assets and impose restrictions on the use of funds received from the disposition of the property. Depreciation expense for the years ended May 31, 2019 and 2018 totaled \$580,115 and \$467,929, respectively.

Advertising

The Organization expenses advertising costs as incurred.

Revenue Recognition

Amounts received from conditional grants and contracts received for specific purposes are generally recognized as income to the extent that related expenses and conditions are incurred or met. Conditional grants received prior to the conditions being met are reported as refundable advances. Contributions of cash and other assets are reported as with donor restrictions if they are received with donor imposed stipulations that limit the use of the donated assets. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as without donor restrictions.

Income Taxes

Southwestern Community Services, Inc. and SCS Management Corporation are exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and are not private foundations. As such, they are exempt from income tax on their exempt function income.

SCS Housing, Inc., SCS Development Corporation and SCS Housing Development, Inc. are taxed as corporations. SCS Housing Inc. has federal net operating loss carryforwards totaling \$1,012,604 and \$915,425 at May 31, 2019 and 2018, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2027. SCS Development Corporation has federal net operating loss carryforwards totaling \$579 and \$607 at May 31, 2019 and 2018, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2022.

The tax effects of the carryforwards as related to deferred tax assets is as follows as of May 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Tax benefit from loss carryforwards	\$212,768	\$137,408
Valuation allowance	<u>(212,768)</u>	<u>(137,408)</u>
Deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

Drewsville, Jaffrey, Troy Senior, Winchester, Keene East Side, Swanzey, and Snow Brook are taxed as partnerships. Federal income taxes are not payable by, or provided for these entities. Earnings and losses are included in the partners' federal income tax returns based on their share of partnership earnings. Partnerships are required to file income tax returns with the State of New Hampshire and pay an income tax at the state's statutory rate.

Accounting Standard Codification No. 740, "Accounting for Income Taxes," established the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. Management has analyzed the Organization's tax position taken on its income tax returns for all open years (tax years ending May 31, 2017 – 2019), and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

Fair Value of Financial Instruments

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

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

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

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

The carrying amount of cash, accounts receivables, prepaid expenses, accounts payable, accrued expenses, and refundable advances approximates fair value because of the short maturity of those instruments.

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 Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Natural expenses are defined by their nature, such as salaries, rent, supplies, etc. Functional expenses are classified by the type of activity for which expenses are incurred, such as management and general and direct program costs. Expenses are allocated by function using a reasonable and consistent approach that is primarily based on function and use. The costs of providing certain program and supporting services have been directly charged.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human services. The indirect cost rate is 11.96% effective from June 1, 2017 through May 31, 2020.

NOTE 2

BANK LINE OF CREDIT

The Organization has a \$250,000 revolving line of credit agreement with a bank. Interest is due monthly and is stated at the Wall Street Journal Prime Rate. The line is secured by all the Organization's assets. As of May 31, 2019 and 2018, the interest rate was 5.50% and 4.75%, respectively. There was no outstanding balance at May 31, 2019 and 2018.

NOTE 3**LONG TERM DEBT**

The long term debt at May 31, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
1% mortgage payable to New Hampshire Housing in monthly installments for principal and interest of \$891 through August 2032. The note is secured by real estate of the Organization (NHHFA, 96 Main Street).	\$ 145,647	\$ 154,832
Non-interest bearing mortgage payable to Community Development Finance Authority, in quarterly principal payments based on operating income formula applied to affordable housing portion of the specified real estate. The note is secured by real estate of the Organization (CDFA, 96 Main Street).	31,589	32,147
5.5% note payable to a bank in monthly installments for principal and interest of \$978 through March 2021. The note is secured by real estate of the Organization (People's United Bank, Ashuelot).	20,672	31,143
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through September 2031, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHHFA, 17 Pearl).	244,505	244,505
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through July 2032, unless there is surplus cash from which to make a payment, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHHFA, 41-43 Central).	376,363	376,363
4.25% mortgage payable to a bank in monthly installments for principal and interest of \$1,875 through December 2016, with a balloon payment that was due January 2017. The note was amended during the year ended May 31, 2019 and is now due December 2026. Under the amendment, interest rate is 4.94% and monthly installments for principal and interest are \$1,957. The note is secured by real estate of the Organization (People's United Bank, Milestones).	146,515	162,223

	<u>2019</u>	<u>2018</u>
4.375% note payable to Rural Housing Service in monthly installments for principal and interest of \$11,050 through May 2049. The note is secured by real estate of the Organization (TD Bank, Keene Office).	2,212,288	2,247,266
Non-interest bearing note payable to Cheshire County in New Hampshire. Payment is not necessary unless Organization defaults on contract. The note is secured by real estate of the Organization (CDBG, Keene Office).	460,000	460,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2019 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).	63,000	63,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2019 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).	45,000	45,000
Note payable to a bank in monthly installments for principal and interest of \$2,463 including interest through May 2039. Interest is adjusted every five years based on remaining principal balance and "Classic Advantage Rate" provided by Federal Home Loan Bank of Boston which resulted in an interest rate of 4.67% and 4.07% at May 31, 2019 and 2018, respectively. The note is secured by real estate of the Organization (TD Bank, Keene Office/Community Way).	401,891	414,567
5.19% note payable to a bank in monthly installments for principal and interest of \$889 through May 2021. The note is secured by real estate of the Organization (TD Bank, 45 Central Street).	94,733	100,254

	<u>2019</u>	<u>2018</u>
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, Ashuelot).	125,000	150,000
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, 112 Charlestown Road).	75,000	90,000
Non-interest bearing note payable to New Hampshire Housing in annual payments in the amount of 50% of annual surplus cash through July 2042 at which time the remaining balance is due. The note is secured by real estate of the Organization (NHHFA, Second Chance).	794,189	794,189
Non-interest bearing note payable to a county in New Hampshire. No payment is due and 5% of the balance is forgiven each year through 2032 when the remaining balance becomes due. The note is secured by real estate of the Organization (CDBG, Second Chance).	344,536	363,677
6.99% note payable to a finance company in monthly installments for principal and interest of \$652 through June 2019. The note is secured by a vehicle (TCF, Econoline Van).	1,293	8,741
5.54% note payable to a finance company in monthly installments for principal and interest of \$543 through August 2022. The note is secured by a vehicle (Ally, Econoline Van).	19,287	24,564

	<u>2019</u>	<u>2018</u>
Jaffrey - 30-year deferred note payable to the Town of Jaffrey, New Hampshire. Payment of principal and accrued interest at 1% were deferred until the note matures in June 2027. The note was secured by land and buildings. The balance included cumulative accrued interest of \$53,651 (CDBG). Jaffrey was sold during the year ended May 31, 2019 and the balance was forgiven.	-	303,651
Jaffrey - 6% note payable to a bank in monthly installments for principal and interest of \$485 through August 2027. The note was secured by land and buildings (TD Bank). Jaffrey was sold during the year ended May 31, 2019 and this note was paid in full.	-	41,099
Troy Senior - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in June 2029. The note is secured by real estate of the Organization (CDBG).	640,000	640,000
Troy Senior - Non-interest bearing note payable to New Hampshire Housing Finance Authority to fund energy efficiency improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHHFA).	140,210	140,210
Keene East Side - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in December 2028. The note is secured by real estate of the Organization (CDBG).	900,000	900,000
Keene East Side - Non-interest bearing note payable to New Hampshire Community Development Finance Authority (CDFA) to fund energy upgrades and capital improvements. Beginning in 2016, 10% of the note is forgiven each year based on the rolling balance. The mortgage may be released after ten years in January 2026. The note is secured by real estate of the Organization (CDFA).	185,899	178,172

	<u>2019</u>	<u>2018</u>
Keene East Side - Non-interest bearing note payable to New Hampshire Housing to fund energy efficiency improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHHFA).	228,934	228,934
Swanzey - Non-recourse, 4.90% simple interest mortgage note payable to the New Hampshire Housing (HOME), due September, 2033, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	282,720	-
Swanzey - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due September 2043, payable in monthly installments of \$1,698, including interest at 2.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 40 year term of the mortgage.	377,110	-
Snow Brook - Non-recourse, mortgage note payable to New Hampshire Housing, due July 2057, payable in monthly installments of \$2,002 including interest at 4.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	446,561	-
Snow Brook - Non-recourse, zero interest mortgage note payable to New Hampshire Housing (AHF), due June 2034, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	237,173	-

	<u>2019</u>	<u>2018</u>
Winchester - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due May 2032, payable in monthly installments of \$370, including interest at 2.00%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHHFA).	50,436	53,826
Winchester - Non-recourse, zero interest bearing mortgage note payable to New Hampshire Housing (FAF), due May 2032, payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30-year term of the mortgage note (NHHFA).	92,058	92,058
Winchester - Non-recourse, zero interest bearing, direct subsidy AHP loan secured by the Partnership's land and buildings, subject to low-income housing restrictions under the terms of the AHP agreement. In the event of a default under the aforementioned agreement, the loan is due upon demand with interest accrued at a rate of 11.67% for the period the funds were outstanding (Federal Home Loan Bank).	<u>150,000</u>	<u>150,000</u>
Total long-term debt before unamortized deferred financing costs	9,332,609	8,490,421
Unamortized deferred financing costs	<u>(18,943)</u>	<u>-</u>
	9,313,666	8,490,421
Less current portion due within one year	<u>227,221</u>	<u>216,438</u>
	<u>\$ 9,086,445</u>	<u>\$ 8,273,983</u>

The schedule of maturities of long term debt at May 31, 2019 is as follows:

Year Ending	Amount
<u>May 31</u>	
2020	\$ 227,221
2021	121,051
2022	115,864
2023	115,596
2024	118,605
Thereafter	<u>8,634,272</u>
Total	<u>\$ 9,332,609</u>

NOTE 4 OPERATING LEASES

The Organization leases facilities, equipment and vehicles under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2024. Monthly lease payments range from \$60 to \$3,625. Lease expense for the years ended May 31, 2019 and 2018 totaled \$144,880 and \$136,963 respectively.

Future minimum payments as of May 31, 2019 on the above leases are as follows:

Year Ending	Amount
<u>May 31</u>	
2020	\$ 78,745
2021	21,677
2022	18,318
2023	1,050
2024	720
Thereafter	<u>120</u>
Total	<u>\$ 120,630</u>

NOTE 5 ACCRUED COMPENSATED BALANCES

At May 31, 2019 and 2018, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$131,864 and \$130,140, respectively.

NOTE 6 CONTINGENCIES

Southwestern Community Services, Inc. is the 100% owner of SCS Housing, Inc. and SCS Housing Development, Inc. SCS Housing, Inc. and SCS Housing Development, Inc. are the general partners of ten limited partnerships formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc., SCS Housing, Inc. and SCS Housing Development, Inc. have guaranteed repayment of liabilities of various partnerships totaling approximately \$14,151,000 and \$15,553,000 at May 31, 2019 and 2018, respectively.

Partnership real estate with a cost basis of approximately \$35,831,000 and \$41,158,000 at May 31, 2019 and 2018, respectively, provides collateral on these loans.

The Organization receives funds under various state grants and from Federal sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If costs were found not to have been incurred in compliance with the laws and regulations, the Organization might be required to repay the funds.

No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of May 31, 2019 and 2018.

NOTE 7 **RELATED PARTY TRANSACTIONS**

During the years ended May 31, 2019 and 2018, SCS Housing, Inc. managed ten limited partnerships. Management fees charged by SCS Housing, Inc. totaled \$313,466 and \$322,973, for the years ended May 31, 2019 and 2018, respectively. Additionally, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years.

The Organization has also advanced funds to a related entity for Department of Housing and Urban Development (HUD) sponsorship purposes.

The total amounts due and expected to be collected from the limited partnerships and related entities totaled \$59,102 and \$188,523, respectively, at May 31, 2019 and 2018.

NOTE 8 **EQUITY INVESTMENT**

Southwestern Community Services, Inc. and related companies use the equity method to account for their financial interests in the following companies:

	<u>2019</u>	<u>2018</u>
Cityside Housing Associates, LP	\$ (9,500)	\$ (9,492)
Marlborough Homes, LP	(11)	8
Payson Village Senior Housing Associates, LP	(12,503)	(12,491)
Railroad Square Senior Housing Associates, LP	(1,897)	(1,715)
Warwick Meadows Housing Associates, LP	(21)	(17)
Woodcrest Drive Housing Associates, LP	222,842	222,846
Westmill Senior Housing, LP	78	90
Swanzey Township Housing Associates, LP	-	(31,190)
Snow Brook Meadow Village Housing Associates, LP	-	(60,716)
Keene Highland Housing Associates, LP	(260)	(243)
Pilot Health, LLC	-	(18,374)
	<u>\$ 198,728</u>	<u>\$ 88,706</u>

SCS Housing Development, Inc. is a 0.01% partner of Cityside Housing Associates, LP, Marlborough Homes, LP, Payson Village Senior Housing Associates, LP, Warwick Meadows Housing Associates, LP, and Woodcrest Drive Housing Associates, LP, a 0.10% partner of Railroad Square Senior Housing Associates, LP, and a 1% partner in Westmill Senior Housing, LP during the years ended May 31, 2019 and 2018.

SCS Housing, Inc. is a 0.01% partner of Winchester Senior Housing Associates, LP, Swanzey Township Housing Associates, LP, Snow Brook Meadow Village Housing Associates, LP, and Keene Highland Housing Associates, LP during the years ended May 31, 2019 and 2018.

The remaining 99.99% ownership interest in Swanzey Township Housing Associates, LP and Snow Brook Meadow Village Housing Associates, LP were acquired by Southwestern Community Services, Inc. during the year ending May 31, 2019 (see Note 12), and therefore the limited partnership is included in the consolidated financial statements for the year ended May 31, 2019. The remaining 99.99% ownership interest in Winchester Senior Housing Associates, LP was acquired by Southwestern Community Service, Inc. during the year ended May 31, 2018 (see Note 12), and therefore the limited partnership is included in the consolidated financial statements for the year ended May 31, 2019 and 2018.

Southwestern Community Services, Inc. was a 14.3% member of Pilot Health, LLC during the year ended May 31, 2018. Pilot Health was terminated during the year ended May 31, 2019.

Summarized financial information for entities accounted for under the equity method, as of May 31, 2019 and 2018, consists of the following:

	<u>2019</u>	<u>2018</u>
Total assets	<u>\$ 5,745</u>	<u>\$ 32,782</u>
Total liabilities	2,454	47,461
Capital/Member's equity	<u>3,291</u>	<u>(14,679)</u>
	<u>\$ 5,745</u>	<u>\$ 32,782</u>
Income	\$ 426	\$ 84,713
Expenses	<u>661</u>	<u>81,478</u>
Net income (loss)	<u>\$ (235)</u>	<u>\$ 3,235</u>

NOTE 9 RETIREMENT PLAN

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the internal Revenue Code. All employees who have had at least 30 days of service to the Organization are eligible to contribute to the plan. The Organization begins matching contributions after the employee has reached one year of service. Employer contributions are at the Organization's discretion and totaled \$296,009 and \$289,969 for the years ended May 31, 2019 and 2018, respectively.

NOTE 10 RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions are available for the following purposes:

	<u>2019</u>	<u>2018</u>
NNECAC – Annual Conference Fund	\$ 5,973	\$ 21,327
Stand Down	-	4,963
GAPS/Warm Fund	91,908	118,401
Transport	47,260	-
HS Parents Association	6,575	-
EHS	<u>31,200</u>	<u>-</u>
Total net assets with donor restrictions	<u>\$ 182,916</u>	<u>\$ 144,691</u>

NOTE 11 FORGIVENESS OF DEBT

During the year ended May 31, 2019, the Organization realized forgiveness of debt income in connection with notes payable to Community Development Block Grant, HUD and Community Development Finance Authority. Forgiveness of debt income totaled \$388,849 for the year ended May 31, 2019.

During the year ended May 31, 2018, the Organization realized forgiveness of debt income in connection with notes payable to the County of Cheshire, HUD and New Hampshire Housing. Forgiveness of debt income totaled \$75,971 for the year ended May 31, 2018.

NOTE 12 TRANSFER OF PARTNERSHIP INTEREST

During the years ended May 31, 2019 and 2018, Southwestern Community Services, Inc. acquired a partnership interest in three low-income housing limited partnerships: Winchester, Swanzey and Snow Brook. The amount paid for the partnership interest in Winchester, Swanzey and Snow Brook was \$1 each, and at the time of acquisition, Southwestern Community Services, Inc. became the general partner. The following is a summary of the assets and liabilities of the partnership at the date of acquisition:

	<u>2018</u>	<u>2019</u>	
	<u>Winchester</u>	<u>Swanzey</u>	<u>Snow Brook</u>
Date of Transfer	08/16/2017	06/30/2018	05/01/2019
Cash	\$ 24,508	\$ 12,856	\$13,374
Security deposits	11,467	7,330	8,821
Cash reserves	164,110	119,061	178,852
Property, net	990,842	1,330,231	1,211,341
Other assets	<u>12,328</u>	<u>6,436</u>	<u>15,776</u>
Total assets	<u>1,203,255</u>	<u>1,475,914</u>	<u>1,428,164</u>
Notes payable	304,073	666,902	665,173
Other Liabilities	<u>22,009</u>	<u>87,108</u>	<u>140,119</u>
Total liabilities	<u>326,082</u>	<u>754,010</u>	<u>805,292</u>
Partners' capital	877,173	721,904	622,872
Partners' capital previously recorded as an investment in related parties	<u>(53,888)</u>	<u>31,190</u>	<u>60,716</u>
Partners' capital transferred	<u>\$ 823,285</u>	<u>\$ 753,094</u>	<u>\$ 683,588</u>

NOTE 13 **AVAILABILITY AND LIQUIDITY**

The following represents Southwestern Community Services' financial assets as of May 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 882,187	\$ 1,086,895
Accounts receivable	1,245,826	1,095,486
Due from related party	59,102	188,523
Notes receivable	112,000	112,000
Interest receivable	45,547	45,547
Cash escrow and reserve funds	<u>849,334</u>	<u>517,853</u>
Total financial assets	<u>3,193,996</u>	<u>3,046,304</u>
Less amounts not available to be used within one year:		
Due from related party	(59,102)	(188,523)
Notes receivable	(112,000)	(112,000)
Interest receivable	(45,547)	(45,547)
Reserve funds	<u>(729,486)</u>	<u>(444,980)</u>
Total amounts not available within one year	<u>(946,135)</u>	<u>(791,050)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 2,247,861</u>	<u>\$ 2,255,254</u>

The Organization has a goal to maintain unrestricted cash on hand to meet 30 days of normal operating expenditures, which are, on average, approximately \$1,224,000 and \$1,183,000 at May 31, 2019 and 2018, respectively. The Organization has a \$250,000 line of credit available to meet cash flow needs.

NOTE 14 **RECLASSIFICATION**

Certain amounts and accounts from the prior year's financial statements were reclassified to enhance comparability with the current year's financial statements.

NOTE 15 **SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through November 5, 2019, the date the financial statements were available to be issued.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES
CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2019

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2019 Total
REVENUES									
Government contracts	\$ 4,846,587	\$ 2,853,470	\$ 1,607,684	\$ 53,038	\$ 734,566	\$ 148,424	\$ 10,243,769	\$ 428,933	\$ 10,672,702
Program service fees	572,421	-	74,144	997,150	24,700	772,976	2,441,391	44,014	2,485,405
Rental income	-	-	84,704	909,276	-	1,400	995,380	-	995,380
Developer fee income	-	-	-	-	-	-	-	-	-
Support	12,751	18,848	123,635	-	168,704	130,453	452,391	-	452,391
Sponsorship	-	2,713	1,104	-	-	66,814	70,631	262	70,893
Interest income	12	-	2,183	3,211	13	21	5,440	1,713	7,153
Forgiveness of debt	-	-	59,141	329,708	-	-	388,849	-	388,849
Miscellaneous	2,770	10,389	4,844	69,893	25,146	-	113,042	7,655	120,697
In-kind contributions	-	241,499	-	-	-	-	241,499	-	241,499
Total revenues and other support	\$ 5,434,541	\$ 3,124,919	\$ 1,957,439	\$ 2,362,276	\$ 953,129	\$ 1,120,088	\$ 14,952,392	\$ 482,577	\$ 15,434,969
EXPENSES									
Payroll	\$ 432,968	\$ 1,224,986	\$ 377,595	\$ 775,425	\$ 414,730	\$ 432,826	\$ 3,658,530	\$ 753,068	\$ 4,411,598
Payroll taxes	33,521	97,919	29,527	59,738	33,519	34,195	288,419	58,304	348,723
Employee benefits	106,054	415,890	142,654	289,985	97,771	180,294	1,232,648	111,111	1,343,759
Retirement	29,200	70,406	18,908	61,936	27,831	18,181	224,462	71,547	296,009
Advertising	-	500	1,912	4,013	818	9,487	16,730	-	16,730
Bank charges	-	-	-	4,444	-	1	4,445	7,329	11,774
Bad debt	-	10	-	90	-	-	100	-	100
Computer cost	-	24,540	4,759	3,027	14,926	750	48,002	116,846	184,848
Contractual	629,045	32,930	230,984	38,696	2,719	116,585	1,050,959	39,743	1,090,702
Depreciation	-	28,300	108,291	281,950	-	14,207	432,748	147,367	580,115
Dues/registration	-	5,277	-	488	868	1,312	7,945	11,879	19,824
Duplicating	-	8,852	-	-	-	-	8,852	4,155	13,007
Insurance	6,714	14,798	23,590	60,672	14,130	7,164	127,068	33,892	160,960
Interest	-	7,775	8,022	21,956	-	1,810	39,363	164,045	203,408
Meeting and conference	8,673	813	2,567	8,104	565	22,569	43,291	24,957	68,248
Miscellaneous expense	181	1,695	637	34,793	3,651	2,931	43,888	19,278	63,186
Miscellaneous taxes	-	-	-	34,900	-	-	34,900	389	35,289
Equipment purchases	1,292	15,274	-	7,287	-	-	23,853	1,180	25,033
Office expense	24,820	8,499	6,695	11,475	6,458	807	58,754	11,656	70,410
Postage	97	268	138	53	214	-	770	24,238	25,008
Professional fees	4,300	-	1,301	38,095	-	-	41,696	90,968	132,664
Staff development and training	2,128	1,580	1,678	72	1,904	21,877	29,239	10,590	39,829
Subscriptions	-	-	-	655	354	-	1,009	399	1,408
Telephone	2,087	2,356	18,479	17,817	2,336	1,589	44,664	52,308	96,972
Travel	7,951	16,256	15,412	5,183	29,531	608	74,941	4,855	79,796
Vehicle	2,300	5,225	1,088	37,795	44,428	8,568	99,402	13,436	112,838
Rent	-	24,800	-	150	-	-	24,950	-	24,950
Space costs	-	194,946	332,351	512,392	1,000	376	1,041,065	106,866	1,147,831
Direct client assistance	3,947,152	214,436	668,284	10,674	23,619	21,049	4,885,214	-	4,885,214
In-kind expenses	-	241,499	-	-	-	-	241,499	-	241,499
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	5,238,483	2,659,830	1,994,872	2,319,865	721,370	894,986	13,829,406	1,880,406	15,709,812
Allocation of management and general expenses	712,284	361,661	271,246	315,436	98,088	121,693	1,880,406	(1,880,406)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,950,767	\$ 3,021,491	\$ 2,266,118	\$ 2,635,301	\$ 819,458	\$ 1,016,679	\$ 15,709,812	\$ -	\$ 15,709,812

See Independent Auditors' Report

SOUTHWESTERN COMMUNITY SERVICES, INC.
CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2018

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2018 Total
REVENUES									
Government contracts	\$ 4,934,242	\$ 2,823,698	\$ 1,920,112	\$ 47,823	\$ 756,952	\$ 166,921	\$ 10,649,748	\$ 405,345	\$ 11,055,093
Program service fee	-	-	76,506	978,904	17,915	794,863	1,868,188	-	1,868,188
Rental income	-	-	117,370	684,072	-	200	801,642	-	801,642
Developer fee income	-	-	-	50,000	-	-	50,000	-	50,000
Support	104,617	35,405	99,437	-	139,240	130,530	509,229	-	509,229
Sponsorship	-	-	80	-	-	105,206	105,286	-	105,286
Interest income	23	7	1,051	1,382	-	35	2,478	6,481	8,959
Forgiveness of debt	-	-	59,141	18,830	-	-	75,971	-	75,971
Miscellaneous	2,010	126	6,485	42,373	47,352	-	98,346	2,426	100,772
In-kind contributions	-	161,852	-	-	-	-	161,852	-	161,852
Total revenues	\$ 5,040,892	\$ 3,021,088	\$ 2,280,182	\$ 1,821,364	\$ 961,459	\$ 1,197,755	\$ 14,322,740	\$ 414,252	\$ 14,736,992
EXPENSES									
Payroll	\$ 398,452	\$ 1,208,631	\$ 435,538	\$ 771,028	\$ 405,189	\$ 439,358	\$ 3,858,196	\$ 774,466	\$ 4,432,662
Payroll taxes	31,599	99,882	34,153	58,803	30,418	36,918	289,771	60,913	350,684
Employee benefits	122,762	453,204	146,394	278,393	87,744	187,020	1,275,517	54,590	1,330,107
Retirement	24,960	69,878	21,031	64,244	19,260	17,448	216,821	73,148	289,969
Advertising	-	142	1,897	4,186	2,114	16,172	24,491	-	24,491
Bank Charges	15	-	120	3,834	-	-	3,969	9,079	13,048
Computer cost	-	9,185	4,300	14,144	14,298	3,500	45,427	62,052	107,479
Contractual	518,340	52,463	242,935	20,382	2,718	109,718	946,536	14,921	961,457
Depreciation	-	28,300	108,291	167,840	-	16,131	320,562	147,367	467,929
Dues/registration	-	8,036	-	343	988	997	8,364	10,175	18,539
Duplicating	1,584	8,148	-	-	-	-	9,732	4,321	14,053
Insurance	5,909	13,361	23,653	52,287	14,610	6,248	116,068	38,380	154,448
Interest	-	8,658	7,759	6,997	-	2,554	25,966	116,501	142,467
Meeting and conference	3,961	58	9,283	7,177	600	19,305	40,394	35,924	78,318
Miscellaneous expense	909	971	2,303	18,996	4,442	18,500	45,881	13,182	59,063
Miscellaneous taxes	-	-	-	26,381	-	-	26,381	986	27,367
Equipment purchases	4,670	24,320	80	12,348	-	-	41,418	2,305	43,723
Office expense	34,413	12,613	8,440	14,506	12,042	4,076	86,090	20,402	106,492
Postage	132	274	182	31	348	50	1,017	22,918	23,935
Professional	4,890	-	1,875	15,879	-	-	22,644	83,766	106,410
Staff development and training	1,430	23,724	2,624	8,287	5,875	28,044	69,784	2,943	72,727
Subscriptions	-	-	28	87	-	-	115	1,329	1,444
Telephone	2,086	15,297	19,681	14,569	2,435	3,239	57,307	56,578	113,883
Travel	5,335	20,013	20,312	5,195	29,508	2,000	82,364	3,509	85,873
Vehicle	2,140	2,510	712	31,826	45,200	9,201	91,589	10,981	102,570
Rent	-	25,201	-	-	-	-	25,201	-	25,201
Space costs	148	140,213	256,849	438,344	-	1,009	836,563	128,966	965,529
Direct client assistance	3,683,466	145,220	823,938	14,447	50,531	23,843	4,741,445	-	4,741,445
In-kind expenses	-	161,852	-	-	-	-	161,852	-	161,852
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	4,847,201	2,530,152	2,172,388	2,048,214	728,119	945,391	13,271,465	1,749,700	15,021,165
Allocation of management and general expenses	639,051	333,574	286,406	270,035	95,995	124,639	1,749,700	(1,749,700)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,486,252	\$ 2,863,726	\$ 2,458,794	\$ 2,318,249	\$ 824,114	\$ 1,070,030	\$ 15,021,165	\$ -	\$ 15,021,165

See Independent Auditors' Report

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2019**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S NUMBER	FEDERAL EXPENDITURE
U.S. Department of Agriculture				
Rural Housing Preservation Grant	10.433	Direct Funding	3403-02601-606	\$ 22,975
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	State of NH Dept. of Health & Human Services	010-090-52600000-102-500734	347,817
Child and Adult Care Food Program	10.558	State of NH, Dept of Education	Unknown	131,268
Food Distribution Cluster				
Commodity Supplemental Food Program	10.565	State of NH Dept. of Health & Human Services	010-090-52600000-102-500734	\$ 2,883
Emergency Food Assistance Program (Admin)	10.566	Community Action Program Belknap-Merrimack Counties	Unknown	1,444
Emergency Food Assistance Program (Food Commodities)	10.569	Community Action Program Belknap-Merrimack Counties	Unknown	89,046
				<u>93,373</u>
Total U.S. Department of Agriculture				<u>\$ 595,433</u>
U.S. Department of Housing and Urban Development				
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717800000-102-50731	\$ 155,482
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Office of Human Services	010-042-7927-102-0731	<u>92,399</u>
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717800000-102-50731	217,705
Shelter Plus Care	14.238	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717800000-102-50731	281,485
Continuum of Care Program	14.287	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717800000-102-50731	<u>153,421</u>
Total U.S. Department of Housing and Urban Development				<u>\$ 900,492</u>
U.S. Department of Labor				
WIOA Cluster				
WIA Adult Program	17.258	Southern NH Services	Unknown	\$ 42,285
WIA Dislocated Worker Formula Grants	17.276	Southern NH Services	Unknown	<u>34,319</u>
Total U.S. Department of Labor/WIA Cluster				<u>\$ 76,604</u>
U.S. Department of Transportation Federal Transit Administration (FTA)				
Formula Grants for Rural Areas	20.509	State of NH, Department of Transportation	04-95-95-954010-2916	\$ 247,967
Transit Services Programs Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of NH, Department of Transportation	04-95-95-954010-2916	<u>26,359</u>
Total U.S. Department of Transportation Federal Transit Administration (FTA)				<u>\$ 274,326</u>
U.S. Department of Veterans Affairs				
VA Supportive Services for Veteran Families Program	04.033	Harbor Homes, Inc.	Unknown	\$ 97,479
Total U.S. Department of Veterans Affairs				<u>\$ 97,479</u>
U.S. Department of Energy				
Weatherization Assistance for Low-Income Persons	81.042	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 115,184
Total U.S. Department of Energy				<u>\$ 115,184</u>
U.S. Department of Health & Human Services				
Aging Cluster				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 5,324
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, DHHS, Bureau of Elderly & Adult Services	03-95-45-481010-7872	<u>37,929</u>
Grants to States to Support Oral Health Workforce Activities	93.238	State of NH, DHHS, Division of Family Assistance	Unknown	43,263
Drug-Free Communities Support Program Grants	93.278	Direct Funding	5H79SP018677-08	13,479
Affordable Care Act (ACA) - Consumer Assistance Program Grants	93.519	Direct Funding	HCBCJCFI	137,870
TANF Cluster				6,149
Temporary Assistance for Needy Families	93.558	Southern NH Services	Unknown	299,534
Low Income Home Energy Assistance (Fuel Assistance)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-77050000-600587	4,303,058
Low Income Home Energy Assistance (HRRP)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-77050000-600587	105,592
Low Income Home Energy Assistance (BWP)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-77050000-600587	<u>218,521</u>
Community Services Block Grant	93.598	State of NH, DHHS, Div. of Family Assistance	500731	468,172
Community Services Block Grant - Discretionary	93.570	State of NH, DHHS, Div. of Family Assistance		406,683
Head Start	93.600	Direct Funding	01CH9959	22,306
Medicaid Cluster				2,328,285
Medical Assistance Program	93.778	State of NH, DHHS, Office of Human Services	05-95-47-470010-52010000	<u>12,271</u>
Total U.S. Department of Health & Human Services				<u>\$ 7,957,003</u>
U.S. Department of Homeland Security				
Emergency Food and Shelter National Board Program	97.024	State of NH, DHHS, Office of Human Services	Unknown	\$ 2,099
Total U.S. Department of Homeland Security				<u>\$ 2,099</u>
TOTAL				<u>\$ 10,919,820</u>

See Notes to Schedule of Expenditures of Federal Awards

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2019**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Southwestern Community Services, Inc. under programs of the federal government for the year ended May 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Southwestern Community Services, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

Southwestern Community Services, Inc. has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 FOOD DONATION

Nonmonetary assistance is reported in the Schedule at the fair value of the commodities received and disbursed.

NOTE 5 SUBRECIPIENTS

Southwestern Community Services, Inc. had no subrecipients for the year ended May 31, 2019.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statement of financial position as of May 31, 2019, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related consolidated notes to the financial statements, and have issued our report thereon dated November 5, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southwestern Community Services, Inc.'s consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

*Leon, McDonnell & Roberts
Professional Association*

November 5, 2019
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

We have audited Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southwestern Community Services, Inc.'s major federal programs for the year ended May 31, 2019. Southwestern Community Services, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Southwestern Community Services, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Southwestern Community Services, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Southwestern Community Services, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Southwestern Community Services, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2019.

Report on Internal Control Over Compliance

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

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

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

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

*Leon, McDonnell & Roberts
Professional Association*

November 5, 2019
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS **FOR THE YEAR ENDED MAY 31, 2019**

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Southwestern Community Services, Inc. were prepared in accordance with GAAP.
2. No significant deficiencies disclosed during the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
3. No instances of noncompliance material to the consolidated financial statements of Southwestern Community Services, Inc. which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Southwestern Community Services, Inc. expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs were: U.S. Department of Health and Human Services; Low-Income Home Energy Assistance, 93.568, and U.S. Department of Transportation; Formula Grants for Rural Areas, 20.509.
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Southwestern Community Services, Inc. was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED MAY 31, 2019**

There were no findings or questioned costs that were required to be reported in the Schedule of Findings and Questioned Costs for the year ended May 31, 2018.

Southwestern Community Services, Inc. Board of Directors - Composition – 2019 –

CHESHIRE COUNTY

SULLIVAN COUNTY

**CONSTITUENT
SECTOR**

Beth Fox
Assistant City Manager/
Human Resources Director
City of Keene

Mary Lou Huffling
Fall Mountain Emergency Food Shelf
Alstead Friendly Meals

Brianna Trombi
Head Start Policy Council
Parent Representative

**PRIVATE
SECTOR**

Elaine Amer, Clerk/Treasurer
Amer Electric Company (*retired*)

Anne Beattie
Newport Service Organization

Kevin Watterson, Chair
Clarke Companies (*retired*)

**PUBLIC
SECTOR**

Jay Kahn
State Senator, District 10

Kerry Belknap Morris, M.Ed.
Early Childhood Education
River Valley Community College

David Edkins
Walpole, NH

Derek Ferland
Sullivan County Manager

CRAIG A. HENDERSON

SUMMARY OF QUALIFICATIONS

- Proficient in: Word, Excel, PowerPoint, Internet, Outlook, Photoshop,
 - Ability to prioritize in a fast paced environment and to learn new tasks quickly and effectively
 - Dedicated, reliable and responsible
 - Extensive background in Social Services, Property Management, Finance, and Customer Service
-

EDUCATION

- B.A Psychology with a specialization in counseling May, 1999
 - B.S Business Management
Keene State College
Keene, NH 03435
-

EMPLOYMENT HISTORY

Henderson & Bosley Property Management 8/02-Present
President Keene, NH

- Adhering to NH State housing laws and government housing programs
- Advertising and marketing of vacant apartments, Creating leases, Performing credit checks
- Property inspections and maintenance- including basic carpentry, landscaping etc.
- Research and management of investment opportunities

Southwestern Community Services 10/07-Present
Director of Housing Stabilization Services

- Designs and implements systems to provide efficient operation of all Housing Stabilization programs.
- Manages and leads assigned staff to ensure SCS policies and procedures are followed in a manner consistent with the organization's mission, values, and culture.
- Participates in the hiring of new employees and oversees the orientation and training of all assigned staff.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

Southwestern Community Services 10/07-Present
Assistant Director of Housing Stabilization Services Keene, NH

- Monitor quality of services, operation of assigned programs, facilities, and staff.
- Process and certify tenant/client applications for all Supportive Housing Programs; facilitate move-in process; track and collect rents/subsidies utilizing Classic Real Estate Software; track and collect all match documentation; recertify tenants when necessary and in a timely manner.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

Southwestern Community Services 02/03-10/07
Long Term Transitional Housing Program Administrator Keene, NH

- Responsibilities include: Assisting the homeless of Cheshire County with budgeting and referrals to other needed services; Advocating on behalf of clients to create new networks and improve current relationships; providing counsel through tough transitions, as well as, creating and maintaining an environment of success through programs such as Mediation Training, Consumer Credit Counseling, Psychological Therapy, Parenting Classes, and First Time Homebuyers programs.
- Basic maintenance of shelter properties and inventory control
- Responsible to track data and create statistical reports based on information collected to assist in budget allocations for Southwestern Community Services

Coldwell Banker / Tattersall 1/02-3/04
Real Estate Sales Associate Keene, NH

- Assisting buyers and sellers of real estate through customer/client interaction
- Informing clients/customers of federal and state regulations, financing options, and negotiating
- Creating marketing plans and researching pricing through competitive market analysis

- Assured accurate and consistent real-estate assessments with the emphasis in field work
- Position required strong attention to detail with the emphasis in property measurement and appraisal as well as requiring strong customer skill by acting as a liaison between town assessors office and the property owner

**Monadnet
Customer Service Supervisor**

**8/99-8/01
Keene, NH**

- Responsibilities include maintaining all major accounts and new account data; managing projects and delegating responsibilities, A/R and A/P reconciliation, Collections of delinquent accounts.
- Financial Analysis and Trend Monitoring, Billing Systems Analyst
- Direct mediation and resolution of customer service issues.

AWARDS RECEIVED

- Delta Mu Delta: National Business Honor Society
- Psi Chi: National Psychology Honor Society

CONTINUING EDUCATION AND CERTIFICATIONS

04/18/2007 Certified Occupancy Specialist – National Center for Housing Management.

09/23/2008 Successful completion of "Landlord and Tenant Law" seminar – Lorman Educational Services

02/23/2016 HUD Certified Housing Quality Standards Inspector

01/21/2016 Completed 8.5 hours of Nonviolent Crisis Intervention training

04/26/2013 Certification in Fair Housing Law – Granite State Managers Association

08/10/2016 Blood Borne Pathogen Training

08/24/2016 6 hours of comprehensive low income housing tax credit training – Johnson Consulting Services, Inc

John A. Manning

[REDACTED]
[REDACTED]

Summary

Over 30 years of experience with non-profit organizations, as both an outside auditor and presently Chief Financial Officer of a large community action agency.

Experience

2014–Present Southwestern Community Services Inc.
Keene, NH

Chief Executive Officer

Oversees all fiscal functions for a community action agency providing services to low and moderate income individuals. Programs include Head Start, Fuel Assistance, and multiple affordable housing projects. Reports to the agency board of directors.

1990–2014 Southwestern Community Services Inc.
Keene, NH

Chief Financial Officer

Oversees all fiscal functions for a community action agency providing services to low and moderate income individuals. Programs include Head Start, Fuel Assistance, and multiple affordable housing projects. Supervises a staff of 7, with an agency budget of over \$ 13,000,000. Also oversees agency property management department, which manages over 300 units of affordable housing.

1985–1995 Keene State College Keene, NH

Adjunct Professor

Taught evening accounting classes for their continuing education program.

1978–1990 John A. Manning, Keene, NH

Certified Public Accountant

Provided public accounting services to small and medium sized clients, including multiple non-profit organizations. Performed certified audits on several clients, including Head Start and other non-profit clients

1975-1978 Koston and Co. CPA's West Hartford, Ct.

Staff Accountant

Performed all aspects of public accounting for medium sized accounting firm. Audited large number of privately held and non-profit clients.

Education

1971-1975 University of Mass. Amherst, Ma.

- B.S. Business Administration in Accounting

Organizations

American Institute of Certified Public Accountants
NH Society of Certified Public Accountants

Margaret Freeman



Experience

2000 – Present

Southwestern Community Services Inc.

Keene, NH

Chief Financial Officer (2014 – present)

Supervising the quality of accounting and financial reporting of SCS; a Community Action Agency. Total funding of \$18 million; federal, state and local funding sources. Primary responsibilities include overseeing the accounting functions, implementation and monitoring of internal controls, reporting financial position to the Board of Directors, preparation of the annual A-133 audit, member of agencies Senior Staff.

Fiscal Director (2000-2014)

Responsible to lead and manage the daily operations of the Fiscal Department of SCS. Primary duties include budget preparation and analysis, financial statement preparation and audit coordination.

1993 –2000

Emile J. Legere Management Corp

Keene, NH

Accountant

Provided bookkeeping for real estate management/development corp. Managed 16 affordable housing properties. Responsible for cash management, general ledger, A/P, A/R, financial statement prep, and audit prep. Leasing Manager of large commercial/retail property responsible for lease management and marketing of over 30 retail spaces.

Education

Leadership New Hampshire, Graduate 2011

Plymouth State University, Plymouth, NH

M.B.A., 1999

Keene State College, Keene, NH

B.S., Management, 1991; concentration Mathematics and Computer Science

SOUTHWESTERN COMMUNITY SERVICES
Shelter Plus Care Program

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
John Manning	CEO	\$132,080	0	0
Meg Freeman	CFO	\$90,854	0	0
Craig Henderson	Director of Housing Stabilization	\$51,043	26.8%	\$13,672



Jeffrey A. Meyers
Commissioner

Christine L. Santanillo
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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NH NH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NH NH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

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

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are sole source because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

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

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

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

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.


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.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner

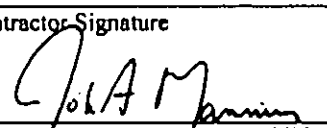
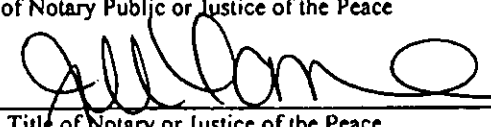
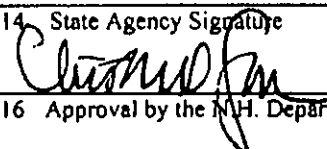
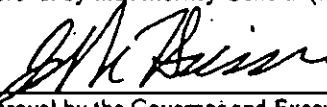
Subject: Continuum of Care, Shelter Plus Care (SPC), SS-2020-BHS-04-PERMA-20

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 Southwestern Community Services, Inc.		1.4 Contractor Address 63 Community Way P.O. Box 603 Keene, NH 03431-0603	
1.5 Contractor Phone Number (603) 352-7512	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$281,824
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 John A. Manning Chief Executive Officer	
1.13 Acknowledgement: State of NH, County of Cheshire On 05/23/19, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 		JILL A. TOMLIN, Justice of the Peace State of New Hampshire My Commission Expires April 6, 2022	
1.13.2 Name and Title of Notary or Justice of the Peace Jill Tomlin, Justice of the Peace			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Christine Santanello, DEHS Director	
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:  On: 6/4/2019			
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

Shelter Plus Care 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 (BHS)
129 Pleasant Street
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

Jm

5/23/19



Exhibit A

- 1.10. 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 Services

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Shelter Plus Care (SPC) program serving approximately twenty-three (23) households in Cheshire and Sullivan Counties including approximately forty-two (42) beds serving homeless individuals and or families with mental health and or substance abuse issues, and which includes, but is not limited to:
- 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
- 2.2.2. The development 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 must 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).
- 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.



Exhibit A

- 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, 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 must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, 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 must 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 has 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 must 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 must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were 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).



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- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 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.
- 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the 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 as required by this Agreement and state and federal laws and regulations;
- 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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

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Exhibit A

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 HUD New Project Application, federal fiscal year 2018, #SF-424; and
 - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
 - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. 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 a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.
- 6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.
 - 6.2.1. Project outcomes shall include, but are not limited to:
 - 6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.
 - 6.2.1.2. Participants experience increased connections to:
 - 6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;
 - 6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and
 - 6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.
- 6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

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Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Shelter Plus Care Program Funding

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
 - 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0057L1T001809
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing
 - 1.2.7. Total Amount Continuum of Care:
 - 1.2.7.1. not to exceed \$281,824
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Rental Assistance: \$268,152
 - 1.2.8.2. Administrative Expenses: \$13,672
 - 1.2.8.3. Total program amount: \$281,824
- 1.3. The Contractor agrees to 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
129 Pleasant Street
Concord, NH 03301
- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.



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- 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/Grant completion date.

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

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).

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 are to be documented with each payment request.

- 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:

- 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;

- 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;

- 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and

- 3.3.3.4. 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, subject to the availability of sufficient funds.

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Exhibit B

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.
- 3.4.5. Schedule of Payments:
- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:
housingsupportsinvoices@dhhs.nh.gov
- 3.4.5.3. 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.
- 3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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 the terms and conditions of this Agreement.



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Exhibit B

4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

5. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

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

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;

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- 5.3.2.4. 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;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. 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;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. 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;
- 5.3.2.10. 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 the 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;
- 5.3.2.11. 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;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. 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;
- 5.3.2.14. 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;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);



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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
- 5.3.2.19. 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.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. 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.
- 5.4.6. 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.
- 5.4.7. 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.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.



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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. 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.
- 5.4.9.2. 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.
- 5.4.9.3. 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.
- 5.4.9.4. 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.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

- 5.5.1.1. 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; and
- 5.5.1.2. 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:
 - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
 - 5.5.1.2.1.1. 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:

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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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.

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5.6.1. Requirements:

- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. 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.

gm

5/23/19



**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

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

gm

5/23/19



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;

Exhibit C - Special Provisions

Contractor Initials

gm

Date

6/28/19



- 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 EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP 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 EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP 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

New Hampshire Department of Health and Human Services
Exhibit C



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- 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.



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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

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6/23/19



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 GRANTEEES OTHER THAN INDIVIDUALS

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

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

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

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

New Hampshire Department of Health and Human Services
Exhibit D



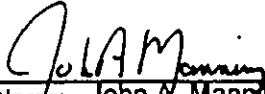
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted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

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

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

Vendor Name: Southwestern Community Services, Inc.

05/23/19
Date


Name: John A. Manning
Title: Chief Executive Officer



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

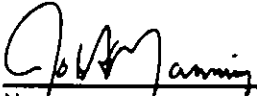
The undersigned certifies, to the best of his or her knowledge and belief, that:

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-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Vendor Name: Southwestern Community Services, Inc.

05/23/19
Date


Name: John A. Manning
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

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5/23/19

New Hampshire Department of Health and Human Services
Exhibit F



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

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

PRIMARY COVERED TRANSACTIONS

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

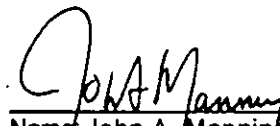
LOWER TIER COVERED TRANSACTIONS


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

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date


Name: John A. Manning
Title: Chief Executive Officer


Date 5/23/19



**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

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

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:

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

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date

Name: John A. Manning
Title: Chief Executive Officer

Exhibit G

Vendor Initials

gm

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



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: Southwestern Community Services, Inc.

05/23/19

Date

A handwritten signature in dark ink, appearing to read "John A. Manning", is written over a horizontal line.

Name: John A. Manning
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

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

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

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



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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



Exhibit I

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

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



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.

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Exhibit I

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

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

Department of Health and Human Services

The State

Christine Santanelli
Signature of Authorized Representative

Christine Santanelli
Name of Authorized Representative

Director, DHS
Title of Authorized Representative

5/29/19
Date

Southwestern Community Services, Inc.

Name of the Vendor

John A. Manning
Signature of Authorized Representative

John A. Manning
Name of Authorized Representative

Chief Executive Officer
Title of Authorized Representative

05/23/19
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: Southwestern Community Services, Inc.

05/23/19

Date


Name: John A. Manning
Title: Chief Executive Officer

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.

- X NO YES

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

- _____ NO _____ YES

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

- | | |
|-------------|---------------|
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

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

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

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

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

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5/23/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

II. METHODS OF SECURE TRANSMISSION OF DATA

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

A. Retention

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

V. LOSS REPORTING

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

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

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

**New Hampshire Department of Health and Human Services
Continuum of Care, Family Housing I**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Continuum of Care Program, Family Housing I**

This 1st Amendment to the Continuum of Care, Family Housing I contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management, (hereinafter referred to as "the Contractor"), a non-profit corporation with a place of business at 10 Tsienneto Rd, Derry, NH, 03038.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:

June 30, 2021.

2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

\$540,894

3. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program Funding, Subsection 1.2., Paragraph 1.2.4. to read:

1.2.4. Grant Numbers:

1.2.4.1. NH0003L1T001811 (Grant Year 1)

1.2.4.2. NH0003L1T001912 (Grant Year 2)

4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program Funding, Subsection 1.2., Paragraph 1.2.7., Subparagraph 1.2.7.1. to read:

1.2.7.1 Not to exceed \$540,894

5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program Funding, Subsection 1.2., Paragraph 1.2.8., to read:

1.2.8. Funds allocation under this agreement for Continuum of Care Program;

	<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1. Rental Assistance	\$201,684	\$207,708
1.2.8.2. Supportive Services	\$59,464	\$59,464
1.2.8.3. Administrative Expenses	\$6,287	\$6,287
1.2.8.4. Total Program Amount	\$267,435	\$273,459

**New Hampshire Department of Health and Human Services
Continuum of Care, Family Housing I**



All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

4/07/20
Date

Christine L. Santaniello
Name: Christine L. Santaniello
Title: Director DEHS

The Mental Health Center for Southern New Hampshire

3/30/20
Date

Vic Topo
Name: Vic Topo
Title: CEO/President

New Hampshire Department of Health and Human Services
Continuum of Care, Family Housing I



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

OFFICE OF THE ATTORNEY GENERAL

4/21/20
Date

Will Ruler
Name:
Title:

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

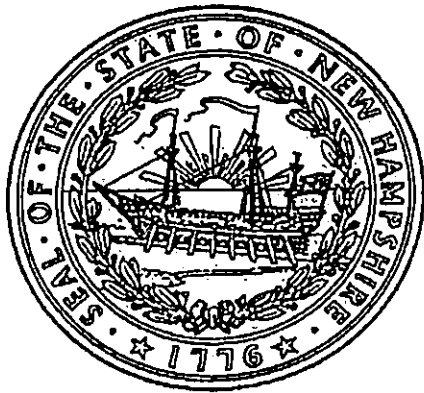
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that CLM CENTER FOR LIFE MANAGEMENT is a New Hampshire Trade Name registered to transact business in New Hampshire on June 30, 2003. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 442328

Certificate Number : 0004489140



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April A.D. 2019.

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

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, David Hebert, Board Chair, hereby certify that:

1. I am a duly elected Clerk/Secretary/Officer of the Center for Life Management.
2. The following is a true copy of a vote taken at a meeting for the Board of Directors of the Agency held on April 1 2020 at which a quorum of the Directors/Shareholders were present and voting.

VOTED: Whereas, an executive stay at home order has been issued to be in effect for March 29th through May 4th, 2020 from Governor Chris Sununu, this vote is entered electronically.

That Vic Topo, President/CEO, is duly authorized on behalf of Center for Life Management to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his judgment be desirable or necessary to effect the purpose of this vote.

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

Dated: 4/1/2020



Signature of Elected Officer

Name: David Hebert

Title: Board Chair



PATRICE L. HEBE, Justice of the Peace
State of New Hampshire
My Commission Expires April 8, 2022

Client#: 1485395

MENTAHEA29

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
9/24/2019

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

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

PRODUCER USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123		CONTACT NAME: PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL ADDRESS:															
INSURED The Mental Health Center for Southern NH DBA CLM Center for Life Management 10 Tsienneto Rd Derry, NH 03038		<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Philadelphia Indemnity Insurance Co.</td> <td>18058</td> </tr> <tr> <td>INSURER B : Granite State Insurance Company</td> <td>23809</td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Philadelphia Indemnity Insurance Co.	18058	INSURER B : Granite State Insurance Company	23809	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER E :																	
INSURER F :																	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADOL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		PHPK2037794	10/01/2019	10/01/2020	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$250,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COM/POP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		PHPK2037791	10/01/2019	10/01/2020	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> RETENTION \$10000	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE	PHUB693560	10/01/2019	10/01/2020	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> N (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	WC017064748	10/01/2019	10/01/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liab		PHPK2037794	10/01/2019	10/01/2020	\$1,000,000 \$3,000,000

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

CERTIFICATE HOLDER

CANCELLATION

NH DHHS
 129 Pleasant Street
 Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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CLM MISSION STATEMENT

OUR MISSION

To promote the health and well-being of individuals, families and organizations. We accomplish this through professional, caring and comprehensive behavioral health care services and by partnering with other organizations that share our philosophy.

OUR VISION

Together, we can evolve from being primarily a treatment focused behavioral health organization to one that values whole health and wellness.

Main Office

10 Tsienneto Road, Derry, NH 03038
Tel. 603.434.1577
Fax. 603.434.3101

Salem Branch

103 Stiles Road, Salem, NH 03079
Tel. 603.893.4194
Fax. 603.893.2199

www.CenterForLifeManagement.org

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

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
Years ended June 30, 2019 and 2018

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates (a nonprofit organization), which are comprised of the consolidated statements of financial position as of June 30, 2019 and 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 16-22 is presented for purposes of additional analysis, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2019, on our consideration of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates internal control over financial reporting and compliance.

Change in Accounting Principle

As described in Note 2 of the financial statements, in 2019, the organization adopted ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.



Essex Junction, Vermont
Registration number VT092.0000684
September 17, 2019

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Financial Position
June 30, 2019 and 2018

	<u>ASSETS</u>	
	<u>2019</u>	<u>2018</u>
Current assets:		
Cash and cash equivalents	\$ 1,662,875	\$ 1,640,075
Accounts receivable, net	943,181	864,230
Other receivables	284,929	144,815
Prepaid expenses	93,768	80,753
Security deposit	11,087	11,087
Total current assets	<u>2,995,840</u>	<u>2,740,960</u>
Property and equipment, net	<u>3,715,469</u>	<u>3,656,665</u>
Other assets		
Interest rate swap agreement	<u>58,030</u>	<u>48,533</u>
Total assets	<u>\$ 6,769,339</u>	<u>\$ 6,446,158</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Current portion of long term debt	\$ 93,538	\$ 88,538
Accounts payable	76,558	53,554
Accrued payroll and payroll liabilities	402,801	375,055
Accrued vacation	372,138	327,657
Accrued expenses	18,961	13,319
Deferred revenue	11,980	7,580
Total current liabilities	<u>975,976</u>	<u>865,703</u>
Long term liabilities		
PMPM reserve	225,000	112,737
Long term debt, less current portion	<u>2,215,250</u>	<u>2,308,819</u>
Total long term liabilities	<u>2,440,250</u>	<u>2,421,556</u>
Total liabilities	<u>3,416,226</u>	<u>3,287,259</u>
Net assets without donor restrictions	<u>3,353,113</u>	<u>3,158,899</u>
Total liabilities and net assets	<u>\$ 6,769,339</u>	<u>\$ 6,446,158</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Activities
Years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<u>Public support and revenues:</u>		
Public support:		
Federal	\$ 893,941	\$ 1,005,755
State of New Hampshire - BBH	258,681	316,921
State and local funding	43,601	43,602
Other public support	224,837	131,172
Total public support	1,421,060	1,497,450
Revenues:		
Program service fees, net	13,076,818	12,364,822
Other service income	647,329	467,403
Rental income	5,188	4,985
Other	158,841	39,231
Gain on sale of assets	10,000	-
Total revenues	13,898,176	12,876,441
Total public support and revenues	15,319,236	14,373,891
<u>Operating expenses:</u>		
BBH funded programs:		
Children	5,157,438	4,859,070
Elders	501,342	282,131
Vocational	266,091	234,156
Multi-Service	2,971,434	2,609,377
Acute Care	932,421	775,806
Independent Living	2,334,134	2,226,618
Assertive Community Treatment	734,195	835,083
Non-Specialized Outpatient	1,063,655	980,645
Non-BBH funded program services	213,421	132,495
Total program expenses	14,174,131	12,935,381
Administrative expenses	960,388	1,049,580
Total expenses	15,134,519	13,984,961
Change in net assets from operations	184,717	388,930
<u>Non-operating expenses:</u>		
Fair value gain (loss) on interest rate swap	9,497	85,586
Change in net assets	194,214	474,516
Net assets without donor restrictions, beginning of year	3,158,899	2,684,383
Net assets without donor restrictions, end of year	\$ 3,353,113	\$ 3,158,899

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Functional Expenses
Years ended June 30, 2019 and 2018

	2019			2018		
	Program Services	Administrative	Total	Program Services	Administrative	Total
Personnel costs:						
Salaries and wages	\$ 8,963,460	\$ 604,197	\$ 9,567,657	\$ 8,271,397	\$ 679,212	\$ 8,950,609
Employee benefits	1,947,562	131,727	2,079,289	1,770,356	136,304	1,906,660
Payroll taxes	623,425	41,859	665,284	589,194	48,580	637,774
Accounting/audit fees	56,277	5,753	62,030	50,511	4,910	55,421
Advertising	32,756	3,376	36,132	18,548	2,626	21,174
Conferences, conventions and meetings	18,606	9,597	28,203	27,262	11,456	38,718
Depreciation	188,646	15,339	203,985	186,697	18,240	204,937
Equipment maintenance	34,553	2,524	37,077	14,183	1,385	15,568
Equipment rental	37,204	2,280	39,484	38,062	2,996	41,058
Insurance	73,278	5,836	79,114	64,120	6,898	71,018
Interest expense	101,605	8,264	109,869	96,382	9,417	105,799
Legal fees	25,302	1,890	27,192	43,606	4,071	47,677
Membership dues	45,470	6,663	52,133	48,330	8,218	56,548
Occupancy expenses	1,007,337	10,369	1,017,706	896,640	10,055	906,695
Office expenses	219,960	20,386	240,346	193,164	20,508	213,672
Other expenses	76,453	17,615	94,068	55,224	17,866	73,090
Other professional fees	378,017	57,890	435,907	273,798	55,732	329,530
Program supplies	156,066	12,646	168,712	84,240	8,943	93,183
Travel	188,154	2,177	190,331	213,667	2,163	215,830
	14,174,131	960,388	15,134,519	12,935,381	1,049,580	13,984,961
Administrative allocation	960,388	(960,388)	-	1,049,580	(1,049,580)	-
Total expenses	15,081,580	\$ -	\$ 15,134,519	\$ 13,984,961	\$ -	\$ 13,984,961

See notes to financial statements

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

Consolidated Statements of Cash Flows

Years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 194,214	\$ 474,516
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	203,985	204,937
Amortization of loan origination fees included in interest expense	18,930	18,929
Gain on sale of assets	(10,000)	-
Fair value (gain) loss on interest rate swap	(9,497)	(85,586)
(Increase) decrease in:		
Accounts receivable, net	(78,951)	10,155
Other receivables	(140,114)	(28,652)
Prepaid expenses	(13,015)	12,496
Increase (decrease) in:		
Accounts payable and accrued expenses	100,873	18,172
Deferred revenue	4,400	-
PMPM reserve	<u>112,263</u>	<u>112,737</u>
Net cash provided by operating activities	383,088	737,704
Cash flows from investing activities:		
Proceeds from sale of assets	10,000	-
Purchases of property and equipment	<u>(262,788)</u>	<u>(52,938)</u>
Net cash (used) provided by investing activities	<u>(252,788)</u>	<u>(52,938)</u>
Cash flows from financing activities:		
Net principal payments on long term debt	<u>(107,500)</u>	<u>(105,000)</u>
Net cash used in financing activities	<u>(107,500)</u>	<u>(105,000)</u>
Net increase (decrease) in cash and cash equivalents	22,800	579,766
Cash and cash equivalents, beginning of year	<u>1,640,075</u>	<u>1,060,309</u>
Cash and cash equivalents, end of year	<u>\$ 1,662,875</u>	<u>\$ 1,640,075</u>
<u>Supplemental cash flow disclosures:</u>		
Cash paid during the year for interest	<u>\$ 109,869</u>	<u>\$ 105,799</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 1. Nature of organization

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

During 2006, the Center for Life Management Foundation (the "Foundation") was established to act for the benefit of, to carry out the functions of, and to assist the Agency. It is affiliated with The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management through common board members and management. In addition, the Agency is the sole member.

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and the Center for Life Management Foundation are collectively referred to the "Organization".

Basis of consolidation

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

Note 2. Basis of accounting and summary of significant accounting policies

Basis of accounting

The financial statements are prepared on the accrual basis of accounting. Under this basis, revenues, other than contributions, and expenses are reported when incurred, without regard to date of receipt or payment of cash. Contributions are reported in accordance with FASB Accounting Standards Codification ("ASC") *Accounting for Contributions Received and Contributions Made*.

Basis of presentation

The Organization's financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

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 Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

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 Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 2. Basis of accounting and summary of significant accounting policies (continued)

At June 30, 2019 and 2018, the Organization only had net assets without donor restrictions of \$3,353,113 and \$3,158,899, respectively.

General

The significant accounting policies of the Organization are presented to assist in understanding the Organization's financial statements. The financial statements and the notes are representations of the Organization's management. The Organization is responsible for the integrity and objectivity of the financial statements.

Use of estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

Cash and cash equivalents

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash and cash equivalents.

Accounts receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management writes off accounts when they are deemed uncollectible and establishes an allowance for doubtful accounts for estimated uncollectible amounts. The Organization had an allowance for doubtful accounts of \$242,758 and \$224,548 as of June 30, 2019 and 2018, respectively. Refer to Note 3 for additional discussion of accounts receivable.

Property

Property is recorded at cost, except for donated assets which are recorded at estimated fair value at the date of donation. Depreciation is computed on the straight line basis over the estimated useful lives of the related assets as follows:

Buildings and improvements	15 – 40 years
Automobiles	3 – 15 years
Equipment	5 – 7 years

All equipment valued at \$500 or more is capitalized. Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Depreciation expense was \$203,985 and \$204,937 for the years ended June 30, 2019 and 2018, respectively.

Finance costs

Financing costs are recorded on the statement of position net of accumulated amortization. In accordance with generally accepted accounting principles, the unamortized financing costs are reported as a reduction in long term debt - see Note 7. The costs are amortized over the term of the respective financing arrangement.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 2. Basis of accounting and summary of significant accounting policies (continued)

Vacation pay and fringe benefits

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

Fair value measurements and financial instruments

The Company adopted FASB ASC 820, Fair Value Measurements and Disclosures, for assets and liabilities measured at fair value on a recurring basis. The codification established a common definition for fair value to be applied to existing generally accepted accounting principles that requires the use of fair value measurements, establishes a framework for measuring fair value, and expands disclosure about such fair value measurements.

FASB ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, FASB ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

The Organization's financial instruments consist primarily of cash, accounts receivables, accounts payable and accrued expenses. The carrying amount of the Organization's financial instruments approximates their fair value due to the short-term nature of such instruments. The carrying value of long-term debt approximates fair value due to their bearing interest at rates that approximate current market rates for notes with similar maturities and credit quality.

The Organization's interest rate swap agreements are classified as level 2 in the hierarchy, as all significant inputs to the fair value measurement are directly observable, such as the underlying interest rate assumptions.

Third-party contractual arrangements

A significant portion of revenue is derived from services to patients insured by third-party payers. Reimbursements from Medicare, Medicaid, and other commercial payers are at defined service 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 an allowance when received. A provision for estimated contractual allowances is provided on outstanding patient receivables at the statement of financial position date.

Advertising expenses

The Organization expenses advertising costs as they are incurred.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 2. Basis of accounting and summary of significant accounting policies (continued)

Expense allocation

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

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Interest rate swap

The Organization uses an interest rate swap to effectively convert the variable rate on its State Authority Bond to a fixed rate, as described in Note 8. The change in the fair value of the swap agreement and the payments to or receipts from the counterparty to the swap are netted with the interest expense on the bonds. Cash flows from interest rate swap contracts are classified as a financing activity on the statement of cash flows.

Income taxes

The Agency is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Agency has also been classified as an entity that is not a private foundation within the meaning of 509(a) and qualifies for deductible contributions.

The Foundation is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is an organization that is organized and operated exclusively for the benefit of the Agency.

These financial statements follow FASB ASC, *Accounting for Uncertain Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return.

Accounting for Uncertain Income Taxes did not have a material impact on these financial statements as the Organization believes it has taken no uncertain tax positions that could have an effect on its financial statements.

Federal Form 990 (Return of an Organization Exempt from Income Tax) for fiscal years 2016, 2017 and 2018 are subject to examination by the IRS, generally for three years after filing.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 2. Basis of accounting and summary of significant accounting policies (continued)

Reclassifications

Certain amounts in the prior-year financial statements have been reclassified in order to be comparable with the current year presentation.

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 Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Subsequent events

The Organization has evaluated all subsequent events through September 17, 2019, the date the financial statements were available to be issued.

Note 3. Accounts receivable, net

Accounts receivable consist of the following at June 30,:

	<u>2019</u>			<u>2018</u>		
	Receivable			Receivable		
<u>Accounts receivable</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Clients	\$ 319,858	\$ (192,955)	\$ 126,903	\$ 332,312	\$ (179,244)	\$ 153,068
Insurance companies	190,094	(4,389)	185,705	144,808	(6,476)	138,332
Medicaid	620,780	(43,187)	577,593	540,750	(35,213)	505,537
Medicare	55,207	(2,227)	52,980	70,908	(3,615)	67,293
	<u>\$1,185,939</u>	<u>\$ (242,758)</u>	<u>\$ 943,181</u>	<u>\$1,088,778</u>	<u>\$ (224,548)</u>	<u>\$ 864,230</u>

	<u>2019</u>	<u>2018</u>
<u>Other receivables</u>		
Towns	\$ 28,000	\$ 18,600
NH Division of Mental Health	125,889	87,680
Unemployment tax refund	12,881	
Contractual services	118,159	38,535
	<u>\$ 284,929</u>	<u>\$ 144,815</u>

Note 4. Concentrations of credit risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of the following:

	<u>2019</u>	<u>2018</u>
Receivables primarily for services provided to individuals and entities located in southern New Hampshire	<u>\$ 943,181</u>	<u>\$ 864,230</u>
Other receivables due from entities located in New Hampshire	<u>\$ 284,929</u>	<u>\$ 144,815</u>

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 4. Concentrations of credit risk (continued)

Bank balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to the prevailing FDIC limit. At June 30, 2019 and 2018, the Organization had approximately \$1,287,000 and \$1,212,400 in uninsured cash balances.

Note 5. Prepays

Prepays consists of the following at June 30:

	<u>2019</u>	<u>2018</u>
Prepaid insurance	\$ 37,268	\$ 32,777
Prepaid rents	<u>56,500</u>	<u>47,976</u>
	<u>\$ 93,768</u>	<u>\$ 80,753</u>

Note 6. Property and equipment

Property and equipment consists of the following at June 30:

	<u>2019</u>	<u>2018</u>
Land	\$ 565,000	\$ 565,000
Buildings and improvements	4,036,993	3,977,453
Automobiles	18,800	20,000
Equipment	<u>1,630,644</u>	<u>1,446,194</u>
	6,251,437	6,008,647
Less: accumulated depreciation	<u>(2,535,968)</u>	<u>(2,351,982)</u>
Property and equipment, net	<u>\$ 3,715,469</u>	<u>\$ 3,656,665</u>

Note 7. Long term debt

Long term debt consists of the following as of June 30,:

	<u>2019</u>	<u>2018</u>
Series 2015 New Hampshire Health and Education Facilities Bond -		
Payable through 2036, original principal of \$3,042,730, remarketed and sold to People's United Bank at a variable rate, with an effective rate of 3.5866% and 2.8169% at June 30, 2019 and 2018, respectively. Secured by land, building, equipment, and certain revenues, and is subject to certain financial covenants. The note matures August 2025. The Organization has entered into an interest rate swap agreement to effectively fix the interest rate on the note. See Note 9.	2,647,730	2,755,230
Less: unamortized finance costs	<u>(338,942)</u>	<u>(357,873)</u>
Long term debt, less unamortized finance costs	2,308,788	2,397,357
Less: current portion of long term debt	<u>(93,538)</u>	<u>(88,538)</u>
Long term debt, less current portion	<u>\$ 2,215,250</u>	<u>\$ 2,308,819</u>

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 7. Long term debt (continued)

In 2017, the Organization retroactively adopted the requirements of FASB ASC 835-30 to present debt issuance costs as a reduction of the carrying amount of debt rather than as an asset.

Amortization of \$18,930 and \$18,929 is reported as interest expense in the consolidated statement of activities for the years ended June 30, 2019 and 2018, respectively.

Future maturities to long term debt are as follows:

<u>Year ending June 30.</u>	<u>Long Term Debt Principal</u>	<u>Unamortized Finance Costs</u>	<u>Net</u>
2020	\$ 112,500	\$ (18,962)	\$ 93,538
2021	117,500	(18,962)	98,538
2022	122,500	(18,962)	103,538
2023	127,500	(18,962)	108,538
2024	132,500	(18,962)	113,538
Thereafter	2,035,230	(244,132)	1,791,098
Total	<u>\$ 2,647,730</u>	<u>\$ (338,942)</u>	<u>\$ 2,308,788</u>

Note 8. Line of credit

As of June 30, 2019, the Organization had a demand line of credit with People's United Bank with a borrowing capacity of \$850,000, which is available through March 29, 2021. Interest accrued on the outstanding principal balance is payable monthly at the Wall Street Journal Prime plus .50% (effective rate of 6.00% at June 30, 2019). The outstanding balance on the line at June 30, 2019 was \$0. The line of credit is secured by all business assets and real estate.

As of June 30, 2018, the Organization had a demand line of credit with People's United Bank with a borrowing capacity of \$850,000, which was available through March 29, 2019. Interest accrued on the outstanding principal balance was payable monthly at the Wall Street Journal Prime plus 1.50% (effective rate of 6.00% at June 30, 2018). The outstanding balance on the line at June 30, 2018 was \$0. The line of credit was secured by all business assets and real estate.

Note 9. Interest rate swap

During 2016, the Organization entered into an interest rate swap agreement with People's United Bank that effectively fixes the interest rate on the outstanding principal of the Banks term note at 3.045%.

Under the arrangement, the notional principal amount is the balance of the note, with the Organization receiving floating payments of one month London InterBank Offered rate ("LIBOR") plus .69% and paying a fixed rate of 3.045%.

The agreement matures August 2025 and has a notional amount of \$2,647,730 and \$2,755,230 at June 30, 2019 and 2018, respectively.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 9. Interest rate swap (continued)

In accordance with generally accepted accounting principles, the interest rate swap agreement is recorded at its fair value as an asset or liability, with the changes in fair value being reported as a component of the change in net assets without donor restrictions. For the years ended June 30, 2019 and 2018, the Organization reported an interest rate swap asset of \$58,030 and asset of \$48,533 on the statement of financial position and a fair value gain / (loss) on the interest rate swap of \$9,497 and \$85,586 on the statement of activities, respectively. The fair value gain / (loss) is reported as a non-operating expense of the Organization and is a non-cash transaction.

Note 10. Employee benefit plan

Discretionary matching contributions to a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code are contingent upon financial condition. This program covers eligible regular full-time and part-time employees who have successfully completed at least one year of employment and work at least 20 hours per week. Eligible employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Employer contributions totaled \$109,592 and \$99,861 for the years ended June 30, 2019 and 2018, respectively.

Note 11. Commitments and contingencies

The Mental Health Center for Southern New Hampshire, d/b/a CLM Center for Life Management, has entered into an agreement with Parkland Medical Center ("PMC") of Derry, New Hampshire, which requires that CLM provide psychiatric services and consultations to inpatients of PMC for the hospital medical and nursing staff. The consultations are requested by the hospital and responded to by CLM medical staff on an on-call basis.

In addition to the psychiatric services, CLM provides emergency mental health assessments, evaluations, and referral services to the emergency department ("ED") of the hospital. CLM emergency service clinicians are available on a twenty-four hour, seven days a week basis to see patients entering the ED who are experiencing a mental health crisis or psychiatric emergency.

The original agreement expired May 31, 2018, however, a new agreement was effective July 1, 2018. The new agreement is effective for an initial one year term and will be automatically renewed for up to two additional one year terms.

For the years ended June 30, 2019 and 2018, the Agency received approximately 68% and 72%, respectively, of its total revenue in the form of Medicaid reimbursements. Being a State of New Hampshire designated Community Mental Health Center affords the Agency Medicaid provider status. Annual contracting with New Hampshire Department of Health and Human Services-Bureau of Behavioral Health provides a base allocation of state general funds are taken as grant funds which are drawn as related expenses are incurred. Medicaid is comprised of 50% Federal funds and 50% New Hampshire State matching funds.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 12. Lease commitments

The Agency leases facilities and multiple copier agreements under various operating leases. Rent expense recorded under these arrangements was approximately \$196,000 and \$204,000 for the years ended June 30, 2019 and 2018, respectively.

The following details the future minimum lease payments on leases with an initial or remaining term of greater than one year as of June 30, 2019:

<u>Years ending June 30,</u>	
2020	\$ 183,924
2021	177,559
2022	181,773
2023	185,987
2024	<u>190,201</u>
Total	<u>\$ 919,444</u>

Note 13. Availability and liquidity

The following represents the Organization's financial assets at June 30,:

	<u>2019</u>	<u>2018</u>
<u>Financial assets at year end:</u>		
Cash and cash equivalents	\$1,662,875	\$1,640,075
Accounts receivable	943,181	864,230
Other receivable	284,929	144,815
Security deposit	<u>11,087</u>	<u>11,087</u>
Total financial assets	2,902,072	2,660,207
<u>Less amounts not available within one year:</u>		
Security deposit	<u>(11,087)</u>	<u>(11,087)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$2,890,985</u>	<u>\$2,649,120</u>

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing mission-related activities, as well as the conduct of service undertaken to support those activities, to be general expenditures.

The Organization's primary source of liquidity is its cash and cash equivalents.

In addition to financial assets available to meet general expenditures within one year, the Organization operates with a budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

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

Consolidating Statement of Position

June 30, 2019

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
<u>ASSETS</u>					
Current assets:					
Cash and cash equivalents	\$ 1,451,648	\$ 211,227	\$ 1,662,875	\$ -	\$ 1,662,875
Accounts receivable, net	943,181	-	943,181	-	943,181
Other receivables	284,929	-	284,929	-	284,929
Prepaid expenses	93,768	-	93,768	-	93,768
Security deposit	11,087	-	11,087	-	11,087
Total current assets	2,784,613	211,227	2,995,840	-	2,995,840
Property and equipment, net	3,715,469	-	3,715,469	-	3,715,469
Other assets:					
Interest rate swap agreement	58,030	-	58,030	-	58,030
Total assets	<u>\$ 6,558,112</u>	<u>\$ 211,227</u>	<u>\$ 6,769,339</u>	<u>\$ -</u>	<u>\$ 6,769,339</u>
<u>LIABILITIES AND NET ASSETS</u>					
Current liabilities:					
Current portion of long-term debt	\$ 93,538	\$ -	\$ 93,538	\$ -	\$ 93,538
Accounts payable	76,558	-	76,558	-	76,558
Accrued payroll and payroll liabilities	402,801	-	402,801	-	402,801
Accrued vacation	372,138	-	372,138	-	372,138
Accrued expenses	18,961	-	18,961	-	18,961
Deferred revenue	11,980	-	11,980	-	11,980
Total current liabilities	975,976	-	975,976	-	975,976
Long term liabilities:					
PMPM reserve	225,000	-	225,000	-	225,000
Long-term-debt less current portion	2,215,250	-	2,215,250	-	2,215,250
Total long term liabilities	2,440,250	-	2,440,250	-	2,440,250
Total liabilities	3,416,226	-	3,416,226	-	3,416,226
Net assets without donor restrictions	3,141,886	211,227	3,353,113	-	3,353,113
Total liabilities and net assets	<u>\$ 6,558,112</u>	<u>\$ 211,227</u>	<u>\$ 6,769,339</u>	<u>\$ -</u>	<u>\$ 6,769,339</u>

See Independent Auditor's Report

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

June 30, 2018

Center for Life

CLM

Management

Foundation

Total

Eliminations

Consolidated

ASSETS

Current assets:

Cash and cash equivalents	\$ 1,429,298	\$ 210,777	\$ 1,640,075	\$ -	\$ 1,640,075
Accounts receivable, net	864,230	-	864,230	-	864,230
Other receivables	144,815	-	144,815	-	144,815
Prepaid expenses	80,753	-	80,753	-	80,753
Security deposit	11,087	-	11,087	-	11,087
Total current assets	2,530,183	210,777	2,740,960	-	2,740,960

Property and equipment, net

3,656,665	-	3,656,665	-	3,656,665
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Other assets

Interest rate swap agreement	48,533	-	48,533	-	48,533
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Total assets

\$ 6,235,381	\$ 210,777	\$ 6,446,158	\$ -	\$ 6,446,158
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LIABILITIES AND NET ASSETS

Current liabilities:

Current portion of long-term debt	\$ 88,538	\$ -	\$ 88,538	\$ -	\$ 88,538
Accounts payable	53,554	-	53,554	-	53,554
Accrued payroll and payroll liabilities	375,055	-	375,055	-	375,055
Accrued vacation	327,657	-	327,657	-	327,657
Accrued expenses	13,319	-	13,319	-	13,319
Deferred revenue	7,580	-	7,580	-	7,580
Total current liabilities	865,703	-	865,703	-	865,703

Long term liabilities

PMPM reserve	112,737	-	112,737	-	112,737
Long-term-debt less current portion	2,308,819	-	2,308,819	-	2,308,819
Total long term liabilities	2,421,556	-	2,421,556	-	2,421,556
Total liabilities	3,287,259	-	3,287,259	-	3,287,259
Net assets without donor restrictions	2,948,122	210,777	3,158,899	-	3,158,899
Total liabilities and net assets	\$ 6,235,381	\$ 210,777	\$ 6,446,158	\$ -	\$ 6,446,158

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidating Statement of Activities
For the Year Ended June 30, 2019

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
Public support and revenues:					
Public support:					
Federal	\$ 893,941	\$ -	\$ 893,941	\$ -	\$ 893,941
State of New Hampshire - BBH	258,681	-	258,681	-	258,681
State and local funding	43,601	-	43,601	-	43,601
Other public support	171,448	53,389	224,837	-	224,837
Total public support	1,367,671	53,389	1,421,060	-	1,421,060
Revenues:					
Program service fees, net	13,076,818	-	13,076,818	-	13,076,818
Other service income	647,329	-	647,329	-	647,329
Rental income	5,188	-	5,188	-	5,188
Other	158,841	-	158,841	-	158,841
Gain on sale of assets	10,000	-	10,000	-	10,000
Total revenues	13,898,176	-	13,898,176	-	13,898,176
Total public support and revenues	15,265,847	53,389	15,319,236	-	15,319,236
Operating expenses:					
BBH funded programs:					
Children	5,157,438	-	5,157,438	-	5,157,438
Elders	501,342	-	501,342	-	501,342
Vocational	266,091	-	266,091	-	266,091
Multi-Service	2,971,434	-	2,971,434	-	2,971,434
Acute Care	932,421	-	932,421	-	932,421
Independent Living	2,334,134	-	2,334,134	-	2,334,134
Assertive Community Treatment	734,195	-	734,195	-	734,195
Non-Specialized Outpatient	1,063,655	-	1,063,655	-	1,063,655
Non-BBH funded program services	160,482	52,939	213,421	-	213,421
Total program expenses	14,121,192	52,939	14,174,131	-	14,174,131
Administrative expenses	960,388	-	960,388	-	960,388
Total expenses	15,081,580	52,939	15,134,519	-	15,134,519
Change in net assets from operations	184,267	450	184,717	-	184,717
Non-operating expenses:					
Fair value gain on interest rate swap	9,497	-	9,497	-	9,497
Change in net assets	193,764	450	194,214	-	194,214
Net assets, beginning of year	2,948,122	210,777	3,158,899	-	3,158,899
Net assets, end of year	\$ 3,141,886	\$ 211,227	\$ 3,353,113	\$ -	\$ 3,353,113

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidating Statement of Activities
For the Year Ended June 30, 2018

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
<u>Public support and revenues:</u>					
Public support:					
Federal	\$ 1,005,755	\$ -	\$ 1,005,755	\$ -	\$ 1,005,755
State of New Hampshire - BBH	316,921	-	316,921	-	316,921
State and local funding	43,602	-	43,602	-	43,602
Other public support	66,499	64,673	131,172	-	131,172
Total public support	1,432,777	64,673	1,497,450	-	1,497,450
Revenues:					
Program service fees, net	12,364,822	-	12,364,822	-	12,364,822
Other service income	467,403	-	467,403	-	467,403
Rental income	4,985	-	4,985	-	4,985
Other	39,231	-	39,231	-	39,231
Total revenues	12,876,441	-	12,876,441	-	12,876,441
Total public support and revenues	14,309,218	64,673	14,373,891	-	14,373,891
<u>Operating expenses:</u>					
BBH funded programs:					
Children	4,859,070	-	4,859,070	-	4,859,070
Elders	282,131	-	282,131	-	282,131
Vocational	234,156	-	234,156	-	234,156
Multi-Service	2,609,377	-	2,609,377	-	2,609,377
Acute Care	775,806	-	775,806	-	775,806
Independent Living	2,226,618	-	2,226,618	-	2,226,618
Assertive Community Treatment	835,083	-	835,083	-	835,083
Non-Specialized Outpatient	980,645	-	980,645	-	980,645
Non-BBH funded program services	96,069	36,426	132,495	-	132,495
Total program expenses	12,898,955	36,426	12,935,381	-	12,935,381
Administrative expenses	1,049,580	-	1,049,580	-	1,049,580
Total expenses	13,948,535	36,426	13,984,961	-	13,984,961
Change in net assets from operations	360,683	28,247	388,930	-	388,930
<u>Non-operating expenses:</u>					
Fair value gain on interest rate swap	85,586	-	85,586	-	85,586
Change in net assets	446,269	28,247	474,516	-	474,516
Net assets, beginning of year	2,501,853	182,530	2,684,383	-	2,684,383
Net assets, end of year	\$ 2,948,122	\$ 210,777	\$ 3,158,899	\$ -	\$ 3,158,899

See Independent Auditor's Report.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Analysis of Accounts Receivable
For the Year Ended June 30, 2019

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Change in Allowance	Accounts Receivable End of Year
Clients	\$ 332,312	\$ 1,335,372	\$ (356,399)	\$ (991,427)	\$ -	\$ 319,858
Insurance companies	144,808	2,237,147	(1,075,770)	(1,116,091)	-	190,094
Medicaid	540,750	12,473,046	(2,059,091)	(10,333,925)	-	620,780
Medicare	70,908	617,187	(251,328)	(381,560)	-	55,207
Allowance	(224,548)	-	-	-	(18,210)	(242,758)
Total	<u>\$ 864,230</u>	<u>\$ 16,662,752</u>	<u>\$ (3,742,588)</u>	<u>\$ (12,823,003)</u>	<u>\$ (18,210)</u>	<u>\$ 943,181</u>

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT
Schedule of Program Revenues and Expenses
For the Year Ended June 30, 2019

	<u>Children</u>	<u>Elders</u>	<u>Vocational</u>	<u>Multi- Service</u>	<u>Acute Care</u>	<u>Independent Living</u>	<u>Assertive Community Treatment</u>	<u>Non- Specialized Outpatient</u>	<u>Other Non-BBH</u>	<u>Total Program Services</u>	<u>Admin- istrative</u>	<u>Total Agency</u>
<u>Public support and revenues:</u>												
Public support:												
Federal	\$ 2,500	\$ -	\$ -	\$ -	\$ 35,538	\$ 790,502	\$ 62,901	\$ 2,500	\$ -	\$ 893,941	\$ -	\$ 893,941
State of New Hampshire - BBH	6,328	-	-	3,945	86,309	-	162,099	-	-	258,681	-	258,681
State and local funding	14,671	-	-	-	-	-	-	14,271	14,659	43,601	-	43,601
Other public support	24,900	-	-	-	-	22,950	-	122,078	520	170,448	1,000	171,448
Total public support	48,399	-	-	3,945	121,847	813,452	225,000	138,849	15,179	1,366,671	1,000	1,367,671
<u>Revenues:</u>												
Program service fees, net	5,692,793	542,785	222,250	3,745,411	524,729	1,267,991	656,375	416,798	7,686	13,076,818	-	13,076,818
Other service income	52,898	49,245	-	880	275,064	1,308	-	219,489	48,445	647,329	-	647,329
Rental income	889	-	-	1,632	889	889	-	389	-	5,188	-	5,188
Other	43,669	2,566	2,103	23,431	6,962	19,206	7,948	13,406	964	120,255	38,586	158,841
Gain on sale of assets	3,484	202	168	1,370	556	1,596	599	703	70	9,248	752	10,000
Total revenues	5,793,733	594,798	224,521	3,773,224	808,200	1,290,990	664,922	651,285	57,165	13,858,838	39,338	13,898,176
Total public support and revenues	5,842,132	594,758	224,521	3,777,169	930,047	2,104,442	889,922	790,134	72,344	15,225,509	40,338	15,265,847
Total expenses	5,508,639	535,422	284,175	3,173,379	995,792	2,492,759	784,083	1,135,941	171,390	15,081,580	-	15,081,580
Change in net assets from operations	333,493	59,376	(59,654)	603,790	(65,745)	(388,317)	105,839	(345,807)	(99,046)	143,929	40,338	184,267
<u>Non-operating expenses:</u>												
Fair value gain on interest rate swap	3,308	192	160	1,776	528	1,516	569	668	66	8,783	714	9,497
Change in net assets	\$ 336,801	\$ 59,568	\$ (59,494)	\$ 605,566	\$ (65,217)	\$ (386,801)	\$ 106,408	\$ (345,139)	\$ (98,980)	\$ 152,712	\$ 41,052	\$ 193,764

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT
Schedule of Program Expenses
For the Year Ended June 30, 2019

	Children	Elders	Vocational	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	non-Specialized Outpatient	Other Non-BBH	Total Program Services	Administrative	Total Agency
Personnel costs:												
Salaries and wages	\$ 3,449,000	\$ 351,535	\$ 167,769	\$ 2,041,521	\$ 693,535	\$ 1,008,680	\$ 446,541	\$ 698,885	\$ 105,994	\$ 8,963,460	\$ 604,197	\$ 9,567,657
Employee benefits	702,665	93,009	53,845	471,770	87,810	284,070	126,462	107,947	19,984	1,947,562	131,727	2,079,289
Payroll taxes	240,278	24,868	11,643	140,823	49,856	69,022	31,695	48,250	6,990	623,425	41,859	665,284
Accounting/audit fees	21,089	1,223	1,018	11,319	3,366	9,660	3,629	4,257	427	55,988	5,753	61,741
Advertising	12,077	813	671	6,443	2,145	5,231	2,081	2,766	529	32,756	3,376	36,132
Conferences, conventions and meetings	4,413	111	744	4,026	533	624	751	7,058	346	18,606	9,597	28,203
Depreciation	71,069	4,121	3,427	38,145	11,341	32,556	12,219	14,340	1,428	188,646	15,339	203,985
Equipment maintenance	11,603	674	563	6,224	1,853	5,308	1,997	2,342	3,989	34,553	2,524	37,077
Equipment rental	15,333	612	509	6,407	3,623	4,839	1,816	3,852	213	37,204	2,280	39,484
Insurance	27,041	1,567	1,303	16,014	4,316	12,388	4,649	5,456	544	73,278	5,836	79,114
Interest expense	38,281	2,218	1,845	20,545	6,107	17,536	6,582	7,719	772	101,605	8,264	109,869
Legal fees	8,757	508	422	4,701	1,398	4,012	3,561	1,767	176	25,302	1,890	27,192
Membership dues	13,998	918	734	9,783	2,636	6,470	2,655	4,568	3,708	45,470	6,663	52,133
Occupancy expenses	180,310	2,787	2,316	45,731	7,665	701,658	9,010	56,897	963	1,007,337	10,369	1,017,706
Office expenses	81,067	3,749	4,322	35,797	13,077	34,483	23,570	21,619	2,276	219,960	20,386	240,346
Other expenses	8,290	385	322	4,354	4,081	3,963	1,206	1,886	908	25,395	17,615	43,010
Other professional fees	131,798	7,311	6,087	72,497	25,597	59,663	21,840	49,084	2,548	376,425	57,890	434,315
Program supplies	55,575	2,056	2,745	26,900	11,521	14,831	13,014	20,800	8,624	156,066	12,646	168,712
Travel	84,794	2,877	5,806	8,434	1,961	59,140	20,917	4,162	63	188,154	2,177	190,331
	<u>5,157,438</u>	<u>501,342</u>	<u>266,091</u>	<u>2,971,434</u>	<u>932,421</u>	<u>2,334,134</u>	<u>734,195</u>	<u>1,063,655</u>	<u>160,482</u>	<u>14,121,192</u>	<u>960,388</u>	<u>15,081,580</u>
Administrative allocation	351,201	34,080	18,084	201,945	63,371	158,625	49,888	72,286	10,908	960,388	(960,388)	-
Total program expenses	<u>\$ 5,508,639</u>	<u>\$ 535,422</u>	<u>\$ 284,175</u>	<u>\$ 3,173,379</u>	<u>\$ 995,792</u>	<u>\$ 2,492,759</u>	<u>\$ 784,083</u>	<u>\$ 1,135,941</u>	<u>\$ 171,390</u>	<u>\$ 15,081,580</u>	<u>\$ -</u>	<u>\$ 15,081,580</u>

BOARD OF DIRECTORS FY2020

David Hebert
Chairperson
Town: Derry
Start: 9/28/2016
Current Term: 2019-2022

TBD
Vice Chair

Susan Davis
Secretary
Town: Hampstead
Start: 6/23/2012
Current Term: 2017-2020

Ron Lague
Past Chairperson
Town: Derry
Start: 6/24/2011
Current Term: 2017-2020

Elizabeth Roth
Town: Salem
Start: 6/20/2006

Judi Ryan
Town: Salem
Start: 6/23/2012
Current Term: 2018 -2021

Jeffrey Rind, MD
Town: Derry
Start: 6/25/2009
Current Term: 2018-2021

Gail Corcoran
Town: Salem
Start: 2/28/2010
Current Term: 2018-2021

Vic Topo
President & CEO
Town: Londonderry
Start: 6/30/1999
Current Term: 2018-2021

Vernon Thomas
Town: Derry
Start: 6/28/2013
Current Term: 2019-2022

Maria Gudinas

Town: Atkinson

Start: 4/25/2018

Current Term: 2018-2021

Christopher Peterson, MD

Town: Derry

Start: 9/27/2018

Current Term: 2018-2021

Joseph Crawford

Town: Derry

Start: 6/26/2019

Current Term: 2019-2022

VICTOR TOPO

President/Chief Executive Officer

Successful 32-year career as clinician, manager and CEO in community mental health organizations located in Ohio and New Hampshire. Proven ability to lead board and staff with a persistent focus on mission and achieving results. Talent for exploring new and innovative approaches to delivering traditional and non-traditional behavioral health care. Possess wide range of knowledge and experience with all service populations, especially vulnerable persons at high risk. Strengths include:

- Operations
- Reorganization and reinvention
- Team building and leadership
- Strategic planning
- Collaboration
- Strategic partnerships
- Strong relationship with funders
- Community building
- Innovation

Professional Experience

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

1999 – Present

Recruited to manage 501(c) 3 comprehensive community mental health center and its title holding 501(c) 2 corporation, entitled West Rock Endowment Association including two residential facilities.

Key results:

- Restructured senior management increasing direct reports from three to six.
- Revenues increased from 6.5 million to 13 million.
- Established closer connection with surrounding community utilizing aggressive public relations strategy while also rebranding CLM in 2004.
- Guided Board of Directors towards more accountability including higher expectation from management and individual board members.
- Initiated and implemented Corporate Compliance Program, including selection of corporate compliance officer
- Increased year after year number of persons served starting with 3,400 to nearly 6,000.
- Created and implemented strategy to integrate behavioral health care with physician healthcare. Integrated behavioral health services into two Primary Care/Pediatric Practices and two Specialty Practices in Southern New Hampshire.
- Consolidated outpatient offices toward design and construction of new state of the art 26,000 square foot facility. Received national awards for design and use of new facility.
- Provided leadership and vision to oversee the development and implementation of an Electronic Health Record (EHR) called webAISCE. Software now includes e-prescribing and has begun acquiring Meaningful Use dollars with regular upgrades over course of fifteen years.
- Adopted Neurostar Transcranial Magnetic Stimulation (TMS) in 2010 as newest neuro tech treatment for treatment resistant Major Depressive Disorder. First free standing community mental health center in the U.S. to offer it.

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

1988 - 1999

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

VICTOR TOPO

-Page 2-

Key results:

- In collaboration with mental health board designed one of Ohio's first 24 hour 7 days a week in-home crisis stabilization program called C.B.S. (Community Based Stabilization).
- Assumed leadership role in transitioning 32 long-term patients back to our community.
- Positioned organization every year to competitively bid on ever/service provided and be awarded the service contract. Expanded wide range of services that include psychiatry, counseling, emergency services and housing.
- Created county's only Atypical Neuroleptic Medication Program (e.g. Clozaril).
- Pathways' first long range strategic plan in 1992.
- Increased Medicaid revenue from \$38,000 in 1989 to \$431,210 in 1997.

Community Counseling Center – Ashtabula, OH

1983-1988

Case Management Supervisor/Case Manager

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

Key results:

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

EDUCATION

Master of Social Work (MSW)
West Virginia University, Morgantown, WV

Bachelor of Arts (BA)
Siena College, Londonville, NY

Associate of Applied Science (AAS)
Fulton-Montgomery Community College, Johnstown, NY

BOARD/LEADERSHIP POSITIONS

Heritage United Way – Board of Directors

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

Statewide Evidenced Based Practice Committee – Co-Chair

Greater Salem Chamber of Commerce – Board of Directors

Behavioral Health Network – Board of Directors

Greater Derry/Londonderry Chamber of Commerce – Board of Directors

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

Greater Salem Leadership Program – Graduate, Class of 2001

Steve Arnault

Objective

To obtain a position where I can maximize my multilayer of management skills, quality assurance, program development, experience as an educator, customer service, and a successful track record in the health care environment.

Professional Experience

Lead Healthcare Systems Align, LLC
Nottingham, NH 1/2010 – Present

[Healthcare Systems Align.com](http://HealthcareSystemsAlign.com)

- Provide consultation to agencies, medical practices and practitioners to establish systems of integrated healthcare that includes practice patterns, billing strategies, quality and compliance strategy, policy development, outcome measurement and supervision.

VP of Quality, Compliance Center for Life Management, Derry, NH 1/2009 - Present
www.centerforlifemanagement.org

- Senior management position in mental health center serving 6000 consumers
Responsibilities include development, implementation and monitoring of strategies and systems to continuously improve the quality of services to consumers. Assure compliance to state and federal regulations.
- Develop and maintain systems to assure fidelity to evidence based practices.
- Continuous development of EMR and associated staff training.
- Establish and maintain outcome measures and their incorporation into QI/UR initiatives.
- Develop and implement projects to improve the quality of care.
- Chair of agency Safety Committee.

Director, Behavioral Health Services Portsmouth Regional Hospital
Portsmouth, NH 1/2006 - 12/2009

- Responsible for clinical, administrative and fiscal management of service line which includes 22 bed inpatient psychiatric unit, Psychiatric Assessment and Referral Service and interdepartmental service. Supervision of an Assistant Director and Coordinator, Responsible for 85 staff. Oversee the integration of behavioral health into primary care. Manage annual budget of 10.5 million dollars.
- Chair Directors Operations Meeting. Coordinate monthly meeting of hospital departmental directors.
- Co-chair of Patient Flow Committee. Analysis and development of data systems to monitor patient throughput. Develop and implement strategies to improve the efficiency of care.

Steve Arnault

Assistant Director of Portsmouth Regional Hospital 4/2005 – 1/2006
Behavioral Health Services Portsmouth, NH

- Responsible for the clinical and administrative functioning of the Psychiatric assessment and Referral Service (PARS). Manage annual budget of 600K.
- Supervision of 22 clinicians who provide psychiatric crisis assessments, admissions, intake and referral 24 hours a day.
- Supervision, oversight and development of the Interdepartmental Service: 3 clinicians who provide psychiatric assessment, consultation and therapy to patients admitted medically to the hospital.

Director of Adult Services Community Partners; Dover, NH 11/2001 – 4/2005

- Responsible for the clinical, administrative and financial operations of the Adult Outpatient Therapy, EAP, Admissions, Emergency Services, Geriatric and Acute Service programs (PHP/IOP) serving Strafford County. Supervised 4 managers responsible for 26 staff. Manage annual budget of 3 million dollars.

Clinical Director of Riverbend Community Mental Health Ctr 9/2000 – 11/2001
Community Support Prog. Concord, NH

- Responsible for the clinical, administrative and fiscal operations of programs serving 554 consumers with severe and persistent mental illness. Directly supervise 5 managers responsible for 60 staff. Development and oversight of annual budget of 4 million dollars.

Treatment Team Riverbend Community Mental Health Ctr 8/1996 – 9/2000
Coordinator Concord, NH

- Clinical and administrative supervision of a multidisciplinary team of 12 direct care staff. Serving an average of 100 individuals with severe and persistent mental illness.

Team Leader Strafford Guidance Center; Dover, NH 1/1993 – 8/1996

- Clinical and administrative supervision of 8 direct care staff. Serving an average of 80 individuals with severe and persistent mental illness.
- Developed the first interagency treatment team to serve individuals with severe and persistent mental illness and developmental disabilities in NH.

Clinical Case Manager Strafford Guidance Center; Dover, NH 1/1992 – 12/1993

- Provided psychotherapy and case management services to individuals with severe and persistent mental illness and substance abuse issues as part of The Continuous Treatment Team study through Dartmouth College.

Steve Arnault

Teaching & Educational Experience

Assistant Director / Behavioral Specialist Residential Resources; Keene, NH 1/1989 – 1/1992

- Directed all administrative, fiscal and clinical activities for 5 group homes and 3 supported living arrangements serving people with developmental disabilities. Provide behavioral consultation to individuals with behavioral/functional challenges.

Behavioral Specialist / Clinical Supervisor The Center for Humanistic Change 8/1986 – 1/1989
Manchester, NH

- Provide behavioral consultation to individuals facing behavioral/functional challenges in group homes, day programs, vocational and family settings. Supervised 2 clinicians.

House Manager Greater Lawrence Psychological Center 6/1984 – 8/1986
Lawrence, MA

- Administrative, clinical and financial management of a group home serving 4 men with severe and persistent mental illness.

Adjunct Faculty New England College; Henniker, NH 9/1994 - Present
www.nec.edu

- Teach graduate and undergraduate courses in psychology, counseling, program development and evaluation

Director of Masters Degree Program in Mental Health Counseling New England College; Henniker, NH 1/1998 – 3/2002

- Developed and implemented curriculum for degree program.
- Oversight of curriculum to insure quality, academic standards and student retention.
- Development and execution of marketing plan.
- Provided academic advising and mentoring to students.
- Faculty recruitment, supervision and monitoring of academic quality

Curriculum Consultant New England College; Henniker, NH Fall 2012 - Present

- Developed curricula for a certificate and C.A.G.S. in the integration of behavioral health into primary medicine.

- Provided individual, group, and family counseling. Assisted with other indicated medical procedures such as electroconvulsive therapy, and participated in milieu management and activities.

EDUCATION:

- New Hampshire College, Graduate School of Business, Manchester, NH
M.B.A. Degree 1987
- Fitchburg State College, Graduate School of Guidance and Counseling, Fitchburg, MA
18 Graduate Hours in Counseling 1973
- Nathaniel Hawthorne College, Antrim, NH
B.A. Degree 1971

LICENSES AND PROFESSIONAL AFFILIATIONS:

- Licensed Certified Social Worker, Massachusetts License #3028-2-051-181
- Member in Good Standing National Association of Social Workers

DIANA LACHAPELLE, CPA

Strategically focused financial executive with extensive knowledge of healthcare operations, financial reporting and third party reimbursement. Possesses keen business acumen and decision making skill. Proven track record of working collaboratively and driving change to optimize operations.

Core Qualifications

- Strategic Planning
- Revenue Cycle Management
- Financial Reporting & Analysis
- Third Party Reimbursement
- Budgeting & Forecasting
- Contract Negotiations
- Internal Controls
- Audit
- Performance Management

PROFESSIONAL EXPERIENCE

CFO/CONTROLLER

Encompass Health Rehabilitation Hospital (formerly HealthSouth), Concord, NH January 2012 to Present

Financial leader of this 50-bed inpatient acute care rehabilitation hospital and outpatient treatment center reporting directly to the CEO. Responsible for all financial aspects of the hospital including revenue cycle, operating & capital plans, financial reporting, state & federal compliance reporting, strategy development and execution.

Key contributions and results:

- Implemented cost reduction initiatives to improve cash flow by 7%.
- Restructured outpatient operation to create a viable business unit, improving operating contribution by 34%.
- Developed and executed a labor management plan to improve operational efficiency and reduce full time equivalents by 7%.
- Financial educator for Encompass Health's "CEO in Training" program, as well as, preceptor for newly hired controllers.

CPA SERVICES

Diana C. Lachapelle, CPA, Bedford, NH 2003-2011

Provided accounting leadership and business solutions to clients including cash management, forecasting, budgeting, financial statement preparation, tax preparation, contract negotiations and internal control development.

DIRECTOR OF WORLDWIDE FOOTWEAR COST & FINANCIAL PLANNING

Timberland Corporation, Stratham, NH 1996-1999

- Responsible for all financial aspects of this \$550 million manufacturing and sourcing operation including accounting, forecasting, budgeting, reporting, product costing and audit.

- Partnered with the VP of Operations to achieve key cost reductions, as well as, improved reliability and quality resulting in actual performance exceeding budget by \$6.9 million.

FINANCIAL/TREASURY MANAGER

Nashua Corporation, Nashua, NH 1993-1996

AUDITOR

Ernst & Young, Manchester, NH 1989-1992

EDUCATION & CERTIFICATION

Bachelor of Science in Business Administration, University of New Hampshire, Durham

Certified Public Accountant, State of New Hampshire

Member of American College of Healthcare Executives

SYSTEM EXPERIENCE

Oracle Enterprise Performance Management System, Oracle PeopleSoft, Hyperion, E-Time, Cerner-EMR and operational reporting, Microsoft Office

KENNETH M. BROWN, M.D.,M.P.H.

EDUCATION

- | | |
|-----------|---|
| 1994-1996 | Child and Adolescent Psychiatry Fellowship
University of Miami/ Jackson Memorial Hospital |
| 1991-1994 | Psychiatry Residency
Medical University of South Carolina
Institute of Psychiatry
Charleston, South Carolina |
| 1987-1992 | Doctor of Medicine
Tulane University School of Medicine
Tulane Medical Center
Charity Hospital
New Orleans, Louisiana |
| 1987-1991 | Masters of Public Health
Tulane University School of Tropical Medicine and Public Health
New Orleans, Louisiana |
| 1983-1987 | Bachelor of Science Engineering
Major: Biomedical Engineering
Tulane University School of Engineering |
| 1985-1986 | Tulane University Honor Scholar Junior Year Abroad
Major: Engineering
University of Southampton
Southampton, England |

EMPLOYMENT

- | | |
|--------------|--|
| 2000-Present | Medical Director
Hampstead Hospital
Hampstead, New Hampshire |
| 1996-2000 | Chief, Child and Adolescent Psychiatrist
Hampstead Hospital
Hampstead, New Hampshire |
-

EMPLOYMENT (cont.)

- 1996-Present Solo Private Practice (Inpatient and Outpatient)
Child, Adolescent and Adult Psychotherapy and Psychopharmacology
Hampstead Hospital
218 East Road
Hampstead, New Hampshire
- 1997-2000 Child and Adolescent Psychiatrist
Center for Life Management
Community Mental Health Center
Derry, New Hampshire
- 1991-1994 Court Appointed Expert Witness
Court Appointed Designated Examiner
Charleston County Court
- 1993-1994 Treating Psychiatrist
South Carolina Department of Mental Health
Dual Diagnoses Community Mental Health Clinic
Charleston, South Carolina

ACADEMIC AFFILIATIONS

- 1999-Present Adjunct Professor in Clinical Research
Dartmouth University
Hanover, New Hampshire

RESEARCH

- 2001-2003 Sub-investigator
Access Clinical Trials
- A Three- Week, Multicenter, Randomized, Double-Blind, Placebo-
Controlled, Parallel-Group Safety and Efficacy Study of Extended-Release
Carbamazepine in Patients with Bipolar Disorder.
Shire Laboratories
- A Three- Week, Multicenter, Randomized, Double-Blind, Placebo-
Controlled, Parallel-Group Safety and Efficacy Study of Extended-Release
Carbamazepine in Lithium Failure Patients with Bipolar Disorder.
Shire Laboratories
- A Double-Blind, Parallel Study of the Safety, Tolerability and Preliminary
Efficacy of Flutamide Compared to Placebo in Patients with Anorexia.
Nervosa
Vela Pharmaceuticals Inc.

RESEARCH (cont.)

A Phase III, Randomized, Double-Blind, Placebo-Controlled Study of Safety and Efficacy of C-1073 (Mifepristone) in Patients with Major Depressive Disorder with Psychotic Features Who are not Receiving Antidepressants or Antipsychotics.
Corcept Therapeutics, Inc.

Olanzapine Versus Ziprasidone in the Treatment of Schizophrenia
Eli Lilly and Company

A Multicenter, Randomized, Double-Blind, Study of Aripiprazole Versus Placebo in the Treatment of Acutely Manic Patients with Bipolar Disorder.
Bristol-Myers Squibb Pharmaceutical Research Institute

PUBLICATIONS and POSTER PRESENTATIONS

Bupropion Sustained Release in Adolescents With Comorbid Attention-Deficit/ Hyperactivity Disorder and Depression
Daviss, Bentivoglio, Racusin, Brown, et al.,
J. Am. Acad. Child Adolescent Psychiatry, 40:3, March 2001

A Retrospective Study of Citalopram in Adolescents with Depression
Bostic J.Q., Prince J., Brown K., Place S.
Journal of Child and Adolescent Psychopharmacology 2001; 11; 159-166.

Citalopram for the Treatment of Adolescent Anxiety Disorders: A Pilot Study.
Prince J., Bostic J.Q., Monuteaux M., Brown K., Place S.
Psychopharmacology Bulletin 2002; 36: 100-107

- 2001 Citalopram in Adolescents with Mood and Anxiety Disorders: A Chart Review.
Presented at the Annual Meeting of the American Psychiatric Association,
New Orleans, LA 5/9/2001
- 2001 Citalopram in Adolescents with Mood and Anxiety Disorders.
Presented at the Annual Meeting of NCDEU,
Phoenix, AZ 5/29/2001
- 2001 Citalopram in Adolescents with Mood, Anxiety, and Comorbid Conditions.
Presented at the Annual Meeting of the American Psychiatric Association 2001
Institute on Psychiatric Services,
Orlando, FL 10/11/2001

HONORS AND OFFICES HELD

ACADEMIC AWARDS AND OFFICES

- Golden Apple Award for Excellence in teaching medical students
- Residency Education Committee representative
- Vice President Tulane Medical School Class of 1991
- President Jewish Medical Student Organization

ACADEMIC AWARDS AND OFFICES (cont.)

- Tau Beta Pi (engineering honor society)
- Alpha Eta Mu Beta (biomedical engineering honor society)
- Alpha Epsilon Delta (premedical honor society)
- Honor Scholar Junior Year Abroad Program

SOCIETY MEMBERSHIPS

- American Medical Association
- American Psychiatry Association
- American Academy of Child and Adolescent Psychiatry
- New Hampshire Medical Association
- New Hampshire Psychiatry Association
- New England Society of Child and Adolescent Psychiatry

CERTIFICATIONS

- Board Certified General Psychiatry
American Board of Psychiatry and Neurology, #43597
- Board Eligible, Child and Adolescent Psychiatry

LICENSES

- New Hampshire, Maine, South Carolina, Florida, Louisiana
-

Angela Moran

[REDACTED]
[REDACTED]
[REDACTED]

Objective: Seeking employment in management, human services and customer service.

Experience:

Center for Life Management

Derry, NH

July 2017-Present

Interim Director of Housing

2/2019-Present

- Works collaboratively with The Bureau Housing Supports to outreach and assist homeless individuals
- Engage homeless towards finding permanent housing/treatment for mental illness or substance misuse.
- Refer individuals for clinical screening and diagnostics into case management services.
- Participate within the local LSDA, foster cooperation and collaboration between service providers, as well as follow through on referrals made to CLM in regards to possible homeless individuals.
- Follow state and federal regulations regarding use of funds and services for the homeless and mentally ill.
- Adhere to CLM and State of NH regulations regarding documentation and HMIS data collection
- Attend /participate in HMIS data Committee, Advisory Meetings, Housing Action Meetings, Balance of State Continuum of Care meetings and various BOSCO meetings
- Attend /participate in HMIS data Committee, Advisory Meetings, Housing Action Meetings, Balance of State Continuum of Care meetings and various BOSCO meetings
- Assist in the development of NOFA documentation and HMIS Annual Performance Reports
- Update APR's for PATH outreach, All Projects for housed Participants that are in SPC, SPC II, PH1 and FH1
- Follow through with Audits performed on all Projects done by BHS
- Adhere to policies with Rental calculations, Redeterminations, FMR's
- Assist with getting documentation of homelessness for HUD's definition of the Chronically homelessness
- Voucher participants that fall into the HUD's CH definition and assist them with finding housing
- Work with landlords who accept the housing voucher through CLM and BHS to assist with and problem solve issues with participants
- Reports to VP and QA of CLM on a weekly basis

Housing Development Assistant

10/2018-2/2019

- Works collaboratively with Housing Director to Outreach and assist homeless individuals.
- Engage homeless towards finding permanent housing/treatment for mental illness or substance misuse.
- Refer individuals for clinical screening and diagnostics into case management services.
- Participate within the local LSDA, foster cooperation and collaboration between service providers, as well as follow through on referrals made to CLM in regards to possible homeless individuals.
- Follow state and federal regulations regarding use of funds and services for the homeless and mentally ill.
- Adhere to CLM and State of NH regulations regarding documentation and HMIS data collection
- Attend /participate in HMIS data Committee, Advisory Meetings, Housing Action Meetings, Balance of State Continuum of Care meetings and various BOSCO meetings
- Assist in the development of NOFA documentation and HMIS Annual Performance Reports
- Assist individuals w/ applying for Medicaid and Social Security benefits
- Perform other duties as assigned by Director

PATH Outreach Worker

7/2017-10/2108

- Coordinate intake and needs for assessments for all clients and work with clients and their barriers to obtain services/housing and/or perform a warm handoff to in-house case manager.
- Perform outreach services, contacting homeless persons in all places where they congregate in our catchment area.
- Provide supportive services in a non-judgmental manner.
- Provide information, referrals, and advocacy to assist clients in accessing services and resources.
- Assist clients with procuring necessary documents and services such as ID card, birth certificate, social security, disability income.
- Assist clients with housing applications, complete supportive and subsidized housing paperwork, and advocate for clients with prospective landlords.

Work Opportunities Unlimited

Dover, NH

2016-2017

Career Resource Specialist Seacoast Area

- Assist clients develop career goals/Work support and assessment
- Intake coordination for DCYF clients
- Create and develop Individual Support Plans/Coaching clients to help maximize success
- Job retention skills/Job coaching skills
- Mock interviewing skills and assessment
- Job Development/Business Development

Sutton Hill Center-Genesis Healthcare North Andover, MA 2016-Present

Recreation Assistant

- Daily activities for resident-groups of 5-12 residents at a time in groups
- One on One visits offer sensory stimulation
- Prepare progress notes quarterly for resident's progress
- Assist with transporting, communicating and setting up for activity programs

Rutland Healthcare and Rehabilitation -Genesis Healthcare Rutland, VT 2015-2016

Recreation Assistant

- Daily activities for resident-groups of 5-12 residents at a time in groups
- One on One visits offer sensory stimulation
- Prepare progress notes quarterly for resident's progress
- Assist with transporting, communicating and setting up for activity programs

Balance Chiropractic PLLC Concord, NH 2008-2015

Office Manager

- Maintained all charts and intakes for patients
- Scheduling, collecting co-pays, calling insurance companies for benefits
- Following up on charts and following up with payments from patients
- Ordered supplies, supplements, fielding calls to schedule and reschedule patients

Children's Place Manchester, NH 2007-2008

Store Manager

- Ran all aspects of the stores operation from scheduling, payroll, shipment, floor sets
- Training all management and part time sales associates
- Customer service

Olympia Sports Salem, NH 1995-2007

Store Manager

- Part time from 1995-1997, Manager Trainee, Store Manager 2000
- Ran all operations of store and maintained good customer service
- Training for all management and part time sales associates
- Made sure to reach sales goals and inventory

Volunteer Experience

YMCA Allard Center of Goffstown

- Volunteered for co-coaching of competitive swim team (18 kids ages 11-16)
- Volunteered for Kohl's Cares Softball tournament to raise \$500
- Volunteered for Zumba/dance-a-thon to raise over \$200

Education:

Rutland High School 1997

Seacoast Career School 2006

References:

Erin Mitchell- YMCA of Greater Nashua, Director of Achievement

Kristin Jones, BA- Counselor

Amānda St. Cyr - Supply Supervisor, Elliot Hospital

CLM Center for Life Management
Permanent Housing I

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Vic Topo	President/CEO	\$169,818.00	2.50%	\$4,245.45
Diana Lachapelle	Vice President/ CFO	\$140,000.00	2.50%	\$3,500.00
Steve Arnault	VP Operations & QA	\$127,558.00	3.50%	\$4,464.53
Kenneth Brown	Medical Director	\$260,000.00	5.00%	\$13,000.00
Angela Moran	Homeless & Housing Mgr.	\$42,000.00	10.00%	\$4,200.00



Jeffrey A. Meyers
Commissioner

Christine L. Santaniello
Director

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HLP mac

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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHNH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHNH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified:

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

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are sole source because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

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

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

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

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.

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.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeffrey A. Meyers", written in a cursive style.

Jeffrey A. Meyers
Commissioner

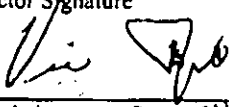
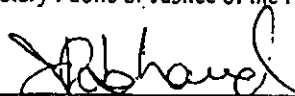
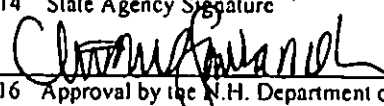

Subject: Continuum of Care, Family Housing I, SS-2020-BHS-04-PERMA-03

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 Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management		1.4 Contractor Address 10 Tsienneto Rd Derry, NH 03038	
1.5 Contractor Phone Number (603) 434-1577	1.6 Account Number 05-95-42-423010-7927 102:500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$267,435
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 Vic Topo, President/CEO	
1.13 Acknowledgement: State of New Hampshire, County of Rockingham. On 5/28/19, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal] JULIE A. ROBICHAUD, Notary Public State of New Hampshire My Commission Expires August 23, 2022			
1.13.2 Name and Title of Notary or Justice of the Peace Julie Robichaud, HR Administrator			
1.14 State Agency Signature  Date: 5/30/19		1.15 Name and Title of State Agency Signatory Christine Santanillo, Director, DCHHS	
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:  On: 6/4/2019			
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 provided 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 (BHS)
129 Pleasant Street
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

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Exhibit A

- 1.10. 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 Services

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Housing program serving approximately thirty-seven (37) homeless individuals and families to reside in scattered site apartments within Western Rockingham County, NH., and which includes, but is not limited to:
- 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
- 2.2.2. The development 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 must 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).
- 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.

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Exhibit A

- 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, 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 must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, 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 must 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 has 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 must 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 must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were 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).

10/24/19



Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 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.
- 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the 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 as required by this Agreement and state and federal laws and regulations;
- 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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

5/28/19



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 HUD New Project Application, federal fiscal year 2018, #SF-424; and
 - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
 - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. 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 a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.
- 6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.
 - 6.2.1. Project outcomes shall include, but are not limited to:
 - 6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.
 - 6.2.1.2. Participants experience increased connections to:
 - 6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;
 - 6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and
 - 6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.
- 6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

[Handwritten Signature]
5/28/17



**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Permanent Housing Program Funding

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
 - 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0003L1T001811
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing
 - 1.2.7. Total Amount Continuum of Care;
 - 1.2.7.1. not to exceed \$267,435
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Rental Assistance: \$201,684
 - 1.2.8.2. Supportive Services: \$59,464
 - 1.2.8.3. Administrative Expenses: \$6,287
 - 1.2.8.4. Total program amount: \$267,435
- 1.3. The Contractor agrees to 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
129 Pleasant Street
Concord, NH 03301
- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.

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- 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/Grant completion date.

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

- 3.1. **Project Costs:** As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).

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 are to be documented with each payment request.
- 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
- 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
 - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
 - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
 - 3.3.3.4. 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, subject to the availability of sufficient funds.

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- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.

3.4.5. Schedule of Payments:

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:
housingsupportsinvoices@dhhs.nh.gov
- 3.4.5.3. 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.

3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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 the terms and conditions of this Agreement.

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4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

5. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

- 5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

- 5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

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

- 5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;

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- 5.3.2.4. 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;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. 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;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. 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;
- 5.3.2.10. 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 the 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;
- 5.3.2.11. 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;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. 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;
- 5.3.2.14. 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;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);



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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
- 5.3.2.19. 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.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. 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.
- 5.4.6. 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.
- 5.4.7. 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.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. 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.
- 5.4.9.2. 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.
- 5.4.9.3. 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.
- 5.4.9.4. 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.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

- 5.5.1.1. 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; and
- 5.5.1.2. 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:
 - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
 - 5.5.1.2.1.1. 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:

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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B;
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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.

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5.6.1. Requirements:

- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. 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.

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- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

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

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[Handwritten date: 5/28/19]



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.

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Exhibit C



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

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

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5/28/18



- 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.

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5/28/19



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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

5/28/19



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 GRANTEEES OTHER THAN INDIVIDUALS

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

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

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

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

New Hampshire Department of Health and Human Services
Exhibit D



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

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

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

5/28/19
Date

Vendor Name:

Vic Topo
Name: VIC TOPO
Title: PRESIDENT/CEO

Vendor Initials

Date

5/28/19



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-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Vendor Name:

5/28/19
Date

[Signature]
Name: Victor
Title: President/CEO

Exhibit E - Certification Regarding Lobbying

Vendor Initials: [Signature]

Date: 5/28/19



**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

[Signature]
Date 7/28/19



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

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS


11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (11)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).


LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

5/28/19
Date

Vendor Name:


Name: VIC TOPO
Title: President / CEO


Date 5/28/19



**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

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials

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7/28/19

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.

5/28/19
Date

Vendor Name:

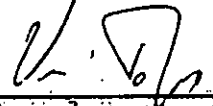


Name: Vic Forpo
Title: President/CEO

Exhibit G

Vendor Initials

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections


Date 5/28/19



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.

5/28/19
Date

Vendor Name:



Name: VIC TOPO

Title:

President / CEO



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.

3/2014

Vendor Initials

[Signature]
Date 5/28/14



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

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Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business



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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.

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- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

Christine Santanich
Signature of Authorized Representative

Christine Santanich
Name of Authorized Representative

Director, DEHS
Title of Authorized Representative

5/30/19
Date

Mental Health Center For Southern New Hampshire
DBA CLM Center For Life Management

Name of the Vendor

Vic Topo
Signature of Authorized Representative

Vic Topo
Name of Authorized Representative

President/CEO
Title of Authorized Representative

5/28/19
Date

JS
Date 5/28/19



**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:

5/28/19
Date


Name: VIC TOPO
Title: President/CEO

Vendor Initials

Date


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Exhibit J



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: 085873641
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO _____ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

_____ NO _____ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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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

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Exhibit K

DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
 1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
 2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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DHHS Information Security Requirements



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

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DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
 - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
 - b. safeguard this information at all times.
 - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
 - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

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- 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

[Handwritten Signature]
12/28/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

[Handwritten Signature]
5/28/19



**New Hampshire Department of Health and Human Services
Continuum of Care Program, Permanent Housing I**

**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Continuum of Care Program, Permanent Housing I**

This 1st Amendment to the Continuum of Care Program, Permanent Housing I contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and The Mental Health Center for Southern New Hampshire, d/b/a CLM Center for Life Management (hereinafter referred to as "the Contractor"), a non-profit corporation with a place of business at 10 Tsienneto Rd, Derry, NH, 03038.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal., the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2021.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$576,904.
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program Funding, Subsection 1.2., Paragraph 1.2.4. to read:
1.2.4. Grant Numbers:
1.2.4.1. NH0014L1T001811 (Grant Year 1)
1.2.4.2. NH0014L1T001912 (Grant Year 2)
4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program Funding, Subsection 1.2., Paragraph 1.2.7., Subparagraph 1.2.7.1. to read:
1.2.7.1 Not to exceed \$576,904
5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Housing Program, Subsection 1.2., Paragraph 1.2.8., to read:
1.2.8. Funds allocation under this agreement for Continuum of Care Program;

	<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1. Rental Assistance	\$221,592	\$252,036
1.2.8.2. Supportive Services	\$39,600	\$45,000
1.2.8.3. Administrative Expenses	<u>\$6,638</u>	<u>\$6,638</u>
1.2.8.4. Total Program Amount	\$273,230	\$303,674
1.2.8.5. Vendor Match (25%)	\$69,967	\$77,577.75



**New Hampshire Department of Health and Human Services
Continuum of Care Program, Permanent Housing I**

All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

4/8/20
Date


Name: Christine L. Santaniello
Title: Director DEHS

The Mental Health Center for Southern New Hampshire

3/30/20
Date


Name:
Title:

**New Hampshire Department of Health and Human Services
Continuum of Care Program, Permanent Housing I**



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/21/00
Date

[Signature]
Name:
Title:

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

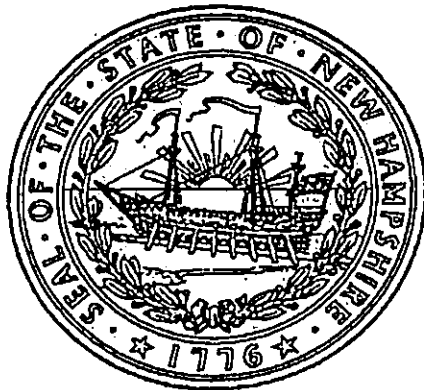
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that CLM CENTER FOR LIFE MANAGEMENT is a New Hampshire Trade Name registered to transact business in New Hampshire on June 30, 2003. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 442328

Certificate Number : 0004489140



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April A.D. 2019.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, David Hebert, Board Chair, hereby certify that:

1. I am a duly elected Clerk/Secretary/Officer of the Center for Life Management.
2. The following is a true copy of a vote taken at a meeting for the Board of Directors of the Agency held on April 1 2020 at which a quorum of the Directors/Shareholders were present and voting.

VOTED: Whereas, an executive stay at home order has been issued to be in effect for March 29th through May 4th, 2020 from Governor Chris Sununu, this vote is entered electronically.

That Vic Topo, President/CEO, is duly authorized on behalf of Center for Life Management to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority remains valid for thirty (30) days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person listed above currently occupies the position indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 4/1/2020



Signature of Elected Officer

Name: David Hebert

Title: Board Chair



PATRICE L. HEUBE, Justice of the Peace
State of New Hampshire
My Commission Expires April 5, 2022

Client#: 1485395

MENTAHEA29

DATE (MM/DD/YYYY)
9/24/2019

ACORD

CERTIFICATE OF LIABILITY INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123		CONTACT NAME: PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE INSURER A : Philadelphia Indemnity Insurance Co. INSURER B : Granite State Insurance Company INSURER C : INSURER D : INSURER E : INSURER F :		NAIC # 18058 23809
INSURED The Mental Health Center for Southern NH DBA CLM Center for Life Management 10 Teleneto Rd Derry, NH 03038				

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADOL SUBR INSR INVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO. JECT <input type="checkbox"/> LOC OTHER:		PHPK2037794	10/01/2019	10/01/2020	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$250,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMPROP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		PHPK2037791	10/01/2019	10/01/2020	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10000		PHUB693560	10/01/2019	10/01/2020	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> N (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	WC017064748	10/01/2019	10/01/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liab		PHPK2037794	10/01/2019	10/01/2020	\$1,000,000 \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER NH DHHS 129 Pleasant Street Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Sam Hart</i>
--	---

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CLM MISSION STATEMENT

OUR MISSION

To promote the health and well-being of individuals, families and organizations. We accomplish this through professional, caring and comprehensive behavioral health care services and by partnering with other organizations that share our philosophy.

OUR VISION

Together, we can evolve from being primarily a treatment focused behavioral health organization to one that values whole health and wellness.

Main Office

10 Tsienneto Road, Derry, NH 03038
Tel. 603.434.1577
Fax. 603.434.3101

Salem Branch

103 Stiles Road, Salem, NH 03079
Tel. 603.893.4194
Fax. 603.893.2199

www.CenterForLifeManagement.org

THE MENTAL HEALTH CENTER FOR
SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE
MANAGEMENT AND AFFILIATES

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
Years ended June 30, 2019 and 2018

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

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Independent Auditor's Report

To the Board of Directors of
The Mental Health Center for Southern New Hampshire
d/b/a CLM Center for Life Management and Affiliates

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates (a nonprofit organization), which are comprised of the consolidated statements of financial position as of June 30, 2019 and 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 16-22 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2019, on our consideration of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates internal control over financial reporting and compliance.

Change in Accounting Principle

As described in Note 2 of the financial statements, in 2019, the organization adopted ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Wahat. Whit st Assoc, PLLC

Essex Junction, Vermont
Registration number VT092.0000684
September 17, 2019

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Financial Position
June 30, 2019 and 2018

	<u>ASSETS</u>	
	<u>2019</u>	<u>2018</u>
Current assets:		
Cash and cash equivalents	\$ 1,662,875	\$ 1,640,075
Accounts receivable, net	943,181	864,230
Other receivables	284,929	144,815
Prepaid expenses	93,768	80,753
Security deposit	11,087	11,087
Total current assets	<u>2,995,840</u>	<u>2,740,960</u>
Property and equipment, net	<u>3,715,469</u>	<u>3,656,665</u>
Other assets		
Interest rate swap agreement	<u>58,030</u>	<u>48,533</u>
Total assets	<u>\$ 6,769,339</u>	<u>\$ 6,446,158</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Current portion of long term debt	\$ 93,538	\$ 88,538
Accounts payable	76,558	53,554
Accrued payroll and payroll liabilities	402,801	375,055
Accrued vacation	372,138	327,657
Accrued expenses	18,961	13,319
Deferred revenue	11,980	7,580
Total current liabilities	<u>975,976</u>	<u>865,703</u>
Long term liabilities		
PMPM reserve	225,000	112,737
Long term debt, less current portion	<u>2,215,250</u>	<u>2,308,819</u>
Total long term liabilities	<u>2,440,250</u>	<u>2,421,556</u>
Total liabilities	<u>3,416,226</u>	<u>3,287,259</u>
Net assets without donor restrictions	<u>3,353,113</u>	<u>3,158,899</u>
Total liabilities and net assets	<u>\$ 6,769,339</u>	<u>\$ 6,446,158</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Activities
Years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<u>Public support and revenues:</u>		
Public support:		
Federal	\$ 893,941	\$ 1,005,755
State of New Hampshire - BBH	258,681	316,921
State and local funding	43,601	43,602
Other public support	<u>224,837</u>	<u>131,172</u>
Total public support	1,421,060	1,497,450
Revenues:		
Program service fees, net	13,076,818	12,364,822
Other service income	647,329	467,403
Rental income	5,188	4,985
Other	158,841	39,231
Gain on sale of assets	<u>10,000</u>	<u>-</u>
Total revenues	<u>13,898,176</u>	<u>12,876,441</u>
Total public support and revenues	15,319,236	14,373,891
<u>Operating expenses:</u>		
BBH funded programs:		
Children	5,157,438	4,859,070
Elders	501,342	282,131
Vocational	266,091	234,156
Multi-Service	2,971,434	2,609,377
Acute Care	932,421	775,806
Independent Living	2,334,134	2,226,618
Assertive Community Treatment	734,195	835,083
Non-Specialized Outpatient	1,063,655	980,645
Non-BBH funded program services	<u>213,421</u>	<u>132,495</u>
Total program expenses	14,174,131	12,935,381
Administrative expenses	<u>960,388</u>	<u>1,049,580</u>
Total expenses	<u>15,134,519</u>	<u>13,984,961</u>
Change in net assets from operations	184,717	388,930
<u>Non-operating expenses:</u>		
Fair value gain (loss) on interest rate swap	<u>9,497</u>	<u>85,586</u>
Change in net assets	194,214	474,516
Net assets without donor restrictions, beginning of year	<u>3,158,899</u>	<u>2,684,383</u>
Net assets without donor restrictions, end of year	<u>\$ 3,353,113</u>	<u>\$ 3,158,899</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Functional Expenses
Years ended June 30, 2019 and 2018

	2019			2018		
	Program <u>Services</u>	<u>Administrative</u>	<u>Total</u>	Program <u>Services</u>	<u>Administrative</u>	<u>Total</u>
Personnel costs:						
Salaries and wages	\$ 8,963,460	\$ 604,197	\$ 9,567,657	\$ 8,271,397	\$ 679,212	\$ 8,950,609
Employee benefits	1,947,562	131,727	2,079,289	1,770,356	136,304	1,906,660
Payroll taxes	623,425	41,859	665,284	589,194	48,580	637,774
Accounting/audit fees	56,277	5,753	62,030	50,511	4,910	55,421
Advertising	32,756	3,376	36,132	18,548	2,626	21,174
Conferences, conventions and meetings	18,606	9,597	28,203	27,262	11,456	38,718
Depreciation	188,646	15,339	203,985	186,697	18,240	204,937
Equipment maintenance	34,553	2,524	37,077	14,183	1,385	15,568
Equipment rental	37,204	2,280	39,484	38,062	2,996	41,058
Insurance	73,278	5,836	79,114	64,120	6,898	71,018
Interest expense	101,605	8,264	109,869	96,382	9,417	105,799
Legal fees	25,302	1,890	27,192	43,606	4,071	47,677
Membership dues	45,470	6,663	52,133	48,330	8,218	56,548
Occupancy expenses	1,007,337	10,369	1,017,706	896,640	10,055	906,695
Office expenses	219,960	20,386	240,346	193,164	20,508	213,672
Other expenses	76,453	17,615	94,068	55,224	17,866	73,090
Other professional fees	378,017	57,890	435,907	273,798	55,732	329,530
Program supplies	156,066	12,646	168,712	84,240	8,943	93,183
Travel	188,154	2,177	190,331	213,667	2,163	215,830
	14,174,131	960,388	15,134,519	12,935,381	1,049,580	13,984,961
Administrative allocation	960,388	(960,388)	-	1,049,580	(1,049,580)	-
Total expenses	15,081,580	\$ -	\$ 15,134,519	\$ 13,984,961	\$ -	\$ 13,984,961

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidated Statements of Cash Flows
Years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 194,214	\$ 474,516
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	203,985	204,937
Amortization of loan origination fees included in interest expense	18,930	18,929
Gain on sale of assets	(10,000)	-
Fair value (gain) loss on interest rate swap	(9,497)	(85,586)
(Increase) decrease in:		
Accounts receivable, net	(78,951)	10,155
Other receivables	(140,114)	(28,652)
Prepaid expenses	(13,015)	12,496
Increase (decrease) in:		
Accounts payable and accrued expenses	100,873	18,172
Deferred revenue	4,400	-
PMPM reserve	<u>112,263</u>	<u>112,737</u>
Net cash provided by operating activities	383,088	737,704
Cash flows from investing activities:		
Proceeds from sale of assets	10,000	-
Purchases of property and equipment	<u>(262,788)</u>	<u>(52,938)</u>
Net cash (used) provided by investing activities	<u>(252,788)</u>	<u>(52,938)</u>
Cash flows from financing activities:		
Net principal payments on long term debt	<u>(107,500)</u>	<u>(105,000)</u>
Net cash used in financing activities	<u>(107,500)</u>	<u>(105,000)</u>
Net increase (decrease) in cash and cash equivalents	22,800	579,766
Cash and cash equivalents, beginning of year	<u>1,640,075</u>	<u>1,060,309</u>
Cash and cash equivalents, end of year	<u>\$ 1,662,875</u>	<u>\$ 1,640,075</u>
<u>Supplemental cash flow disclosures:</u>		
Cash paid during the year for interest	<u>\$ 109,869</u>	<u>\$ 105,799</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 1. Nature of organization

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management (the "Agency") is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health and related non-mental health programs.

During 2006, the Center for Life Management Foundation (the "Foundation") was established to act for the benefit of, to carry out the functions of, and to assist the Agency. It is affiliated with The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management through common board members and management. In addition, the Agency is the sole member.

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and the Center for Life Management Foundation are collectively referred to the "Organization".

Basis of consolidation

The consolidated financial statements include the accounts of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and the Center for Life Management Foundation. All intercompany transactions have been eliminated in consolidation.

Note 2. Basis of accounting and summary of significant accounting policies

Basis of accounting

The financial statements are prepared on the accrual basis of accounting. Under this basis, revenues, other than contributions, and expenses are reported when incurred, without regard to date of receipt or payment of cash. Contributions are reported in accordance with FASB Accounting Standards Codification ("ASC") *Accounting for Contributions Received and Contributions Made*.

Basis of presentation

The Organization's financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

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 Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

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 Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 2. Basis of accounting and summary of significant accounting policies (continued)

At June 30, 2019 and 2018, the Organization only had net assets without donor restrictions of \$3,353,113 and \$3,158,899, respectively.

General

The significant accounting policies of the Organization are presented to assist in understanding the Organization's financial statements. The financial statements and the notes are representations of the Organization's management. The Organization is responsible for the integrity and objectivity of the financial statements.

Use of estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

Cash and cash equivalents

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash and cash equivalents.

Accounts receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management writes off accounts when they are deemed uncollectible and establishes an allowance for doubtful accounts for estimated uncollectible amounts. The Organization had an allowance for doubtful accounts of \$242,758 and \$224,548 as of June 30, 2019 and 2018, respectively. Refer to Note 3 for additional discussion of accounts receivable.

Property

Property is recorded at cost, except for donated assets which are recorded at estimated fair value at the date of donation. Depreciation is computed on the straight line basis over the estimated useful lives of the related assets as follows:

Buildings and improvements	15 – 40 years
Automobiles	3 – 15 years
Equipment	5 – 7 years

All equipment valued at \$500 or more is capitalized. Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Depreciation expense was \$203,985 and \$204,937 for the years ended June 30, 2019 and 2018, respectively.

Finance costs

Financing costs are recorded on the statement of position net of accumulated amortization. In accordance with generally accepted accounting principles, the unamortized financing costs are reported as a reduction in long term debt - see Note 7. The costs are amortized over the term of the respective financing arrangement.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 2. Basis of accounting and summary of significant accounting policies (continued)

Vacation pay and fringe benefits

Vacation pay is accrued and charged to programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on programs.

Fair value measurements and financial instruments

The Company adopted FASB ASC 820, Fair Value Measurements and Disclosures, for assets and liabilities measured at fair value on a recurring basis. The codification established a common definition for fair value to be applied to existing generally accepted accounting principles that requires the use of fair value measurements, establishes a framework for measuring fair value, and expands disclosure about such fair value measurements.

FASB ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, FASB ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

The Organization's financial instruments consist primarily of cash, accounts receivables, accounts payable and accrued expenses. The carrying amount of the Organization's financial instruments approximates their fair value due to the short-term nature of such instruments. The carrying value of long-term debt approximates fair value due to their bearing interest at rates that approximate current market rates for notes with similar maturities and credit quality.

The Organization's interest rate swap agreements are classified as level 2 in the hierarchy, as all significant inputs to the fair value measurement are directly observable, such as the underlying interest rate assumptions.

Third-party contractual arrangements

A significant portion of revenue is derived from services to patients insured by third-party payers. Reimbursements from Medicare, Medicaid, and other commercial payers are at defined service 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 an allowance when received. A provision for estimated contractual allowances is provided on outstanding patient receivables at the statement of financial position date.

Advertising expenses

The Organization expenses advertising costs as they are incurred.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 2. Basis of accounting and summary of significant accounting policies (continued)

Expense allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Interest rate swap

The Organization uses an interest rate swap to effectively convert the variable rate on its State Authority Bond to a fixed rate, as described in Note 8. The change in the fair value of the swap agreement and the payments to or receipts from the counterparty to the swap are netted with the interest expense on the bonds. Cash flows from interest rate swap contracts are classified as a financing activity on the statement of cash flows.

Income taxes

The Agency is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Agency has also been classified as an entity that is not a private foundation within the meaning of 509(a) and qualifies for deductible contributions.

The Foundation is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is an organization that is organized and operated exclusively for the benefit of the Agency.

These financial statements follow FASB ASC, *Accounting for Uncertain Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return.

Accounting for Uncertain Income Taxes did not have a material impact on these financial statements as the Organization believes it has taken no uncertain tax positions that could have an effect on its financial statements.

Federal Form 990 (Return of an Organization Exempt from Income Tax) for fiscal years 2016, 2017 and 2018 are subject to examination by the IRS, generally for three years after filing.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 2. Basis of accounting and summary of significant accounting policies (continued)

Reclassifications

Certain amounts in the prior-year financial statements have been reclassified in order to be comparable with the current year presentation.

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 Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Subsequent events

The Organization has evaluated all subsequent events through September 17, 2019, the date the financial statements were available to be issued.

Note 3. Accounts receivable, net

Accounts receivable consist of the following at June 30,:

	<u>2019</u>			<u>2018</u>		
		Receivable			Receivable	
<u>Accounts receivable</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Clients	\$ 319,858	\$ (192,955)	\$ 126,903	\$ 332,312	\$ (179,244)	\$ 153,068
Insurance companies	190,094	(4,389)	185,705	144,808	(6,476)	138,332
Medicaid	620,780	(43,187)	577,593	540,750	(35,213)	505,537
Medicare	55,207	(2,227)	52,980	70,908	(3,615)	67,293
	<u>\$1,185,939</u>	<u>\$ (242,758)</u>	<u>\$ 943,181</u>	<u>\$1,088,778</u>	<u>\$ (224,548)</u>	<u>\$ 864,230</u>

	<u>2019</u>	<u>2018</u>
<u>Other receivables</u>		
Towns	\$ 28,000	\$ 18,600
NH Division of Mental Health	125,889	87,680
Unemployment tax refund	12,881	-
Contractual services	<u>118,159</u>	<u>38,535</u>
	<u>\$ 284,929</u>	<u>\$ 144,815</u>

Note 4. Concentrations of credit risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of the following:

	<u>2019</u>	<u>2018</u>
Receivables primarily for services provided to individuals and entities located in southern New Hampshire	<u>\$ 943,181</u>	<u>\$ 864,230</u>
Other receivables due from entities located in New Hampshire	<u>\$ 284,929</u>	<u>\$ 144,815</u>

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 4. Concentrations of credit risk (continued)

Bank balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to the prevailing FDIC limit. At June 30, 2019 and 2018, the Organization had approximately \$1,287,000 and \$1,212,400 in uninsured cash balances.

Note 5. Prepays

Prepays consists of the following at June 30:

	<u>2019</u>	<u>2018</u>
Prepaid insurance	\$ 37,268	\$ 32,777
Prepaid rents	<u>56,500</u>	<u>47,976</u>
	<u>\$ 93,768</u>	<u>\$ 80,753</u>

Note 6. Property and equipment

Property and equipment consists of the following at June 30:

	<u>2019</u>	<u>2018</u>
Land	\$ 565,000	\$ 565,000
Buildings and improvements	4,036,993	3,977,453
Automobiles	18,800	20,000
Equipment	<u>1,630,644</u>	<u>1,446,194</u>
	6,251,437	6,008,647
Less: accumulated depreciation	<u>(2,535,968)</u>	<u>(2,351,982)</u>
Property and equipment, net	<u>\$ 3,715,469</u>	<u>\$ 3,656,665</u>

Note 7. Long term debt

Long term debt consists of the following as of June 30,:

	<u>2019</u>	<u>2018</u>
Series 2015 New Hampshire Health and Education Facilities Bond -		
Payable through 2036, original principal of \$3,042,730, remarketed and sold to People's United Bank at a variable rate, with an effective rate of 3.5866% and 2.8169% at June 30, 2019 and 2018, respectively. Secured by land, building, equipment, and certain revenues, and is subject to certain financial covenants. The note matures August 2025. The Organization has entered into an interest rate swap agreement to effectively fix the interest rate on the note. See Note 9.	2,647,730	2,755,230
Less: unamortized finance costs	<u>(338,942)</u>	<u>(357,873)</u>
Long term debt, less unamortized finance costs	2,308,788	2,397,357
Less: current portion of long term debt	<u>(93,538)</u>	<u>(88,538)</u>
Long term debt, less current portion	<u>\$ 2,215,250</u>	<u>\$ 2,308,819</u>

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 7. Long term debt (continued)

In 2017, the Organization retroactively adopted the requirements of FASB ASC 835-30 to present debt issuance costs as a reduction of the carrying amount of debt rather than as an asset.

Amortization of \$18,930 and \$18,929 is reported as interest expense in the consolidated statement of activities for the years ended June 30, 2019 and 2018, respectively.

Future maturities to long term debt are as follows:

<u>Year ending June 30:</u>	<u>Long Term Debt Principal</u>	<u>Unamortized Finance Costs</u>	<u>Net</u>
2020	\$ 112,500	\$ (18,962)	\$ 93,538
2021	117,500	(18,962)	98,538
2022	122,500	(18,962)	103,538
2023	127,500	(18,962)	108,538
2024	132,500	(18,962)	113,538
Thereafter	<u>2,035,230</u>	<u>(244,132)</u>	<u>1,791,098</u>
Total	<u>\$ 2,647,730</u>	<u>\$ (338,942)</u>	<u>\$ 2,308,788</u>

Note 8. Line of credit

As of June 30, 2019, the Organization had a demand line of credit with People's United Bank with a borrowing capacity of \$850,000, which is available through March 29, 2021. Interest accrued on the outstanding principal balance is payable monthly at the Wall Street Journal Prime plus .50% (effective rate of 6.00% at June 30, 2019). The outstanding balance on the line at June 30, 2019 was \$0. The line of credit is secured by all business assets and real estate.

As of June 30, 2018, the Organization had a demand line of credit with People's United Bank with a borrowing capacity of \$850,000, which was available through March 29, 2019. Interest accrued on the outstanding principal balance was payable monthly at the Wall Street Journal Prime plus 1.50% (effective rate of 6.00% at June 30, 2018). The outstanding balance on the line at June 30, 2018 was \$0. The line of credit was secured by all business assets and real estate.

Note 9. Interest rate swap

During 2016, the Organization entered into an interest rate swap agreement with People's United Bank that effectively fixes the interest rate on the outstanding principal of the Banks term note at 3.045%.

Under the arrangement, the notional principal amount is the balance of the note, with the Organization receiving floating payments of one month London InterBank Offered rate ("LIBOR") plus .69% and paying a fixed rate of 3.045%.

The agreement matures August 2025 and has a notional amount of \$2,647,730 and \$2,755,230 at June 30, 2019 and 2018, respectively.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 9. Interest rate swap (continued)

In accordance with generally accepted accounting principles, the interest rate swap agreement is recorded at its fair value as an asset or liability, with the changes in fair value being reported as a component of the change in net assets without donor restrictions. For the years ended June 30, 2019 and 2018, the Organization reported an interest rate swap asset of \$58,030 and asset of \$48,533 on the statement of financial position and a fair value gain / (loss) on the interest rate swap of \$9,497 and \$85,586 on the statement of activities, respectively. The fair value gain / (loss) is reported as a non-operating expense of the Organization and is a non-cash transaction.

Note 10. Employee benefit plan

Discretionary matching contributions to a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code are contingent upon financial condition. This program covers eligible regular full-time and part-time employees who have successfully completed at least one year of employment and work at least 20 hours per week. Eligible employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Employer contributions totaled \$109,592 and \$99,861 for the years ended June 30, 2019 and 2018, respectively.

Note 11. Commitments and contingencies

The Mental Health Center for Southern New Hampshire, d/b/a CLM Center for Life Management, has entered into an agreement with Parkland Medical Center ("PMC") of Derry, New Hampshire, which requires that CLM provide psychiatric services and consultations to inpatients of PMC for the hospital medical and nursing staff. The consultations are requested by the hospital and responded to by CLM medical staff on an on-call basis.

In addition to the psychiatric services, CLM provides emergency mental health assessments, evaluations, and referral services to the emergency department ("ED") of the hospital. CLM emergency service clinicians are available on a twenty-four hour, seven days a week basis to see patients entering the ED who are experiencing a mental health crisis or psychiatric emergency.

The original agreement expired May 31, 2018, however, a new agreement was effective July 1, 2018. The new agreement is effective for an initial one year term and will be automatically renewed for up to two additional one year terms.

For the years ended June 30, 2019 and 2018, the Agency received approximately 68% and 72%, respectively, of its total revenue in the form of Medicaid reimbursements. Being a State of New Hampshire designated Community Mental Health Center affords the Agency Medicaid provider status. Annual contracting with New Hampshire Department of Health and Human Services-Bureau of Behavioral Health provides a base allocation of state general funds are taken as grant funds which are drawn as related expenses are incurred. Medicaid is comprised of 50% Federal funds and 50% New Hampshire State matching funds.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Years ended June 30, 2019 and 2018

Note 12. Lease commitments

The Agency leases facilities and multiple copier agreements under various operating leases. Rent expense recorded under these arrangements was approximately \$196,000 and \$204,000 for the years ended June 30, 2019 and 2018, respectively.

The following details the future minimum lease payments on leases with an initial or remaining term of greater than one year as of June 30, 2019:

<u>Years ending June 30,</u>	
2020	\$ 183,924
2021	177,559
2022	181,773
2023	185,987
2024	<u>190,201</u>
Total	<u>\$ 919,444</u>

Note 13. Availability and liquidity

The following represents the Organization's financial assets at June 30,:

	<u>2019</u>	<u>2018</u>
<u>Financial assets at year end:</u>		
Cash and cash equivalents	\$1,662,875	\$1,640,075
Accounts receivable	943,181	864,230
Other receivable	284,929	144,815
Security deposit	<u>11,087</u>	<u>11,087</u>
Total financial assets	2,902,072	2,660,207
<u>Less amounts not available within one year:</u>		
Security deposit	<u>(11,087)</u>	<u>(11,087)</u>
Financial assets available to meet general		
Expenditures over the next twelve months	<u>\$2,890,985</u>	<u>\$2,649,120</u>

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing mission-related activities, as well as the conduct of service undertaken to support those activities, to be general expenditures.

The Organization's primary source of liquidity is its cash and cash equivalents.

In addition to financial assets available to meet general expenditures within one year, the Organization operates with a budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES

Consolidating Statement of Position

June 30, 2019

Center for Life

CLM

Management

Foundation

Total

Eliminations

Consolidated

ASSETS

Current assets:

Cash and cash equivalents	\$ 1,451,648	\$ 211,227	\$ 1,662,875	\$ -	\$ 1,662,875
Accounts receivable, net	943,181	-	943,181	-	943,181
Other receivables	284,929	-	284,929	-	284,929
Prepaid expenses	93,768	-	93,768	-	93,768
Security deposit	11,087	-	11,087	-	11,087
Total current assets	2,784,613	211,227	2,995,840	-	2,995,840
Property and equipment, net	3,715,469	-	3,715,469	-	3,715,469

Other assets:

Interest-rate swap agreement	58,030	-	58,030	-	58,030
Total assets	<u>\$ 6,558,112</u>	<u>\$ 211,227</u>	<u>\$ 6,769,339</u>	<u>\$ -</u>	<u>\$ 6,769,339</u>

LIABILITIES AND NET ASSETS

Current liabilities:

Current portion of long-term debt	\$ 93,538	\$ -	\$ 93,538	\$ -	\$ 93,538
Accounts payable	76,558	-	76,558	-	76,558
Accrued payroll and payroll liabilities	402,801	-	402,801	-	402,801
Accrued vacation	372,138	-	372,138	-	372,138
Accrued expenses	18,961	-	18,961	-	18,961
Deferred revenue	11,980	-	11,980	-	11,980
Total current liabilities	975,976	-	975,976	-	975,976

Long term liabilities:

PMPM reserve	225,000	-	225,000	-	225,000
Long-term-debt less current portion	2,215,250	-	2,215,250	-	2,215,250
Total long term liabilities	2,440,250	-	2,440,250	-	2,440,250
Total liabilities	3,416,226	-	3,416,226	-	3,416,226
Net assets without donor restrictions	3,141,886	211,227	3,353,113	-	3,353,113
Total liabilities and net assets	<u>\$ 6,558,112</u>	<u>\$ 211,227</u>	<u>\$ 6,769,339</u>	<u>\$ -</u>	<u>\$ 6,769,339</u>

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES

Consolidating Statement of Position

June 30, 2018

Center for Life

CLM

Management

Foundation

Total

Eliminations

Consolidated

ASSETS

Current assets:

Cash and cash equivalents	\$ 1,429,298	\$ 210,777	\$ 1,640,075	\$ -	\$ 1,640,075
Accounts receivable, net	864,230	-	864,230	-	864,230
Other receivables	144,815	-	144,815	-	144,815
Prepaid expenses	80,753	-	80,753	-	80,753
Security deposit	11,087	-	11,087	-	11,087
Total current assets	2,530,183	210,777	2,740,960	-	2,740,960
Property and equipment, net	3,656,665	-	3,656,665	-	3,656,665
Other assets					
Interest rate swap agreement	48,533	-	48,533	-	48,533
Total assets	\$ 6,235,381	\$ 210,777	\$ 6,446,158	\$ -	\$ 6,446,158

LIABILITIES AND NET ASSETS

Current liabilities:

Current portion of long-term debt	\$ 88,538	\$ -	\$ 88,538	\$ -	\$ 88,538
Accounts payable	53,554	-	53,554	-	53,554
Accrued payroll and payroll liabilities	375,055	-	375,055	-	375,055
Accrued vacation	327,657	-	327,657	-	327,657
Accrued expenses	13,319	-	13,319	-	13,319
Deferred revenue	7,580	-	7,580	-	7,580
Total current liabilities	865,703	-	865,703	-	865,703
Long term liabilities					
PMPM reserve	112,737	-	112,737	-	112,737
Long-term-debt less current portion	2,308,819	-	2,308,819	-	2,308,819
Total long term liabilities	2,421,556	-	2,421,556	-	2,421,556
Total liabilities	3,287,259	-	3,287,259	-	3,287,259
Net assets without donor restrictions	2,948,122	210,777	3,158,899	-	3,158,899
Total liabilities and net assets	\$ 6,235,381	\$ 210,777	\$ 6,446,158	\$ -	\$ 6,446,158

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidating Statement of Activities
For the Year Ended June 30, 2019

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
Public support and revenues:					
Public support:					
Federal	\$ 893,941	\$ -	\$ 893,941	\$ -	\$ 893,941
State of New Hampshire - BBH	258,681	-	258,681	-	258,681
State and local funding	43,601	-	43,601	-	43,601
Other public support	171,448	53,389	224,837	-	224,837
Total public support	1,367,671	53,389	1,421,060	-	1,421,060
Revenues:					
Program service fees, net	13,076,818	-	13,076,818	-	13,076,818
Other service income	647,329	-	647,329	-	647,329
Rental income	5,188	-	5,188	-	5,188
Other	158,841	-	158,841	-	158,841
Gain on sale of assets	10,000	-	10,000	-	10,000
Total revenues	13,898,176	-	13,898,176	-	13,898,176
Total public support and revenues	15,265,847	53,389	15,319,236	-	15,319,236
Operating expenses:					
BBH funded programs:					
Children	5,157,438	-	5,157,438	-	5,157,438
Elders	501,342	-	501,342	-	501,342
Vocational	266,091	-	266,091	-	266,091
Multi-Service	2,971,434	-	2,971,434	-	2,971,434
Acute Care	932,421	-	932,421	-	932,421
Independent Living	2,334,134	-	2,334,134	-	2,334,134
Assertive Community Treatment	734,195	-	734,195	-	734,195
Non-Specialized Outpatient	1,063,655	-	1,063,655	-	1,063,655
Non-BBH funded program services	160,482	52,939	213,421	-	213,421
Total program expenses	14,121,192	52,939	14,174,131	-	14,174,131
Administrative expenses	960,388	-	960,388	-	960,388
Total expenses	15,081,580	52,939	15,134,519	-	15,134,519
Change in net assets from operations	184,267	450	184,717	-	184,717
Non-operating expenses:					
Fair value gain on interest rate swap	9,497	-	9,497	-	9,497
Change in net assets	193,764	450	194,214	-	194,214
Net assets, beginning of year	2,948,122	210,777	3,158,899	-	3,158,899
Net assets, end of year	\$ 3,141,886	\$ 211,227	\$ 3,353,113	\$ -	\$ 3,353,113

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Consolidating Statement of Activities
For the Year Ended June 30, 2018

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
<u>Public support and revenues:</u>					
Public support:					
Federal	\$ 1,005,755	\$ -	\$ 1,005,755	\$ -	\$ 1,005,755
State of New Hampshire - BBH	316,921	-	316,921	-	316,921
State and local funding	43,602	-	43,602	-	43,602
Other public support	66,499	64,673	131,172	-	131,172
Total public support	1,432,777	64,673	1,497,450	-	1,497,450
Revenues:					
Program service fees, net	12,364,822	-	12,364,822	-	12,364,822
Other service income	467,403	-	467,403	-	467,403
Rental income	4,985	-	4,985	-	4,985
Other	39,231	-	39,231	-	39,231
Total revenues	12,876,441	-	12,876,441	-	12,876,441
Total public support and revenues	14,309,218	64,673	14,373,891	-	14,373,891
<u>Operating expenses:</u>					
BBH funded programs:					
Children	4,859,070	-	4,859,070	-	4,859,070
Elders	282,131	-	282,131	-	282,131
Vocational	234,156	-	234,156	-	234,156
Multi-Service	2,609,377	-	2,609,377	-	2,609,377
Acute Care	775,806	-	775,806	-	775,806
Independent Living	2,226,618	-	2,226,618	-	2,226,618
Assertive Community Treatment	835,083	-	835,083	-	835,083
Non-Specialized Outpatient	980,645	-	980,645	-	980,645
Non-BBH funded program services	96,069	36,426	132,495	-	132,495
Total program expenses	12,898,955	36,426	12,935,381	-	12,935,381
Administrative expenses	1,049,580	-	1,049,580	-	1,049,580
Total expenses	13,948,535	36,426	13,984,961	-	13,984,961
Change in net assets from operations	360,683	28,247	388,930	-	388,930
<u>Non-operating expenses:</u>					
Fair value gain on interest rate swap	85,586	-	85,586	-	85,586
Change in net assets	446,269	28,247	474,516	-	474,516
Net assets, beginning of year	2,501,853	182,530	2,684,383	-	2,684,383
Net assets, end of year	\$ 2,948,122	\$ 210,777	\$ 3,158,899	\$ -	\$ 3,158,899

See Independent Auditor's Report.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Analysis of Accounts Receivable
For the Year Ended June 30, 2019

	Accounts Receivable Beginning of <u>Year</u>	<u>Gross Fees</u>	Contractual Allowances and Other Discounts <u>Given</u>	<u>Cash Receipts</u>	Change in <u>Allowance</u>	Accounts Receivable End of <u>Year</u>
Clients	\$ 332,312	\$ 1,335,372	\$ (356,399)	\$ (991,427)	\$ -	\$ 319,858
Insurance companies	144,808	2,237,147	(1,075,770)	(1,116,091)	-	190,094
Medicaid	540,750	12,473,046	(2,059,091)	(10,333,925)	-	620,780
Medicare	70,908	617,187	(251,328)	(381,560)	-	55,207
Allowance	(224,548)	-	-	-	(18,210)	(242,758)
Total	<u>\$ 864,230</u>	<u>\$ 16,662,752</u>	<u>\$ (3,742,588)</u>	<u>\$ (12,823,003)</u>	<u>\$ (18,210)</u>	<u>\$ 943,181</u>

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT
Schedule of Program Revenues and Expenses
For the Year Ended June 30, 2019

	Children	Elders	Vocational	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	Non-Specialized Outpatient	Other Non-BBH	Total Program Services	Administrative	Total Agency
Public support and revenues:												
Public support:												
Federal	\$ 2,500	\$ -	\$ -	\$ -	\$ 35,538	\$ 790,502	\$ 62,901	\$ 2,500	\$ -	\$ 893,941	\$ -	\$ 893,941
State of New Hampshire - BBH	6,328	-	-	3,945	86,309	-	162,099	-	-	258,681	-	258,681
State and local funding	14,671	-	-	-	-	-	-	14,271	14,659	43,601	-	43,601
Other public support	24,900	-	-	-	-	22,950	-	122,078	520	170,448	1,000	171,448
Total public support	48,399	-	-	3,945	121,847	813,452	225,000	138,849	15,179	1,366,671	1,000	1,367,671
Revenues:												
Program service fees, net	5,692,793	542,785	222,250	3,745,411	524,729	1,267,991	656,375	416,798	7,686	13,076,818	-	13,076,818
Other service income	52,898	49,245	-	880	275,064	1,308	-	219,489	48,445	647,329	-	647,329
Rental income	889	-	-	1,632	889	889	-	889	-	5,188	-	5,188
Other	43,669	2,566	2,103	23,431	6,962	19,206	7,948	13,406	964	120,255	38,586	158,841
Gain on sale of assets	3,484	202	168	1,870	556	1,596	599	703	70	9,248	752	10,000
Total revenues	5,793,733	594,798	224,521	3,773,224	808,200	1,290,990	664,922	651,285	57,165	13,858,838	39,338	13,898,176
Total public support and revenues	5,842,132	594,758	224,521	3,777,169	930,047	2,104,442	889,922	790,134	72,344	15,225,509	40,338	15,265,847
Total expenses	5,508,639	535,422	284,175	3,173,379	995,792	2,492,759	784,083	1,135,941	171,390	15,081,580	-	15,081,580
Change in net assets from operations	333,493	59,376	(59,654)	603,790	(65,745)	(388,317)	105,839	(345,807)	(99,046)	143,929	40,338	184,267
Non-operating expenses:												
Fair value gain on interest rate swap	3,308	192	160	1,776	528	1,516	569	668	66	8,783	714	9,497
Change in net assets	\$ 336,801	\$ 59,568	\$ (59,494)	\$ 605,566	\$ (65,217)	\$ (386,801)	\$ 106,408	\$ (345,139)	\$ (98,980)	\$ 152,712	\$ 41,052	\$ 193,764

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT
Schedule of Program Expenses
For the Year Ended June 30, 2019

	Children	Elders	Vocational	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	non-Specialized Outpatient	Other Non-BBH	Total Program Services	Administrative	Total Agency
Personnel costs:												
Salaries and wages	\$ 3,449,000	\$ 351,535	\$ 167,769	\$ 2,041,521	\$ 693,535	\$ 1,008,680	\$ 446,541	\$ 698,885	\$ 105,994	\$ 8,963,460	\$ 604,197	\$ 9,567,657
Employee benefits	702,665	93,009	53,845	471,770	87,810	284,070	126,462	107,947	19,984	1,947,562	131,727	2,079,289
Payroll taxes	240,278	24,868	11,643	140,823	49,856	69,022	31,695	48,250	6,990	623,425	41,859	665,284
Accounting/audit fees	21,089	1,223	1,018	11,319	3,366	9,660	3,629	4,257	427	55,988	5,753	61,741
Advertising	12,077	813	671	6,443	2,145	5,231	2,081	2,766	529	32,756	3,376	36,132
Conferences, conventions and meetings	4,413	111	744	4,026	533	624	751	7,058	346	18,606	9,597	28,203
Depreciation	71,069	4,121	3,427	38,145	11,341	32,556	12,219	14,340	1,428	188,646	15,339	203,985
Equipment maintenance	11,603	674	563	6,224	1,853	5,308	1,997	2,342	3,989	34,553	2,524	37,077
Equipment rental	15,333	612	509	6,407	3,623	4,839	1,816	3,852	213	37,204	2,280	39,484
Insurance	27,041	1,567	1,303	16,014	4,316	12,388	4,649	5,456	544	73,278	5,836	79,114
Interest expense	38,281	2,218	1,845	20,545	6,107	17,536	6,582	7,719	772	101,605	8,264	109,869
Legal fees	8,757	508	422	4,701	1,398	4,012	3,561	1,767	176	25,302	1,890	27,192
Membership dues	13,998	918	734	9,783	2,636	6,470	2,655	4,568	3,708	45,470	6,663	52,133
Occupancy expenses	180,310	2,787	2,316	45,731	7,665	701,658	9,010	56,897	963	1,007,337	10,369	1,017,706
Office expenses	81,067	3,749	4,322	35,797	13,077	34,483	23,570	21,619	2,276	219,960	20,386	240,346
Other expenses	8,290	385	322	4,354	4,081	3,963	1,206	1,886	908	25,395	17,615	43,010
Other professional fees	131,798	7,311	6,087	72,497	25,597	59,663	21,840	49,084	2,548	376,425	57,890	434,315
Program supplies	55,575	2,056	2,745	26,900	11,521	14,831	13,014	20,800	8,624	156,066	12,646	168,712
Travel	84,794	2,877	5,806	8,434	1,961	59,140	20,917	4,162	63	188,154	2,177	190,331
	5,157,438	501,342	266,091	2,971,434	932,421	2,334,134	734,195	1,063,655	160,482	14,121,192	960,388	15,081,580
Administrative allocation	351,201	34,080	18,084	201,945	63,371	158,625	49,888	72,286	10,908	960,388	(960,388)	-
Total program expenses	\$ 5,508,639	\$ 535,422	\$ 284,175	\$ 3,173,379	\$ 995,792	\$ 2,492,759	\$ 784,083	\$ 1,135,941	\$ 171,390	\$ 15,081,580	\$ -	\$ 15,081,580

BOARD OF DIRECTORS FY2020

David Hebert
Chairperson
Town: Derry
Start: 9/28/2016
Current Term: 2019-2022

TBD
Vice Chair

Susan Davis
Secretary
Town: Hampstead
Start: 6/23/2012
Current Term: 2017-2020

Ron Lague
Past Chairperson
Town: Derry
Start: 6/24/2011
Current Term: 2017-2020

Elizabeth Roth
Town: Salem
Start: 6/20/2006

Judi Ryan
Town: Salem
Start: 6/23/2012
Current Term: 2018 -2021

Jeffrey Rind, MD
Town: Derry
Start: 6/25/2009
Current Term: 2018-2021

Gail Corcoran
Town: Salem
Start: 2/28/2010
Current Term: 2018-2021

Vic Topo
President & CEO
Town: Londonderry
Start: 6/30/1999
Current Term: 2018-2021

Vernon Thomas
Town: Derry
Start: 6/28/2013
Current Term: 2019-2022

Maria Gudinas
Town: Atkinson
Start: 4/25/2018
Current Term: 2018-2021

Christopher Peterson, MD
Town: Derry
Start: 9/27/2018
Current Term: 2018-2021

Joseph Crawford
Town: Derry
Start: 6/26/2019
Current Term: 2019-2022

VICTOR TOPO

President/Chief Executive Officer

Successful 32-year career as clinician, manager and CEO in community mental health organizations located in Ohio and New Hampshire. Proven ability to lead board and staff with a persistent focus on mission and achieving results. Talent for exploring new and innovative approaches to delivering traditional and non-traditional behavioral health care. Possess wide range of knowledge and experience with all service populations, especially vulnerable persons at high risk. Strengths include:

- Operations
- Reorganization and reinvention
- Team building and leadership
- Strategic planning
- Collaboration
- Strategic partnerships
- Strong relationship with funders
- Community building
- Innovation

Professional Experience

Center for Life Management – Derry, NH

1999 – Present

President/Chief Executive Officer

Recruited to manage 501(c) 3 comprehensive community mental health center and its title holding 501(c) 2 corporation, entitled West Rock Endowment Association including two residential facilities.

Key results:

- Restructured senior management increasing direct reports from three to six.
- Revenues increased from 6.5 million to 13 million.
- Established closer connection with surrounding community utilizing aggressive public relations strategy while also rebranding CLM in 2004.
- Guided Board of Directors towards more accountability including higher expectation from management and individual board members.
- Initiated and implemented Corporate Compliance Program, including selection of corporate compliance officer
- Increased year after year number of persons served starting with 3,400 to nearly 6,000.
- Created and implemented strategy to integrate behavioral health care with physician healthcare. Integrated behavioral health services into two Primary Care/Pediatric Practices and two Specialty Practices in Southern New Hampshire.
- Consolidated outpatient offices toward design and construction of new state of the art 26,000 square foot facility. Received national awards for design and use of new facility.
- Provided leadership and vision to oversee the development and implementation of an Electronic Health Record (EHR) called webAISCE. Software now includes e-prescribing and has begun acquiring Meaningful Use dollars with regular upgrades over course of fifteen years.
- Adopted Neurostar Transcranial Magnetic Stimulation (TMS) in 2010 as newest neuro tech treatment for treatment resistant Major Depressive Disorder. First free standing community mental health center in the U.S. to offer it.

Pathways, Inc. – Mentor, OH

1988 - 1999

Chief Executive Officer/Executive Director

Started with managing a small single purpose case management agency with revenues of \$486,000 and over 11 years grew revenues to 4 million by expanding services to chronically mentally ill consumers. Created senior management team and strengthened Board of Directors utilizing shared vision approach.

VICTOR TOPO

-Page 2-

Key results:

- In collaboration with mental health board designed one of Ohio's first 24 hour 7 days a week in-home crisis stabilization program called C.B.S. (Community Based Stabilization).
- Assumed leadership role in transitioning 32 long-term patients back to our community.
- Positioned organization every year to competitively bid on ever/service provided and be awarded the service contract. Expanded wide range of services that include psychiatry, counseling, emergency services and housing.
- Created county's only Atypical Neuroleptic Medication Program (e.g. Clozaril).
- Pathways' first long range strategic plan in 1992.
- Increased Medicaid revenue from \$38,000 in 1989 to \$431,210 in 1997.

Community Counseling Center – Ashtabula, OH

1983-1988

Case Management Supervisor/Case Manager

Provided direct services and supervision for services to severely mentally disabled persons in the community. Partnered with local private hospital as well as state hospital.

Key results:

- Transitioned consumers back into supervised and independent living.
- Recruited, trained and managed staff of five case managers.
- Designed and implemented agency's first case management program.

EDUCATION

Master of Social Work (MSW)
West Virginia University, Morgantown, WV

Bachelor of Arts (BA)
Siena College, Londonville, NY

Associate of Applied Science (AAS)
Fulton-Montgomery Community College, Johnstown, NY

BOARD/LEADERSHIP POSITIONS

Heritage United Way – Board of Directors

Mental Health Commission – Co-Chair
Consumers and Families Work Group

Statewide Evidenced Based Practice Committee – Co-Chair

Greater Salem Chamber of Commerce – Board of Directors

Behavioral Health Network – Board of Directors

Greater Derry/Londonderry Chamber of Commerce – Board of Directors

Greater Derry/Salem Regional Transportation Council (RTC) -
Chairman, Board of Directors, Derry, NH

Greater Salem Leadership Program – Graduate, Class of 2001

Steve Arnault

Objective

To obtain a position where I can maximize my multilayer of management skills, quality assurance, program development, experience as an educator, customer service, and a successful track record in the health care environment.

Professional Experience

Lead Healthcare Systems Align, LLC
Nottingham, NH 1/2010 – Present

Healthcare Systems Align.com

- Provide consultation to agencies, medical practices and practitioners to establish systems of integrated healthcare that includes practice patterns, billing strategies, quality and compliance strategy, policy development, outcome measurement and supervision.

VP of Quality, Compliance Center for Life Management, Derry, NH 1/2009 - Present
www.centerforlifemanagement.org

- Senior management position in mental health center serving 6000 consumers. Responsibilities include development, implementation and monitoring of strategies and systems to continuously improve the quality of services to consumers. Assure compliance to state and federal regulations.
- Develop and maintain systems to assure fidelity to evidence based practices.
- Continuous development of EMR and associated staff training.
- Establish and maintain outcome measures and their incorporation into QI/UR initiatives.
- Develop and implement projects to improve the quality of care.
- Chair of agency Safety Committee.

Director, Behavioral Health Services Portsmouth Regional Hospital
Portsmouth, NH 1/2006 - 12/2009

- Responsible for clinical, administrative and fiscal management of service line which includes 22 bed inpatient psychiatric unit, Psychiatric Assessment and Referral Service and interdepartmental service. Supervision of an Assistant Director and Coordinator, Responsible for 85 staff. Oversee the integration of behavioral health into primary care. Manage annual budget of 10.5 million dollars.
- Chair Directors Operations Meeting. Coordinate monthly meeting of hospital departmental directors.
- Co-chair of Patient Flow Committee. Analysis and development of data systems to monitor patient throughput. Develop and implement strategies to improve the efficiency of care.

Steve Arnault

Assistant Director of Portsmouth Regional Hospital 4/2005 – 1/2006
Behavioral Health Services Portsmouth, NH

- Responsible for the clinical and administrative functioning of the Psychiatric assessment and Referral Service (PARS). Manage annual budget of 600K.
- Supervision of 22 clinicians who provide psychiatric crisis assessments, admissions, intake and referral 24 hours a day.
- Supervision, oversight and development of the Interdepartmental Service: 3 clinicians who provide psychiatric assessment, consultation and therapy to patients admitted medically to the hospital.

Director of Adult Services Community Partners; Dover, NH 11/2001 – 4/2005

- Responsible for the clinical, administrative and financial operations of the Adult Outpatient Therapy, EAP, Admissions, Emergency Services, Geriatric and Acute Service programs (PHP/IOP) serving Strafford County. Supervised 4 managers responsible for 26 staff. Manage annual budget of 3 million dollars.

Clinical Director of Riverbend Community Mental Health Ctr 9/2000 – 11/2001
Community Support Prog. Concord, NH

- Responsible for the clinical, administrative and fiscal operations of programs serving 554 consumers with severe and persistent mental illness. Directly supervise 5 managers responsible for 60 staff. Development and oversight of annual budget of 4 million dollars.

Treatment Team Riverbend Community Mental Health Ctr 8/1996 – 9/2000
Coordinator Concord, NH

- Clinical and administrative supervision of a multidisciplinary team of 12 direct care staff. Serving an average of 100 individuals with severe and persistent mental illness.

Team Leader Strafford Guidance Center; Dover, NH 1/1993 – 8/1996

- Clinical and administrative supervision of 8 direct care staff. Serving an average of 80 individuals with severe and persistent mental illness.
- Developed the first interagency treatment team to serve individuals with severe and persistent mental illness and developmental disabilities in NH.

Clinical Case Manager Strafford Guidance Center; Dover, NH 1/1992 – 12/1993

- Provided psychotherapy and case management services to individuals with severe and persistent mental illness and substance abuse issues as part of The Continuous Treatment Team study through Dartmouth College.

Steve Arnault

Teaching & Educational Experience

Assistant Director / Behavioral Specialist Residential Resources; Keene, NH 1/1989 – 1/1992

- Directed all administrative, fiscal and clinical activities for 5 group homes and 3 supported living arrangements serving people with developmental disabilities. Provide behavioral consultation to individuals with behavioral/functional challenges.

Behavioral Specialist / Clinical Supervisor The Center for Humanistic Change 8/1986 – 1/1989
Manchester, NH

- Provide behavioral consultation to individuals facing behavioral/functional challenges in group homes, day programs, vocational and family settings. Supervised 2 clinicians.

House Manager Greater Lawrence Psychological Center 6/1984 – 8/1986
Lawrence, MA

- Administrative, clinical and financial management of a group home serving 4 men with severe and persistent mental illness.

Adjunct Faculty New England College; Henniker, NH 9/1994 - Present
www.nec.edu

- Teach graduate and undergraduate courses in psychology, counseling, program development and evaluation

Director of Masters Degree Program in Mental Health Counseling New England College; Henniker, NH 1/1998 – 3/2002

- Developed and implemented curriculum for degree program.
- Oversight of curriculum to insure quality, academic standards and student retention.
- Development and execution of marketing plan.
- Provided academic advising and mentoring to students.
- Faculty recruitment, supervision and monitoring of academic quality

Curriculum Consultant New England College; Henniker, NH Fall 2012 - Present

- Developed curricula for a certificate and C.A.G.S. in the integration of behavioral health into primary medicine.

- Provided individual, group, and family counseling. Assisted with other indicated medical procedures such as electroconvulsive therapy, and participated in milieu management and activities.

EDUCATION:

- New Hampshire College, Graduate School of Business, Manchester, NH
M.B.A. Degree 1987
- Fitchburg State College, Graduate School of Guidance and Counseling, Fitchburg, MA
18 Graduate Hours in Counseling 1973
- Nathaniel Hawthorne College, Antrim, NH
B.A. Degree 1971

LICENSES AND PROFESSIONAL AFFILIATIONS:

- Licensed Certified Social Worker, Massachusetts License #3028-2-051-181
- Member in Good Standing National Association of Social Workers

DIANA LACHAPELLE, CPA

Strategically focused financial executive with extensive knowledge of healthcare operations, financial reporting and third party reimbursement. Possesses keen business acumen and decision making skill. Proven track record of working collaboratively and driving change to optimize operations.

Core Qualifications

- Strategic Planning
- Revenue Cycle Management
- Financial Reporting & Analysis
- Third Party Reimbursement
- Budgeting & Forecasting
- Contract Negotiations
- Internal Controls
- Audit
- Performance Management

PROFESSIONAL EXPERIENCE

CFO/CONTROLLER

Encompass Health Rehabilitation Hospital (formerly HealthSouth), Concord, NH January 2012 to Present

Financial leader of this 50-bed inpatient acute care rehabilitation hospital and outpatient treatment center reporting directly to the CEO. Responsible for all financial aspects of the hospital including revenue cycle, operating & capital plans, financial reporting, state & federal compliance reporting, strategy development and execution.

Key contributions and results:

- Implemented cost reduction initiatives to improve cash flow by 7%.
- Restructured outpatient operation to create a viable business unit, improving operating contribution by 34%.
- Developed and executed a labor management plan to improve operational efficiency and reduce full time equivalents by 7%.
- Financial educator for Encompass Health's "CEO in Training" program, as well as, preceptor for newly hired controllers.

CPA SERVICES

Diana C. Lachapelle, CPA, Bedford, NH 2003-2011

Provided accounting leadership and business solutions to clients including cash management, forecasting, budgeting, financial statement preparation, tax preparation, contract negotiations and internal control development.

DIRECTOR OF WORLDWIDE FOOTWEAR COST & FINANCIAL PLANNING

Timberland Corporation, Stratham, NH 1996-1999

- Responsible for all financial aspects of this \$550 million manufacturing and sourcing operation including accounting, forecasting, budgeting, reporting, product costing and audit.

- Partnered with the VP of Operations to achieve key cost reductions, as well as, improved reliability and quality resulting in actual performance exceeding budget by \$6.9 million.

FINANCIAL/TREASURY MANAGER

Nashua Corporation, Nashua, NH 1993-1996

AUDITOR

Ernst & Young, Manchester, NH 1989-1992

EDUCATION & CERTIFICATION

Bachelor of Science in Business Administration, University of New Hampshire, Durham

Certified Public Accountant, State of New Hampshire

Member of American College of Healthcare Executives

SYSTEM EXPERIENCE

Oracle Enterprise Performance Management System, Oracle PeopleSoft, Hyperion, E-Time, Cerner EMR and operational reporting, Microsoft Office

KENNETH M. BROWN, M.D.,M.P.H.

EDUCATION

- | | |
|-----------|---|
| 1994-1996 | Child and Adolescent Psychiatry Fellowship
University of Miami/ Jackson Memorial Hospital |
| 1991-1994 | Psychiatry Residency
Medical University of South Carolina
Institute of Psychiatry
Charleston, South Carolina |
| 1987-1992 | Doctor of Medicine
Tulane University School of Medicine
Tulane Medical Center
Charity Hospital
New Orleans, Louisiana |
| 1987-1991 | Masters of Public Health
Tulane University School of Tropical Medicine and Public Health
New Orleans, Louisiana |
| 1983-1987 | Bachelor of Science Engineering
Major: Biomedical Engineering
Tulane University School of Engineering |
| 1985-1986 | Tulane University Honor Scholar Junior Year Abroad
Major: Engineering
University of Southampton
Southampton, England |

EMPLOYMENT

- | | |
|--------------|--|
| 2000-Present | Medical Director
Hampstead Hospital
Hampstead, New Hampshire |
| 1996-2000 | Chief, Child and Adolescent Psychiatrist
Hampstead Hospital
Hampstead, New Hampshire |
-

EMPLOYMENT (cont.)

- 1996-Present Solo Private Practice (Inpatient and Outpatient)
Child, Adolescent and Adult Psychotherapy and Psychopharmacology
Hampstead Hospital
218 East Road
Hampstead, New Hampshire
- 1997-2000 Child and Adolescent Psychiatrist
Center for Life Management
Community Mental Health Center
Derry, New Hampshire
- 1991-1994 Court Appointed Expert Witness
Court Appointed Designated Examiner
Charleston County Court
- 1993-1994 Treating Psychiatrist
South Carolina Department of Mental Health
Dual Diagnoses Community Mental Health Clinic
Charleston, South Carolina

ACADEMIC AFFILIATIONS

- 1999-Present Adjunct Professor in Clinical Research
Dartmouth University
Hanover, New Hampshire

RESEARCH

- 2001-2003 Sub-investigator
Access Clinical Trials
- A Three- Week, Multicenter, Randomized, Double-Blind, Placebo-
Controlled, Parallel-Group Safety and Efficacy Study of Extended-Release
Carbamazepine in Patients with Bipolar Disorder.
Shire Laboratories
- A Three- Week, Multicenter, Randomized, Double-Blind, Placebo-
Controlled, Parallel-Group Safety and Efficacy Study of Extended-Release
Carbamazepine in Lithium Failure Patients with Bipolar Disorder.
Shire Laboratories
- A Double-Blind, Parallel Study of the Safety, Tolerability and Preliminary
Efficacy of Flutamide Compared to Placebo in Patients with Anorexia
Nervosa
Vela Pharmaceuticals Inc.

RESEARCH (cont.)

A Phase III, Randomized, Double-Blind, Placebo-Controlled Study of Safety and Efficacy of C-1073 (Mifepristone) in Patients with Major Depressive Disorder with Psychotic Features Who are not Receiving Antidepressants or Antipsychotics.

Corcept Therapeutics, Inc.

Olanzapine Versus Ziprasidone in the Treatment of Schizophrenia

Eli Lilly and Company

A Multicenter, Randomized, Double-Blind, Study of Aripiprazole Versus Placebo in the Treatment of Acutely Manic Patients with Bipolar Disorder.

Bristol-Myers Squibb Pharmaceutical Research Institute

PUBLICATIONS and POSTER PRESENTATIONS

Bupropion Sustained Release in Adolescents With Comorbid Attention-Deficit/ Hyperactivity Disorder and Depression

Daviss, Bentivoglio, Racusin, Brown, et al.,

J. Am. Acad. Child Adolescent Psychiatry, 40:3, March 2001

A Retrospective Study of Citalopram in Adolescents with Depression

Bostic J.Q., Prince J., Brown K., Place S.

Journal of Child and Adolescent Psychopharmacology 2001; 11; 159-166.

Citalopram for the Treatment of Adolescent Anxiety Disorders: A Pilot Study.

Prince J., Bostic J.Q., Monuteaux M., Brown K., Place S.

Psychopharmacology Bulletin 2002; 36: 100-107

2001 Citalopram in Adolescents with Mood and Anxiety Disorders: A Chart Review.

Presented at the Annual Meeting of the American Psychiatric Association, New Orleans, LA 5/9/2001

2001 Citalopram in Adolescents with Mood and Anxiety Disorders.

Presented at the Annual Meeting of NCDEU, Phoenix, AZ 5/29/2001

2001 Citalopram in Adolescents with Mood, Anxiety, and Comorbid Conditions.

Presented at the Annual Meeting of the American Psychiatric Association 2001
Institute on Psychiatric Services,
Orlando, FL 10/11/2001

HONORS AND OFFICES HELD

ACADEMIC AWARDS AND OFFICES

- Golden Apple Award for Excellence in teaching medical students
- Residency Education Committee representative
- Vice President Tulane Medical School Class of 1991
- President Jewish Medical Student Organization

ACADEMIC AWARDS AND OFFICES (cont.)

- Tau Beta Pi (engineering honor society)
- Alpha Eta Mu Beta (biomedical engineering honor society)
- Alpha Epsilon Delta (premedical honor society)
- Honor Scholar Junior Year Abroad Program

SOCIETY MEMBERSHIPS

- American Medical Association
- American Psychiatry Association
- American Academy of Child and Adolescent Psychiatry
- New Hampshire Medical Association
- New Hampshire Psychiatry Association
- New England Society of Child and Adolescent Psychiatry

CERTIFICATIONS

- Board Certified General Psychiatry
American Board of Psychiatry and Neurology, #43597
- Board Eligible, Child and Adolescent Psychiatry

LICENSES

- New Hampshire, Maine, South Carolina, Florida, Louisiana

Angela Moran

[REDACTED]
[REDACTED]
[REDACTED]

Objective: Seeking employment in management, human services and customer service.

Experience:

Center for Life Management

Derry, NH

July 2017-Present

Interim Director of Housing

2/2019-Present

- Works collaboratively with The Bureau Housing Supports to outreach and assist homeless individuals
- Engage homeless towards finding permanent housing/treatment for mental illness or substance misuse.
- Refer individuals for clinical screening and diagnostics into case management services.
- Participate within the local LSDA, foster cooperation and collaboration between service providers, as well as follow through on referrals made to CLM in regards to possible homeless individuals.
- Follow state and federal regulations regarding use of funds and services for the homeless and mentally ill.
- Adhere to CLM and State of NH regulations regarding documentation and HMIS data collection
- Attend /participate in HMIS data Committee, Advisory Meetings, Housing Action Meetings, Balance of State Continuum of Care meetings and various BOSCO meetings
- Attend /participate in HMIS data Committee, Advisory Meetings, Housing Action Meetings, Balance of State Continuum of Care meetings and various BOSCO meetings
- Assist in the development of NOFA documentation and HMIS Annual Performance Reports
- Update APR's for PATH outreach, All Projects for housed Participants that are in SPC, SPC II, PH1 and FH1
- Follow through with Audits performed on all Projects done by BHS
- Adhere to policies with Rental calculations, Redeterminations, FMR's
- Assist with getting documentation of homelessness for HUD's definition of the Chronically homelessness
- Voucher participants that fall into the HUD's CH definition and assist them with finding housing
- Work with landlords who accept the housing voucher through CLM and BHS to assist with and problem solve issues with participants
- Reports to VP and QA of CLM on a weekly basis

Housing Development Assistant

10/2018-2/2019

- Works collaboratively with Housing Director to Outreach and assist homeless individuals.
- Engage homeless towards finding permanent housing/treatment for mental illness or substance misuse.
- Refer individuals for clinical screening and diagnostics into case management services.
- Participate within the local LSDA, foster cooperation and collaboration between service providers, as well as follow through on referrals made to CLM in regards to possible homeless individuals.
- Follow state and federal regulations regarding use of funds and services for the homeless and mentally ill.
- Adhere to CLM and State of NH regulations regarding documentation and HMIS data collection
- Attend /participate in HMIS data Committee, Advisory Meetings, Housing Action Meetings, Balance of State Continuum of Care meetings and various BOSCO meetings
- Assist in the development of NOFA documentation and HMIS Annual Performance Reports
- Assist individuals w/ applying for Medicaid and Social Security benefits
- Perform other duties as assigned by Director

PATH Outreach Worker

7/2017-10/2108

- Coordinate intake and needs for assessments for all clients and work with clients and their barriers to obtain services/housing and/or perform a warm handoff to in-house case manager.
- Perform outreach services, contacting homeless persons in all places where they congregated in our catchment area.
- Provide supportive services in a non-judgmental manner.
- Provide information, referrals, and advocacy to assist clients in accessing services and resources.
- Assist clients with procuring necessary documents and services such as ID card, birth certificate, social security, disability income.
- Assist clients with housing applications, complete supportive and subsidized housing paperwork, and advocate for clients with prospective landlords.

Work Opportunities Unlimited

Dover, NH

2016-2017

Career Resource Specialist Seacoast Area

- Assist clients develop career goals/Work support and assessment
- Intake coordination for DCYF clients
- Create and develop Individual Support Plans/Coaching clients to help maximize success
- Job retention skills/Job coaching skills
- Mock interviewing skills and assessment
- Job Development/Business Development

Sutton Hill Center-Genesis Healthcare North Andover, MA 2016-Present

Recreation Assistant

- Daily activities for resident-groups of 5-12 residents at a time in groups
- One on One visits offer sensory stimulation
- Prepare progress notes quarterly for resident's progress
- Assist with transporting, communicating and setting up for activity programs

Rutland Healthcare and Rehabilitation -Genesis Healthcare Rutland, VT 2015-2016

Recreation Assistant

- Daily activities for resident-groups of 5-12 residents at a time in groups
- One on One visits offer sensory stimulation
- Prepare progress notes quarterly for resident's progress
- Assist with transporting, communicating and setting up for activity programs

Balance Chiropractic PLLC Concord, NH 2008-2015

Office Manager

- Maintained all charts and intakes for patients
- Scheduling, collecting co-pays, calling insurance companies for benefits
- Following up on charts and following up with payments from patients
- Ordered supplies, supplements, fielding calls to schedule and reschedule patients

Children's Place Manchester, NH 2007-2008

Store Manager

- Ran all aspects of the stores operation from scheduling, payroll, shipment, floor sets
- Training all management and part time sales associates
- Customer service

Olympia Sports Salem, NH 1995-2007

Store Manager

- Part time from 1995-1997, Manager Trainee, Store Manager 2000
- Ran all operations of store and maintained good customer service
- Training for all management and part time sales associates
- Made sure to reach sales goals and inventory

Volunteer Experience

YMCA Allard Center of Goffstown

- Volunteered for co-coaching of competitive swim team (18 kids ages 11-16)
- Volunteered for Kohl's Cares Softball tournament to raise \$500
- Volunteered for Zumba/dance-a-thon to raise over \$200

Education:

Rutland High School 1997

Seacoast Career School 2006

References:

Erin Mitchell- YMCA of Greater Nashua, Director of Achievement

██████████
Kristin Jones, BA- Counselor

██████████
Amanda St. Cyr - Supply Supervisor, Elliot Hospital

██████████

CLM Center for Life Management
Permanent Housing I

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Vic Topo	President/CEO	\$169,818.00	2.50%	\$4,245.45
Diana Lachapelle	Vice President/ CFO	\$140,000.00	2.50%	\$3,500.00
Steve Arnault	VP Operations & QA	\$127,558.00	3.50%	\$4,464.53
Kenneth Brown	Medical Director	\$260,000.00	5.00%	\$13,000.00
Angela Moran	Homeless & Housing Mgr.	\$42,000.00	10.00%	\$4,200.00



Jeffrey A. Meyers
Commissioner

Christine L. Santanillo
Director

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HLP mac

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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHNNH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHNNH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

05-95-42-423010-7927 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: HUMAN SERVICES, HOMELESS & HOUSING, HOUSING- SHELTER PROGRAM

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are sole source because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

- A strategic planning process for addressing homelessness in the community.
- A process to engage broad-based, community-wide involvement in addressing homelessness on a year-round basis.
- An opportunity for communities to submit an application to the U.S. Department of Housing and Urban Development for resources targeting housing and support services for homeless individuals and families.

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

- Annual compliance reviews shall be performed that include the collection of data relating to compliance with administrative rules and contractual agreements.
- Statistical reports shall be submitted on a semi-annual basis from all funded vendors, including various demographic information and income and expense reports including match dollars.
- All vendors funded for rapid re-housing, transitional, permanent or coordinated entry housing, or outreach/supportive services will be required to maintain timely and accurate data entry in the New Hampshire Homeless Management Information System, unless they are required by law to use an alternate means of data collection. The NH Homeless Management Information System will be the primary reporting tool for outcomes and activities of shelter and housing programs funded through this contract.

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.

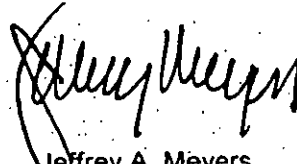
Source of funds: 100% Federal Funds from the U.S. Department of Housing and Urban Development, Office of Community Planning and Development, Catalog of Federal Domestic Assistance Number (CFDA) #14.267.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner

Subject: Continuum of Care, Permanent Housing I, SS-2020-BHS-04-PERMA-04

FORM NUMBER P-37 (version 5/8/15)


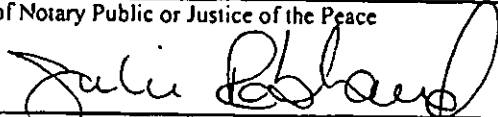
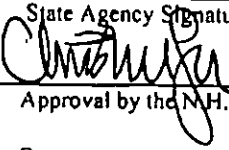

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

I. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management		1.4 Contractor Address 10 Tsienneto Rd Derry, NH 03038	
1.5 Contractor Phone Number (603) 434-1577	1.6 Account Number 05-95-42-423010-7927 102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$273,230
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 Vic Toppo, President/CEO	
1.13 Acknowledgement: State of New Hampshire County of Rockingham On 5/28/19, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  (Seal)		JULIE A. ROBICHAUD, Notary Public State of New Hampshire My Commission Expires August 23, 2022	
1.13.2 Name and Title of Notary or Justice of the Peace Julie Robichaud, HE Administrator			
1.14 State Agency Signature  Date: 5/20/19		1.15 Name and Title of State Agency Signatory Christine Santanillo, Director, Dept	
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:  On: 6/4/2019			
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 provided 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 (BHS)
129 Pleasant Street
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0, et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

[Signature]
8/28/19

New Hampshire Department of Health and Human Services
Continuum of Care Program



Exhibit A

- 1.10. 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 Services

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Housing program serving approximately twenty (20) homeless individuals experiencing mental health and/or substance abuse issues to reside in scattered site apartments within Western Rockingham County, NH., and which includes, but is not limited to:
- 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
- 2.2.2. The development 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 must 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).
- 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.



Exhibit A

- 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, 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 must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, 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 must 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 has 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 must 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 must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were 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).

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Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 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.
- 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the 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 as required by this Agreement and state and federal laws and regulations;
- 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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



Exhibit A

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 HUD New Project Application, federal fiscal year 2018, #SF-424; and

5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.

5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. 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 a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.

6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.

6.2.1. Project outcomes shall include, but are not limited to:

6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.

6.2.1.2. Participants experience increased connections to:

6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;

6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and

6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.

6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

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5/28/19



**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Permanent Housing Program Funding

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
 - 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0014L1T001811
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing
 - 1.2.7. Total Amount Continuum of Care;
 - 1.2.7.1. not to exceed \$273,230
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Rental Assistance: \$221,592
 - 1.2.8.2. Supportive Services: \$45,000
 - 1.2.8.2.1 Mental Health Services \$39,600
 - 1.2.8.2.2 Outreach \$5,400
 - 1.2.8.3. Administrative Expenses: \$6,638
 - 1.2.8.4. Total program amount: \$273,230
 - 1.2.8.5. Vendor Match (25%) \$69,967
- 1.3. The Contractor agrees to 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:

[Handwritten Signature]
5/28/19



**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

NH DHHS
Bureau of Housing Supports
129 Pleasant Street
Concord, NH 03301

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used 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/Grant completion date.

3. Project Costs: Payment Schedule; Review by the State

- 3.1. **Project Costs:** As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).

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 are to be documented with each payment request.
- 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
 - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
 - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
 - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
 - 3.3.3.4. 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.

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5/28/19



**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

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, 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 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.

3.4.5. Schedule of Payments:

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:

housingsupportsinvoices@dohhs.nh.gov
- 3.4.5.3. 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.

3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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

[Signature]
5/28/19



**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

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 the terms and conditions of this Agreement.

4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

5. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;
- 5.3.2.4. 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;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. 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;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. 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;
- 5.3.2.10. 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 the 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;
- 5.3.2.11. 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;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. 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;

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 5.3.2.14. 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;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);
- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
- 5.3.2.19. 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.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. 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.
- 5.4.6. 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.
- 5.4.7. 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.

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- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.
- 5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.
- 5.4.9.1. 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.
- 5.4.9.2. 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.
- 5.4.9.3. 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.
- 5.4.9.4. 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.
- 5.5. Administrative Costs:
- 5.5.1. Eligible administrative costs include:
- 5.5.1.1. 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; and
- 5.5.1.2. 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:
- 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
- 5.5.1.2.1.1. 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,

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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:

- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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

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**New Hampshire Department of Health and Human Services
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Exhibit B

of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

5.6.1. Requirements:

- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other

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requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.



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;

Exhibit C - Special Provisions

Contractor Initials

Date

Contractor Initials: [Signature]
Date: 5/28/19

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- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
 - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
 - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
 - 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) 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

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more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP 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 EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP 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

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- 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.

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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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

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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 GRANTEEES OTHER THAN INDIVIDUALS

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

5/28/19
Date

Vendor Name:

Name: VICTOR P. O.
Title: President/CEO.

VP
5/28/19



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-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Vendor Name:

Date

Name:

Title:

Exhibit E - Certification Regarding Lobbying

Vendor Initials

Date



**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

✓
Date 5/28/19



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

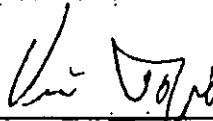
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).


LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name:

5/28/19
Date


Name: Vic Topo
Title: President / CEO


5/28/19



**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 W

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

6/27/14
Rev. 10/21/14

Page 1 of 2

Date 2/19

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.

5/28/19
Date

Vendor Name:




Name: Victor
Title: President/CEO

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials


Date 5/28/19



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.

5/28/19

Date

Vendor Name:

Name: VICTOR TOPO

Title:

PRESIDENT/CEO

Vendor Initials

Date

VS
5/28/19



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

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
- o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

[Signature]
5/28/14



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

3/28/19



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

3/2014

Vendor Initials

Date 5/28/19



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

Christine Santanillo
Signature of Authorized Representative

Christine Santanillo
Name of Authorized Representative

Director, D&HS
Title of Authorized Representative

5/28/19
Date

in central health center for southern
life management
Name of the Vendor

Vic Topo
Signature of Authorized Representative

Vic Topo
Name of Authorized Representative

President / CEO
Title of Authorized Representative

5/28/19
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.

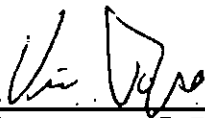
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.


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:

5/28/19
Date


Name: VIC TOPO
Title: President/CEO


Date 5/28/19

New Hampshire Department of Health and Human Services
Exhibit J



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: 085573541
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO _____ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

_____ NO _____ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the Internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via certified ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

Handwritten initials and date: 12/8/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
 1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
 2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

[Signature]
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New Hampshire Department of Health and Human Services

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DHHS Information Security Requirements



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
 - a. comply with such safeguards as referenced in Section IV. A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
 - b. safeguard this information at all times.
 - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
 - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

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5/28/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

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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

[Handwritten Signature]
5/28/19



**New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program**

**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Continuum of Care, Coordinated Entry Program**

This 1st Amendment to the Continuum of Care, Coordinated Entry Program contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Tri-County Community Action Program, Inc., (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 30 Exchange St, Berlin, NH, 03570.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2021.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$261,644.
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2., Paragraph 1.2.4. to read:
 - 1.2.4. Grant Numbers
 - 1.2.4.1. NH0096L1T001803 (Grant Year 1)
 - 1.2.4.2. NH0096L1T001904 (Grant Year 2)
4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2., Paragraph 1.2.7., Subparagraph 1.2.7.1. to read:
 - 1.2.7.1 Not to exceed \$261,644
5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Coordinated Entry Program, Subsection 1.2., Paragraph 1.2.8., to read:
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;

		<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1.	Leasing Expenses	\$5,928	\$5,928
1.2.8.2.	Supportive Services	\$121,624	\$121,624
1.2.8.3.	Administrative Expenses	<u>\$3,270</u>	<u>\$3,270</u>
1.2.8.4.	Total Program Amount	\$130,822	\$130,822



**New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program**

All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

4/8/20
Date

Christine L. Santaniello
Name: Christine L. Santaniello
Title: Director DEHS

Tri-County Community Action Program, Inc.

3/27/2020
Date

Jeanne Robillard
Name: Jeanne Robillard
Title: Chief Executive Officer

**New Hampshire Department of Health and Human Services
Continuum of Care, Coordinated Entry Program**



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/10/20
Date

[Signature]
Name:
Title:

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

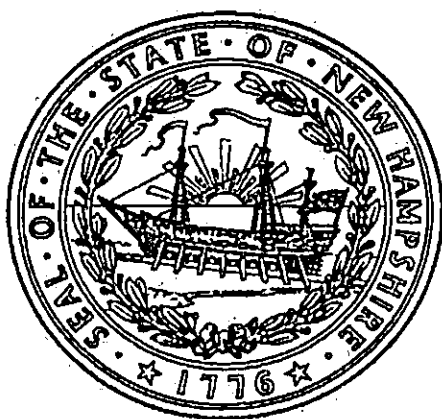
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (TRI-COUNTY CAP) is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 18, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 63020

Certificate Number: 0004876884



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April A.D. 2020.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Sandy Alonzo, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Tri-County Community Action Program, INC.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on 6/25/19:
(Date)

RESOLVED: That the Chief Executive Officer
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to
execute any and all documents, agreements and other instruments, and any amendments, revisions,
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 27 day of March, 2020.
(Date Contract Signed)

4. Jeanne Robillard is the duly elected Chief Executive Officer
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Sandy Alonzo
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Coos

The forgoing instrument was acknowledged before me this 27 day of March, 2020.

By Sandy Alonzo
(Name of Elected Officer of the Agency)

Christina Morin
(Notary Public/Justice of the Peace)

CHRISTINA MORIN, Notary Public
State of New Hampshire
My Commission Expires December 19, 2023
(NOTARY SEAL)

Commission Expires: 12/19/2023

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

17FY19 Board Resolution: Resolution of the Corporation

Authority to Sign

The Board of Directors of Tri County Community Action Program, Inc. (the "Corporation") takes the following action.

Resolved,

That the Tri-County Community Action Program, Inc. Chief Executive Officer (CEO) Jeanne L. Robillard, Chief Financial Officer (CFO) Randall S. Pilote, and Chief Operating Officer (COO) Regan L. Pride are hereby authorized on behalf of this Corporation to enter into contracts with the Federal Government, State of New Hampshire, and any other parties as deemed necessary and to execute any and all documents, agreements and other instruments and amendments, revisions or modifications thereto, as may be deemed necessary, desirable or appropriate for the corporation; this authorization being enforced and effective until June 30th, 2020.

Attest, the resolution adopted therein was duly authorized by the Board of Directors on June 25th, 2019

By: 
Name: Sandy Alonzo
Title: Board Chair

By: 
Name: Cathy Conway
Title: Board Treasurer



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

02/25/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER FIAI/Cross Insurance 1100 Elm Street Manchester NH 03101	CONTACT NAME: Karen Shaughnessy PHONE (A/C, No, Ext): (603) 669-3218 E-MAIL: kshaughnessy@crossagency.com ADDRESS: INSURER(S) AFFORDING COVERAGE INSURER A: Philadelphia Ins Co INSURER B: Granite State Health Care and Human Services Self- INSURER C: INSURER D: INSURER E: INSURER F:	FAX (A/C, No): (603) 645-4331 NAIC #
INSURED Tri-County Community Action Program, Inc 30 Exchange Street Berlin NH 03570		

COVERAGES

CERTIFICATE NUMBER: 19-20 All Lines, 20-21 WC

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			PHPK2003516	07/01/2019	07/01/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMPROP AGG \$ 3,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2003523	07/01/2019	07/01/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB683002	07/01/2019	07/01/2020	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	HCHS20200000241 (3a.) NH	02/01/2020	02/01/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liability			PHPK2003516	07/01/2019	07/01/2020	Each Occurrence \$1,000,000 Aggregate \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

NH DHHS 129 Pleasant Street Concord NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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MISSION STATEMENT

TRI-COUNTY COMMUNITY ACTION PROGRAM, Inc. Is a private, non-profit 501(C) 3 corporation that is dedicated to improving the lives and well being of New Hampshire's people and communities. Formed on May 18, 1965, we provide opportunities and support for people to learn and grow in self-sufficiency and get involved in helping their neighbors and improving the conditions in their communities.

***TRI-COUNTY COMMUNITY ACTION PROGRAM, Inc.
...Helping people, changing lives.***

Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

AND AFFILIATE

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018
AND
INDEPENDENT AUDITORS' REPORTS**

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

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To the Board of Directors of
Tri-County Community Action Program, Inc. and Affiliate
Berlin, New Hampshire

**Leone,
McDonnell
& Roberts**
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • CONCORD
STRATHAM

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Tri-County Community Action Program, Inc. and Affiliate (New Hampshire nonprofit organizations), which comprise the consolidated statements of financial position as of June 30, 2019 and 2018, the related consolidated statements of cash flows and functional expenses for the years then ended, the related consolidated statement of activities for the year ended June 30, 2019 and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Tri-County Community Action Program, Inc. and Affiliate as of June 30, 2019 and 2018, and its consolidated cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2019, in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Tri-County Community Action Program, Inc. and Affiliate's 2018 consolidated financial statements, and we expressed an unmodified audit opinion on those consolidated financial statements in our report dated October 19, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2019, on our consideration of Tri-County Community Action Program, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Tri-County Community Action Program, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tri-County Community Action Program, Inc.'s internal control over financial reporting and compliance.

Leon McDonnell & Roberts
Professional Association

October 21, 2019
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018**

	<u>ASSETS</u>	
	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,400,750	\$ 1,329,038
Restricted cash	583,963	380,902
Accounts receivable	1,274,083	1,156,657
Property held for sale	47,000	-
Pledges receivable	231,161	212,207
Inventories	85,886	87,569
Prepaid expenses	34,037	25,640
Total current assets	<u>3,656,880</u>	<u>3,192,013</u>
PROPERTY		
Property and equipment	12,086,152	12,812,689
Less accumulated depreciation	<u>(5,178,535)</u>	<u>(5,203,324)</u>
Property, net	<u>6,907,617</u>	<u>7,609,365</u>
OTHER ASSETS		
Restricted cash	<u>418,936</u>	<u>325,863</u>
TOTAL ASSETS	<u>\$ 10,983,433</u>	<u>\$ 11,127,241</u>
	<u>LIABILITIES AND NET ASSETS</u>	
CURRENT LIABILITIES		
Demand note payable	\$ -	\$ 516,022
Current portion of long term debt	148,449	142,733
Current portion of capital lease obligations	4,870	4,445
Accounts payable	221,571	237,276
Accrued compensated absences	204,079	203,121
Accrued salaries	210,952	187,508
Accrued expenses	89,524	131,888
Refundable advances	197,157	191,069
Other liabilities	<u>598,195</u>	<u>387,168</u>
Total current liabilities	<u>1,674,797</u>	<u>2,001,230</u>
LONG TERM DEBT		
Long term debt, net of current portion	5,227,835	5,373,937
Capital lease obligations, net of current portion	<u>3,355</u>	<u>8,226</u>
Total liabilities	<u>6,905,987</u>	<u>7,383,393</u>
NET ASSETS		
Without donor restrictions	3,399,192	2,926,057
With donor restrictions	<u>678,254</u>	<u>817,791</u>
Total net assets	<u>4,077,446</u>	<u>3,743,848</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,983,433</u>	<u>\$ 11,127,241</u>

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Total</u>	<u>2018 Total</u>
REVENUES AND OTHER SUPPORT				
Grant and contracts	\$ 14,074,008	\$ 401,106	\$ 14,475,114	\$ 14,309,086
Program funding	1,167,509	-	1,167,509	1,259,037
Utility programs	1,287,103	-	1,287,103	1,079,361
In-kind contributions	477,167	-	477,167	351,187
Contributions	230,986	-	230,986	395,225
Fundraising	39,303	-	39,303	59,536
Rental income	625,046	-	625,046	679,112
Interest income	643	-	643	348
(Loss) gain on disposal of property	(32,892)	-	(32,892)	48,487
Loss on write down of property held for sale	(255,492)	-	(255,492)	-
Other revenue	196,364	-	196,364	81,938
Total revenues and other support	17,809,745	401,106	18,210,851	18,263,317
NET ASSETS RELEASED FROM RESTRICTIONS:	540,643	(540,643)	-	-
Total revenues, other support, and net assets released from restrictions	18,350,388	(139,537)	18,210,851	18,263,317
FUNCTIONAL EXPENSES				
Program Services:				
Agency Fund	950,639	-	950,639	922,701
Head Start	2,451,296	-	2,451,296	2,481,916
Guardianship	767,241	-	767,241	760,009
Transportation	916,089	-	916,089	879,729
Volunteer	118,408	-	118,408	122,941
Workforce Development	354,263	-	354,263	394,252
Alcohol and Other Drugs	-	-	-	444,581
Carroll County Dental	747,474	-	747,474	642,637
Support Center	391,650	-	391,650	276,172
Homeless	714,066	-	714,066	577,783
Energy and Community Development	7,788,560	-	7,788,560	7,480,943
Elder	1,462,613	-	1,462,613	1,142,818
Housing Services	172,852	-	172,852	176,511
Total program services	16,835,151	-	16,835,151	16,302,993
Supporting Activities:				
General and administrative	1,032,207	-	1,032,207	1,102,448
Fundraising	9,895	-	9,895	8,023
Total supporting activities	1,042,102	-	1,042,102	1,110,471
Total functional expenses	17,877,253	-	17,877,253	17,413,464
CHANGE IN NET ASSETS	473,135	(139,537)	333,598	849,853
NET ASSETS, BEGINNING OF YEAR	2,926,057	817,791	3,743,848	2,893,995
NET ASSETS, END OF YEAR	\$ 3,399,192	\$ 678,254	\$ 4,077,446	\$ 3,743,848

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 333,598	\$ 849,853
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	447,689	463,483
Loss (gain) on disposal of property	32,892	(48,487)
Loss on write down of property held for sale	255,492	
(Increase) decrease in assets:		
Accounts receivable	(117,426)	170,337
Pledges receivable	(18,954)	(6,403)
Inventories	1,683	(21,928)
Prepaid expenses	(8,397)	19,705
Restricted cash	(296,134)	235,922
Increase (decrease) in liabilities:		
Accounts payable	(15,705)	(281,171)
Accrued compensated absences	958	(39,424)
Accrued salaries	23,444	(9,374)
Accrued expenses	(42,364)	24,261
Refundable advances	6,088	(6,479)
Other liabilities	211,027	(258,143)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>813,871</u>	<u>1,092,152</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property	14,283	278,972
Purchases of property and equipment	<u>(95,588)</u>	<u>(141,335)</u>
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	<u>(81,305)</u>	<u>137,637</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment on demand note payable	(516,022)	(90,412)
Repayment of long-term debt	(140,386)	(311,983)
Repayment of capital lease obligations	<u>(4,446)</u>	<u>(4,056)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(660,854)</u>	<u>(406,451)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	71,712	823,338
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,329,038</u>	<u>505,700</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,400,750</u>	<u>\$ 1,329,038</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	<u>\$ 152,078</u>	<u>\$ 182,514</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Property donated	<u>\$ -</u>	<u>\$ 18,830</u>

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC

**CONSOLIDATED STATEMENT OF FUNCTIONAL
FOR THE YEAR ENDED JUNE 30, 20**

	<u>Agency Fund</u>	<u>Head</u>	<u>Total</u>	<u>General & Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Direct Expenses						
Payroll	\$ 199,241	\$ 1,366	\$ 5,462,305	\$ 596,457	\$ -	\$ 6,058,762
Payroll taxes and benefits	49,259	3	1,413,250	163,274	-	1,576,524
Assistance to clients	22,359	-	5,788,314	-	-	5,788,314
Consumable supplies	3,408	1,978	846,305	11,436	-	857,741
Space costs and rentals	7,828	1	523,719	66,568	-	590,287
Depreciation expense	169,653	989	447,669	3,157	-	450,826
In-kind expended	-	-	477,167	-	-	477,167
Consultants and contractors	20,400	-	222,318	16,029	-	238,347
Utilities	168,297	181	378,636	5,708	-	384,344
Travel and meetings	11,024	542	297,607	20,789	-	318,396
Other direct program costs	2,535	224	157,696	9,225	9,895	176,816
Fiscal and administrative	16,817	731	103,147	94,740	-	197,887
Building and grounds maintenance	93,988	594	179,346	30	-	179,376
Interest expense	117,585	-	152,965	953	-	153,918
Vehicle expense	2,747	-	199,965	-	-	199,965
Insurance	56,671	916	89,016	30,772	-	119,788
Maintenance of equipment and rental	562	331	83,909	12,647	-	96,556
Fixed fees	8,265	-	13,817	422	-	14,239
Total Direct Expenses	950,639	2,452	16,835,151	1,032,207	9,895	17,877,253
Indirect Expenses						
Indirect costs	96,348	2	1,032,207	(1,032,207)	-	-
Total Direct & Indirect expenses	\$ 1,046,987	\$ 2,652	\$ 17,867,358	\$ -	\$ 9,895	\$ 17,877,253

See Notes to Consolidated Financials

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. A/

CONSOLIDATED STATEMENT OF FUNCTIONAL E/
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Agency Fund</u>	<u>Head Start</u>	<u>Total</u>	<u>General & Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Direct Expenses						
Payroll	\$ 99,755	\$ 1,250,837	\$ 5,214,049	\$ 670,592	\$ -	\$ 5,884,641
Payroll taxes and benefits	23,319	339.0	1,260,319	164,414	-	1,424,733
Assistance to clients	74,171	-	5,536,546	-	-	5,536,546
Consumable supplies	1,723	240,832	949,850	11,219	-	961,069
Space costs and rentals	21,013	164.4	578,542	72,385	-	650,927
Depreciation expense	324,623	1,699	463,483	-	-	463,483
In-kind expended	12,500	206.0	351,188	-	-	351,188
Consultants and contractors	15,615	28.9	315,842	15,662	-	331,504
Utilities	135,551	32,562	326,659	3,589	-	330,248
Travel and meetings	1,093	50,215	278,787	9,470	-	288,257
Other direct program costs	44,933	9,764	192,849	28,234	8,023	229,106
Fiscal and administrative	243	28,330	94,549	106,359	-	200,908
Building and grounds maintenance	62,822	62,560	198,381	180	-	198,561
Interest expense	127,777	3	183,401	1,241	-	184,642
Vehicle expense	4,282	-	164,961	-	-	164,981
Insurance	65,654	14,052	154,315	5,085	-	159,400
Maintenance of equipment and rental	-	52.1	127,333	14,018	-	141,351
Fixed fees	-	-	4,312	-	-	4,312
Total Direct Expenses	1,015,074	2,481,911	16,395,366	1,102,448	8,023	17,505,837
Indirect Expenses						
Indirect costs	86,950	248,0	1,102,448	(1,102,448)	-	-
Capitalized Expenses						
Less capitalization of assets	(92,373)	-	(92,373)	-	-	(92,373)
Total Direct & Indirect expenses	\$ 1,009,651	\$ 2,730,011	\$ 17,405,441	\$ -	\$ 8,023	\$ 17,413,464

See Notes to Consolidated Financials

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES **Organization and Principles of Consolidation**

The consolidated financial statements include the accounts of Tri-County Community Action Program, Inc. and its affiliate, Cornerstone Housing North, Inc. The two organizations are consolidated because Tri-County Community Action Program, Inc. controls 100% of the voting power of Cornerstone Housing North, Inc. All significant intercompany items and transactions have been eliminated from the basic financial statements. Tri-County Community Action Program, Inc. (the Organization) is a New Hampshire non-profit corporation that operates a wide variety of community service programs which are funded primarily through grants or contracts from various federal, state, and local agencies. Cornerstone Housing North, Inc. (a New Hampshire nonprofit corporation) was incorporated under the laws of the State of New Hampshire for the acquisition, construction and operation of community-based housing for the elderly.

Nature of activities

The Organization's programs consist of the following:

Agency

Tri-County CAP Administration provides central program management support and oversight to the Organization's many individual programs. This includes planning and budget development, bookkeeping and accounting, payroll and HR services, legal and audit services, IT support, management support, financial support and central policy development.

Tri-County CAP Administration is the liaison between Tri-County Community Action Program, Inc., Board of Directors and its programs, ensuring that programs comply with agreements made by the Board to funding sources and vendors.

Other responsibilities include the management and allocation of funding received through a Community Services Block Grant, as well as management of the Organization's real estate property.

Head Start

Head Start provides comprehensive services to low-income children and their families. Head Start supports children's growth and development in a positive learning environment through a variety of activities as well as providing services, which include in addition to early learning, health and family well-being. All children receive health and development screenings, nutritious meals, oral health and mental health support. Parents and families are supported in achieving their own goals, such as housing stability, continued education, and financial stability.

Programs support and strengthen parent-child relationships as their child's primary educator. Head Start staff work as partners with parents to identify and provide individualized activities that support their child's growth and development.

Tri County Community Action Head Start serves 217 children in Carroll, Coos & Grafton counties in 9 locations with 13 center-based classrooms and 1 home-based option.

Guardianship

The Organization's Guardianship program provides advocacy and guardian services for the vulnerable population of New Hampshire residents (developmentally disabled, chronically mentally ill, traumatic brain injury, and the elderly suffering from Alzheimer's, dementia, and multiple medical issues) who need a guardian and who have no family member or friend willing, able, or suitable to serve in that capacity. This program serves 414 individuals. Additional services include, conservatorship, representative payee-ship, federal fiduciary services, benefit management services and private probate accounting services.

Transportation

The Organization's transit program provides various transportation services: public bus routes, door-to-door service by request, long distance medical travel to medical facilities outside our regular service area, and special trips for the elderly to go shopping and enjoy other activities that are located outside the regular service area. The Organization's fleet of 17 wheelchair accessible vehicles offers transportation options to the elderly and disabled, as well as to the general public.

Volunteer

The Coos County Retired & Senior Volunteers Program (RSVP) maintains a minimum group of 394 volunteers, ages 55 and older, of which 287 actively served during the last reporting period. These volunteers share their skills, life experiences, and time with over 60 local non-profit and public agencies throughout Coos County that depend on volunteer assistance to meet the needs of their constituents. Our volunteers donate over 46,764 hours yearly.

Workforce Development

The Organization is assisting transitional and displaced workers as they prepare for new jobs, and also assisting currently-employed workers to gain the skills required for better jobs.

The Organization is helping to implement New Hampshire's Unified State Plan for Workforce Development, in line with the federal Workforce Investment Act. Workforce training programs, with training facilities in three towns, provide temporary assistance for needy families (TANF) recipients with 20-30 hours per week of training in the areas of employment skills, computer skills, and business experience, and also place participating TANF recipients in community-based work experience sites.

Alcohol & Other Drugs (AOD)

Services provided through the AOD program included assisting the alcoholic/addicted person on the road to recovery, through three phases: Crisis Intervention, Sobriety Maintenance, and Assessment and Referral to appropriate treatment facilities.

The Residential Treatment Programs (Friendship House) provided chemically dependent individuals with the fundamental tools of recovery, including educational classes, group and individual counseling, work and recreational therapy, and attendance at in-house and community-based alcoholics anonymous and narcotics anonymous meetings. The AOD program also offered assistance with its impaired driver programs.

Effective October 1, 2017, the Organization is no longer responsible for the Alcohol & Other Drugs (AOD) program. The grants for the program were transferred to North Country Health Consortium (NCHC), as they took over the program. The Friendship House was sold to Affordable Housing Education and Development (AHEAD).

Carroll County Dental

The Tamworth Dental Center (the Center) offers high quality oral health care to children with NH Medicaid coverage. The Organization also serves uninsured and underinsured children and adults using a sliding fee scale that offers income-based discounts for care. The Center accepts most common dental insurances for those who have commercial dental insurance coverage. A school-based project of the Dental Center, School Smiles, offers oral health education, screening, treatment and referrals for treatment to over 1,000 children in 9 schools in the vicinity of the Center.

Support Center

The Organization's Support Center at Burch House provides direct service and shelter to victims and survivors of domestic and sexual violence and stalking in Northern Grafton County. Support Center services are accessible 24 hours a day, 365 days a year. They include: crisis intervention; supportive counseling; court, hospital and policy advocacy and accompaniment; emergency shelter; support groups; community education and outreach; violence prevention programs for students; information, referrals and assistance accessing other community resources.

Homeless

Homeless services include an outreach intervention and prevention project that strives to prevent individuals and families from becoming homeless, and assists the already homeless in securing safe, affordable housing. The Organization provides temporary shelter space for homeless clients.

The Organization also provides some housing rehabilitation services to help preserve older housing stock.

Energy Assistance and Outreach

Energy Assistance Services provide fuel and electric assistance through direct pay to vendors or a discount on the client's bill. Community Contact sites allow local participants access to energy assistance programs and other emergency services. The offices provide information to the Organization's clients about other programs offered, as well as other programs available through other organizations in the community.

Low-Income Weatherization

The NH weatherization program helps low-income families, elderly, disabled, small children and individuals lower their home energy costs; increase their health, safety, and comfort; and improve the quality of living while improving housing stock in communities around the state utilizing energy cost saving, health and safety and carbon lowering measures. The NH Weatherization Assistance Program also creates local NH jobs.

Elder

The Organization's elder program provides senior meals in 15 community dining sites, home delivered meals (Meals on Wheels) to the frail and homebound elderly, and senior nutrition education and related programming. The Coos County ServiceLink Aging & Disability Resource Center assists with person-centered counseling, Medicare counseling, Medicaid assistance, long-term care counseling services, and caregiver supports.

Housing Services

Cornerstone Housing North, Inc. is subject to a Project Rental Assistance Contract (PRAC) with the United States Department of Housing and Urban Development (HUD), and a significant portion of their rental income is received from HUD.

The Organization includes a 12-unit apartment complex in Berlin, New Hampshire for the elderly. This operates under Section 202 of the National Housing Act and is regulated by HUD with respect to the rental charges and operating methods.

The Organization has a Section 202 Capital Advance. Under guidelines established by the U.S. Office of Management and Budget *Uniform Guidance, Title 2 U.S. Code of Federal Regulations (CFR) part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, the Section 202 Capital Advance is considered to be a major program.

Method of accounting

The consolidated financial statements of Tri-County Community Action Program, Inc. have been prepared utilizing the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under this basis, revenue, other than contributions, and expenses are reported when incurred without regard to the date of receipt or payment of cash.

Basis of presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions include net assets that are not subject to any donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.

Net assets with donor restrictions include 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 Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

The Organization has net assets with donor restrictions of \$678,254 and \$817,791 at June 30, 2019 and 2018, respectively. See **Note 13**

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Support that is restricted is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Most of the receivables are amounts due from federal and state awarding agencies and are based on reimbursement for expenditures made under specific grants or contracts. A portion of the accounts receivable balance represents amounts due from patients at Carroll County Dental program. Past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United State because the effects of the direct write method approximate those of the allowance method. Management selects accounts to be written off after analyzing past payment history, the age of the accounts receivable, and collection rates for receivables with similar characteristics, such as length of time outstanding. The Organization does not charge interest on outstanding accounts receivable.

Property and Depreciation

Acquisitions of buildings, equipment, and improvements in excess of \$5,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Buildings, equipment, and improvements are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets.

Depreciation expense related to assets used solely by an individual program is charged directly to the related program. Depreciation expense for assets used by more than one program is charged to the program based upon a square footage or other similar allocation.

Depreciation expense related to administrative assets is included in the indirect cost pool and charged to the programs in accordance with the indirect cost plan. Maintenance and repairs that do not materially prolong the useful lives of assets are charged to expense as incurred.

Estimated useful lives are as follows:

Buildings and improvements	20 to 40 years
Vehicles	5 to 8.5 years
Furniture and equipment	5 to 15 years

Client Rents and HUD Rent Subsidy

Cornerstone Housing North, Inc.'s rents are approved on an annual basis by the Department of Housing and Urban Development. Rental increases are prohibited without such approval. The clients are charged rent equal to 30% of their income less adjustments allowed by the Department of Housing and Urban Development. Rent subsidies are received from the Department of Housing and Urban Development for the difference between the allowed rents and the amounts received from the clients.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or incurred. Funds received in advance of grantor conditions being met aggregated \$197,157 and \$191,069 as of June 30, 2019 and 2018, respectively.

Nonprofit tax status

The Organization is a *not-for-profit* Section 501(c)(3) organization in accordance with the Internal Revenue Code. It has been classified as an organization that is not a private foundation under the Internal Revenue Code and qualifies for a charitable contribution deduction for individual donors. The Organization files information returns in the United States. The Organization's Federal Form 990 (Return of Organization Exempt from Income Tax), is subject to examination by the IRS, generally for three years after it is filed. The Organization is no longer subject to examinations by tax authorities for years prior to 2015.

The Organization follows FASB ASC, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Organization does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized.

Due to changes in the tax law in the 2017 Tax Cuts and Jobs Act, the Organization is subject to file an Unrelated Business Income Tax Return for unallowed expenses for the year ended June 30, 2019. These expenses fall under the qualified taxable fringe benefits. The total tax due for the year ended June 30, 2019 is approximately \$8,900.

Cornerstone Housing North, Inc. is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Organization to be other than a private foundation within the meaning of Section 509(a).

Retirement plan

The Organization maintains a tax-sheltered annuity plan under the provisions of Section 403(b) of the Internal Revenue Code. All employees are eligible to contribute to the plan beginning on the date they are employed. Each employee may elect salary reduction agreement contributions in accordance with limits allowed in the Internal Revenue Code. Employer contributions are at the Organization's annual discretion. In January 2013, employer contribution payments ceased, therefore as of June 30, 2019 and 2018, there were no discretionary contributions recorded. Further information can be obtained from the Organization's 403(b) audited financial statements.

Donated services and goods

Contributions of donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

Contributed noncash assets are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as net assets with donor restrictions. In the absence of such stipulations, contributions of noncash assets are recorded as net assets without donor restrictions.

Donated property and equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as net assets with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at the net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

As of June 30, 2019 and 2018, there were promises to give that were absent of donor stipulations, but restricted in regards to timing, and therefore classified as net assets with donor restrictions in the amount of \$231,161 and \$212,207, respectively. This amount was included in grants and contracts on the Consolidated Statement of Activities.

Use of estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments

Accounting Standards Codification No. 825 (ASC 825), *Disclosures of Fair Value of Financial Instruments*, requires the Organization to disclose fair values of its financial instruments. The carrying amount of the Organization's financial instruments which consists of cash, accounts receivable, deposits and accounts payable, approximate fair value because of the short-term maturity of those instruments.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Program salaries and related expenses are allocated to the various programs and supporting services based on actual or estimated time employees spend on each function as reported on a timesheet.

Workers Compensation expenses are charged to each program based upon the classification of each employee and allocated to the various program based upon the time employees spend on each function as noted above.

Paid Leave is charged to a leave pool and is allocated to each program as a percentage of total salaries.

Fringe Benefits are charged to a Fringe Benefit Pool. These expenses include employer payroll taxes, pension expenses, health and dental insurance and unemployment compensation. The pool is allocated to each program based upon a percentage of salaries.

Depreciation expense is allocated to each program based upon specific assets used by the program and is reported as depreciation expense on the statements of functional expenses.

Other occupancy expenses are applicable to assets which are used by multiple programs. Buildings are primarily charged to the benefiting program based upon an analysis of square footage. Costs related to a building include depreciation, insurance, utilities, building maintenance, etc. These costs are reported as space costs on the statements of functional expenses.

Insurance: automobile insurance is allocated to programs based on vehicle usage; building liability insurance is allocated to programs based on square footage of the buildings; and insurance for furniture and equipment is allocated to programs using the book basis of the insured assets.

The remaining shared expenses are charged to an Indirect Cost Pool and are allocated to each program based upon a percentage of program expenses. The expenses include items such as administrative salaries, general liability insurance, administrative travel, professional fees and other expenses which cannot be specifically identified and charged to a program.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human Services. The proposal, effective for the fiscal year beginning July 1, 2018, received provisional approval and is effective, until amended, at a rate of 12.50%. Per the agreement with the U.S. Department of Health and Human Services, the Organization's final rate for the year ended June 30, 2018 was 11.45%. The actual rate for the year ended June 30, 2019 was approximately 10.44%, which is allowable because it is less than the provisional rate.

Advertising policy

The Organization uses advertising to inform the community about the programs it offers and the availability of services. Advertising is expensed as incurred. The total cost of advertising for the years ended June 30, 2019 and 2018 was \$11,698 and \$18,616, respectively.

Debt Issuance Costs

During the year ended June 30, 2019, the Organization retrospectively adopted the provisions of the FASB Accounting Standards Update (ASU) No. 2015-03, "*Simplifying the Presentation of Debt Issuance Costs*." The ASU is limited to simplifying the presentation of debt issuance costs, and the recognition and measurement guidance for debt issuance costs is not affected by the ASU. Amortization expense of \$887 has been included with interest expense in the consolidated statements of functional expenses for both 2019 and 2018.

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 Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

NOTE 2. LIQUIDITY AND AVAILABILITY

The following represents the Organization's financial assets as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Financial assets at year-end:		
Cash and cash equivalents, undesignated	\$ 1,400,750	\$ 1,329,038
Accounts receivable	1,274,083	1,156,657
Pledges receivable	<u>231,161</u>	<u>212,207</u>
Total financial assets	<u>2,905,994</u>	<u>2,697,902</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	678,254	817,791
Less net assets with time restrictions to be met in less than a year	<u>(348,631)</u>	<u>(540,643)</u>
Amounts not available within one year	<u>329,623</u>	<u>277,148</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 2,576,371</u>	<u>\$ 2,420,754</u>

It is the Organization's goal to maintain financial assets to meet 60 days of operating expenses which approximates \$2,786,000 and \$2,729,000 respectively, at June 30, 2019 and 2018.

NOTE 3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, funds on deposit with financial institutions, and investments with original maturities of three months or less. At year end and throughout the year, the Organization's cash balances were deposited with multiple financial institutions. At June 30, 2019 and 2018, the balances in interest and non-interest-bearing accounts were insured by the FDIC up to \$250,000. At June 30, 2019 and 2018, there was approximately \$1,750,000 and \$1,200,000, of deposits held in excess of the FDIC limit, respectively. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents and considers this a normal business risk.

Cash Restrictions

The Organization is required to maintain a deposit account with a bank as part of the loan security agreement disclosed at **Note 7**. It is required to maintain a balance of \$19,968 in the account, which is restricted from withdrawal except to make payments of debt service, or as approved by the US Department of Agriculture.

Amounts withdrawn to make payments of debt service must be replenished with monthly deposits until the maximum required deposit balance is achieved. The balance as of June 30, 2019 and 2018 was \$20,010 and \$19,980, respectively. The Organization has made all of their scheduled deposits for the years ended June 30, 2019 and 2018. These amounts are included in restricted cash on the Statements of Financial Position.

The Organization is required to maintain a deposit account with another bank as part of a bond issue (see bond payable in **Note 7**). The required balance in the account is \$173,817 and is equal to 12 monthly payments. The balance as of June 30, 2019 and 2018 was \$176,298 and \$176,570, respectively, and the Organization was in compliance with this requirement. These amounts are included in restricted cash on the Statements of Financial Position.

The Organization maintains a deposit account on behalf of clients who participate in the Guardianship Services Program. The balance in the account is restricted for use on behalf of these clients and an offsetting liability is reported on the financial statements as other current liabilities. The total current liability related to this restriction at June 30, 2019 and 2018 was \$582,116 and \$378,605, respectively. These amounts are included in other liabilities on the Statements of Financial Position. The total restricted cash within this account at June 30, 2019 and 2018 was \$582,116 and \$378,605, respectively, and is included in the restricted cash balance on the Statements of Financial Position.

At June 30, 2019, the Organization had \$45,198 in restricted cash relating to the property that is held for sale at year end. Upon the sale of the property, it will be donated to another non-profit Organization.

Certain cash accounts related to Cornerstone Housing North, Inc. are restricted for certain uses in the Organization under rules and regulations prescribed by the Department of Housing and Urban Development. The total amount restricted at June 30, 2019 and 2018 was \$179,277 and \$131,610, respectively. See **Note 15**.

NOTE 4. INVENTORY

In 2019 and 2018, inventory included weatherization materials which had been purchased in bulk. These items are valued at the most recent cost. A physical inventory is taken annually. Cost is determined using the first-in, first-out (FIFO) method. Inventory at June 30, 2019 and 2018, consists of weatherization materials totaling \$85,886 and \$87,569, respectively.

During the year ended June 30, 2018, the Organization adopted the provisions of the FASB Accounting Standard Update (ASU) 2015-11, *Inventory, (Topic 330): Simplifying the Measurement of Inventory*, which simplifies the subsequent measurement of inventory by requiring inventory to be measured at the lower of cost or net realizable value. Net realizable value is the estimated selling price of inventory in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. The Organization has evaluated ASU 2015-11 and has determined that there is no material impact to the financial statements.

NOTE 5. ACCRUED EARNED TIME

For the years ending June 30, 2019 and 2018, employees of the Organization were eligible to accrue vacation for a maximum of 160 hours. At June 30, 2019 and 2018, the Organization had accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$204,079 and \$203,121, respectively.

NOTE 6. PROPERTY

Property consists of the following at June 30, 2019:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$ 9,709,749	\$ 3,469,618	\$ 6,240,131
Equipment	1,950,063	1,708,917	241,146
Construction in progress	2,500	-	2,500
Land	<u>423,840</u>	<u>-</u>	<u>423,840</u>
	<u>\$12,086,152</u>	<u>\$ 5,178,535</u>	<u>\$ 6,907,617</u>

Property consists of the following at June 30, 2018:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$10,003,944	\$ 3,448,411	\$ 6,555,533
Equipment	2,384,905	1,754,913	629,992
Land	<u>423,840</u>	<u>-</u>	<u>423,840</u>
	<u>\$12,812,689</u>	<u>\$ 5,203,324</u>	<u>\$ 7,609,365</u>

The Organization has use of computers and equipment which are the property of state and federal agencies under grant agreements. The equipment, whose book value is immaterial to the financial statements, is not included in the Organization's property and equipment totals.

Depreciation expense for the years ended June 30, 2019 and 2018 totaled \$447,669 and \$463,483, respectively.

The Organization has property held for sale at June 30, 2019 amounting to \$47,000, which is classified as a current asset in the accompanying consolidated statements of financial position. The total loss on the write down to market value of this property was \$255,492.

NOTE 7. LONG TERM DEBT

The long term debt of the Organization as of June 30, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Note payable with the USDA requiring 360 monthly installments of \$1,664, including interest at 5% per annum. Secured by general business assets. Final installment due January 2027.	\$ 124,867	\$ 138,225
Note payable with a bank requiring 120 monthly installments of \$3,033, including interest at 4.69% per annum. Secured by first mortgages on two commercial properties. Final installment due April 2021.	328,896	349,131
Note payable with a bank requiring 60 monthly installments of \$459, including interest at 5% per annum. This note was an unsecured line of credit that was converted to a term loan during the year ended June 30, 2016. Final installment due April 2021.	9,618	14,500
Note payable to a financing company requiring 72 monthly installments of \$312, including interest at 5.49% per annum. Secured by the Organization's vehicle. Final installment due August 2021.	7,642	10,874
Note payable to a financing company requiring 72 monthly installments of \$313, including interest at 5.54% per annum. Secured by the Organization's vehicle. Final installment due July 2021.	7,385	10,637
Note payable to a financing company requiring 60 monthly installments of \$143, including interest at 5.99% per annum. Secured by the Organization's vehicle. Final installment due November 2020.	2,331	3,863

Note payable to a financing company requiring 72 monthly installments of \$248, including interest at 6.10% per annum. Secured by the Organization's vehicle. Final installment due February 2023.	9,739	12,041
Note payable with a bank requiring 60 monthly installments of \$2,512, including interest at 5.51% per annum. Secured by second mortgage on commercial property. Final balloon payment is due in March 2023.	395,429	403,244
Bond payable with a bank requiring monthly installments of \$14,485, including interest of 2.75% plus the bank's internal cost of funds multiplied by 67% with an indicative rate of 3.28%. Secured by first commercial real estate mortgage on various properties and assignments of rents at various properties. Final installment due August 2040.	2,634,595	2,719,260
Cornerstone Housing North, Inc. capital advance due to the Department of Housing and Urban Development. This capital advance is not subject to interest or principal amortization and will be forgiven after 40 years, or in August 2047.	1,617,600	1,617,600
Cornerstone Housing North, Inc. mortgage payable due to New Hampshire Housing Finance Authority. The mortgage is not subject to interest or principal amortization. Payments are deferred for 40 years, final payment due in August 2047.	<u>250,000</u>	<u>250,000</u>
Total long term debt before unamortized debt issuance costs	5,388,102	5,529,375
Unamortized deferred financing costs	<u>(11,818)</u>	<u>(12,705)</u>
Total long term debt	5,376,284	5,516,670
Less current portion due within one year	<u>(148,449)</u>	<u>(142,733)</u>
	<u>\$ 5,227,835</u>	<u>\$ 5,373,937</u>

The scheduled maturities of long-term debt as of June 30, 2019 were as follows:

<u>Years ending June 30</u>	<u>Amount</u>
2020	\$ 148,449
2021	437,624
2022	123,156
2023	485,481
2024	118,295
Thereafter	<u>4,075,097</u>
	<u>\$ 5,388,102</u>

As described at Note 3, the Organization is required to maintain a reserve account with a bank for the first two notes payable listed above.

NOTE 8. CAPITAL LEASE OBLIGATIONS

During the year ended June 30, 2016, the Organization leased a phone system and copier under the terms of capital leases, expiring in November 2020 and March 2021, respectively. During the year ended June 30, 2017, the Company leased an additional copier under the terms of a capital lease, expiring in May 2021. The assets and liabilities under the capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the assets. The assets are depreciated over their estimated lives.

The obligations included in capital leases at June 30, 2019 and 2018, consisted of the following:

	<u>2019</u>	<u>2018</u>
Lease payable to a financing company with monthly installments of \$208 for principal and interest at 9.5% per annum. The lease is secured by the phone system and will mature in November 2020.	\$ 3,291	\$ 5,362
Lease payable to a financing company with monthly installments of \$122 for principal and interest at 8.841% per annum. The lease is secured by a copier and will mature in March 2021.	2,261	3,467

Lease payable to a financing company with monthly installments of \$122 for principal and interest at 8.918% per annum. The lease is secured by a copier and will mature in May 2021.

	<u>2,673</u>	<u>3,842</u>
	8,225	12,671
Less current portion	<u>(4,870)</u>	<u>(4,445)</u>
	<u>\$ 3,355</u>	<u>\$ 8,226</u>

The scheduled maturities of capital lease obligations as of June 30, 2019 were as follows:

<u>Years ending June 30</u>	<u>Amount</u>
2020	\$ 4,870
2021	<u>3,355</u>
	<u>\$ 8,225</u>

NOTE 9. DEMAND NOTE PAYABLE

The Organization has available a \$750,000 line of credit with its primary financial institution which is secured by real estate mortgages and assignments of leases and rents on various properties as disclosed in the line of credit agreement. Borrowings under the line bear interest at 5.00% per annum, and totaled \$316,000 at June 30, 2018. There was no balance outstanding at June 30, 2019. The line is subject to renewal each January.

The Organization was issued an unsecured revolving line of credit in 2014 with the New Hampshire Department of Administration Services. The Organization was not required to make payments of interest or principal prior to maturity. At June 30, 2018, the outstanding debt totaled \$200,022, which included accrued interest of \$21,434. The unsecured revolving line of credit was paid off in full during the year ended June 30, 2019.

NOTE 10. OPERATING LEASES

The Organization has entered into numerous lease commitments for space. Leases under non-cancelable lease agreements have various starting dates, lengths, and terms of payment and renewal. Additionally, the Organization has several facilities which are leased on a month to month basis. For the years ended June 30, 2019 and 2018, the annual rent expense for leased facilities totaled \$181,127 and \$165,227, respectively.

Future minimum lease payments under non-cancelable operating leases having initial terms in excess of one year as of June 30, 2019, are as follows:

<u>Years ending</u> <u>June 30</u>	<u>Amount</u>
2020	\$ 147,778
2021	65,003
2022	<u>3,301</u>
	<u>\$ 216,082</u>

NOTE 11. IN-KIND CONTRIBUTIONS

The Organization records the value of in-kind contributions according to the accounting policy described in Note 1. The Head Start, transportation and elder programs rely heavily on volunteers who donate their services to the Organization. These services are valued based upon the comparative market wage for similar paid positions.

The Organization is also the beneficiary of a donation of in kind in the form of below market rent for some of the facilities utilized by the Head Start and elder programs. The value of the in-kind rent is recorded at the difference between the rental payment and the market rate for the property based upon a recent appraisal.

Many other individuals have donated significant amounts of time to the activities of the Organization. The financial statements do not reflect any value for these donated services since there is no reliable basis for making a reasonable determination.

NOTE 12. CONCENTRATION OF RISK

Tri-County Community Action Program, Inc. receives a majority of its support from federal and state governments. For the years ended June 30, 2019 and 2018, approximately \$13,951,828 (77%) and \$13,773,803 (75%), respectively, of the Organization's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant effect on the Organization's programs and activities.

Cornerstone Housing North, Inc. receives a large majority of its support from the U.S. Department of Housing and Urban Development. For the years ended June 30, 2019 and 2018, approximately 69% of the Organizations total revenue was derived from the U.S. Department of Housing and Urban Development. In the absence of additional revenue sources, the future existence of Cornerstone Housing North, Inc. is dependent upon the funding policies of the U.S. Department of Housing and Urban Development.

The majority of Cornerstone Housing North, Inc.'s assets are apartment projects, for which operations are concentrated in the elderly person's real estate market. In addition, the Organization operates in a regulated environment. The operation of the Organization is subject to administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the administrative burden, to comply with the change.

NOTE 13. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following specific program services as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Temporary Municipal Funding	\$ 231,161	\$ 212,207
10 Bricks Shelter Funds	142,190	142,190
FAP	117,470	136,614
Restricted Buildings	87,541	190,049
Support Center	25,939	-
Weatherization	25,000	-
Loans - HSGP	19,907	21,454
FAP/EAP	11,290	23,249
RSVP Program Funds	7,056	5,021
Senior Meals	5,130	-
Head Start	3,999	4,172
Donations to Maple Fund	1,571	1,586
Homeless Programs	-	27,680
USDA	-	10,332
Loans - HHARLF	-	6,967
IDN Capacity Fund	-	32,194
Community Needs Assessment	-	4,076
	<hr/>	<hr/>
Total net assets with donor restrictions	<u>\$ 678,254</u>	<u>\$ 817,791</u>

NOTE 14. COMMITMENTS AND CONTINGENCIES

Grant Compliance

The Organization receives funds under several federal and state grants. Under the terms of the grants the Organization is required to comply with various stipulations including use and time restrictions. If the Organization was found to be noncompliant with the provisions of the grant agreements, the Organization could be liable to the grantor or face discontinuation of funding.

Environmental Contingencies

On March 30, 2009, the Organization's Board of Directors agreed to secure ownership of a 1.2-acre site located in Berlin, New Hampshire. There are 2 buildings on this site designated as the East Wing and West Wing Buildings which were formerly used as a research and development facility for the Berlin Mills Company.

The exterior soil and interior parts of the East Wing Building contained contaminants which required environmental remediation. In a letter dated May 2, 2012, the State of New Hampshire Department of Environment Services (the Department) noted that the remedial actions for the exterior soils and parts of the East Wing Building had been completed to the Department's satisfaction.

In addition, the Department noted that the contaminants related to the West Wing Building did not pose an exposure hazard to site occupants, area residents, and the environment, provided the West Wing Building is maintained to prevent further structural deterioration. If further deterioration occurs and contaminants are released into the environment, the Organization could be required to take additional action including containment and remediation.

Loss Contingencies

During the year ended June 30, 2018, legal actions were brought against the Organization. Due to the uncertainty of the outcome of such cases as of June 30, 2019, as well as the uncertainty of the Organization's potential liability, no amount has been accrued by the Organization at this time.

NOTE 15. REPLACEMENT RESERVE AND RESIDUAL RECEIPTS ACCOUNTS

Under Cornerstone Housing North, Inc.'s regulatory agreement with HUD, the Organization is required to set aside amounts into a replacement reserve for the replacement of property and other project expenditures approved by HUD. HUD-restricted deposits of \$129,407 and \$106,548 were held in a segregated account at June 30, 2019 and 2018, respectively. HUD-restricted deposits generally are not available for operating purposes.

Cornerstone Housing North, Inc.'s use of the residual receipts account is contingent upon HUD's prior written approval. Residual receipts of \$46,514 and \$21,326 were held in a segregated account for the years ended June 30, 2019 and 2018, respectively.

HUD has initiated policies to recapture funds built up in residual receipts accounts upon renewal of the Organization's project rental assistance contract. The policies direct that the amounts in excess of certain limits in the residual receipts account be (a) used to offset rent subsidies due from HUD under HAP contracts, or (b) remitted directly to HUD. The policies generally require project owners to limit the monies accumulated in the residual receipts account to \$250 per unit.

In accordance with the policy noted above, subsequent to year end the Organization was required to remit funds to HUD totaling \$31,412. In addition to the funds remitted, HUD approved the Organization to withdraw \$11,852 from the residual receipts account for equipment.

NOTE 16. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Non-recognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through October 21, 2019, the date the financial statements were available to be issued.

181-COUNTY COMMUNITY ACTION PROGRAM, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S IDENTIFYING NUMBER	FEDERAL EXPENDITURES
<u>U.S. Department of Health and Human Services</u>				
Head Start	93.600		01CH10000-04-00	\$ 1,424,301
Head Start	93.600		01CH10000-05-00	1,068,289
			TOTAL	2,512,590
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-18B1NHLEIA	93,918
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-19B1NHLEIA	5,870,283
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-18B1NHLEIA 1056420	305,388
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-19B1NHLEIA 1056420	241,539
			TOTAL	6,461,128
AGING CLUSTER				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (SEAS)	93.044	State of New Hampshire Office of Energy and Planning	18AANHT3SP	5,363
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (Sr Wheels)	93.044	State of New Hampshire Department of Health and Human Services	512-500352	111,278
			TOTAL	116,639
Special Programs for the Aging - Title III, Part C - Nutrition Services (Congregate & HD Meals)	93.045	State of New Hampshire Department of Health and Human Services	541-500386	284,654
Nutrition Services Incentive Program (NSIP)	93.053	State of New Hampshire Department of Health and Human Services	NONE	61,209
			CLUSTER TOTAL	462,493
Community Services Block Grant	93.569	State of New Hampshire Department of Health and Human Services	102-500731	738,731
TANF CLUSTER				
Temporary Assistance for Needy Families (NHEP Workplace Success)	93.558	Southern New Hampshire Services, Inc.	18-DHHS-BWW-CSP-05	307,922
Temporary Assistance for Needy Families (JARC)	93.558	State of New Hampshire Department of Health and Human Services	102-500731	24,800
			CLUSTER TOTAL	332,722
HIV Care Formula Grants (Ryan White Care Program)	93.917	State of New Hampshire Department of Health and Human Services	530-500371	9,910
Social Services Block Grant (Title XX I&R)	93.667	State of New Hampshire Department of Health and Human Services	545-500387	113,843
Social Services Block Grant (Title XX HD)	93.667	State of New Hampshire Department of Health and Human Services	544-500386	82,574
Social Services Block Grant (Guardianship)	93.667	State of New Hampshire Department of Health and Human Services	102-500731	13,582
			TOTAL	209,999
Promoting Safe and Stable Families/Family Violence Prevention and Services/Discretionary	93.556 & 93.592	State of New Hampshire Coalition against Domestic and Sexual Violence	SPIRDV	53,297
Preventative HHS Block Grant & Injury Prevention and Control Research	93.136 & 93.758	State of New Hampshire Coalition against Domestic and Sexual Violence	SVP	6,628
Projects for Assistance in Transition from Homelessness (PATH)	93.150	State of New Hampshire Bureau of Homelessness and Housing	05-95-42-423010-7926	73,172
Prevent Sexual Assault on College Campuses	93.XXX	University of New Hampshire, Durham	CSAPP	678
Total U.S. Department of Health and Human Services				\$ 10,861,318

IRI-COUNTY COMMUNITY ACTION PROGRAM, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<u>U.S. Department of Energy</u> Weatherization Assistance for Low-Income Persons	81.042	State of New Hampshire Governor's Office of Energy & Community Services	EE0007935	\$ 273,168
Total U.S. Department of Energy				\$ 273,168
<u>U.S. Corporation for National and Community Service</u> Retired and Senior Volunteer Program	94.002		16SRAN001	\$ 86,939
Total U.S. Corporation for National and Community Service				\$ 86,939
<u>U.S. Department of Agriculture</u> Child and Adult Care Food Program	10.558	State of New Hampshire Department of Education	NONE	\$ 122,661
Total U.S. Department of Agriculture				\$ 122,661
<u>U.S. Department of Homeland Security</u> Emergency Food & Shelter Program (FEMA)	97.024			\$ 10,408
Emergency Management Performance Grants (FEMA)	97.042	State of New Hampshire Department of Safety	EMB-2017-EP-00005-S01	23,298
Total U.S. Department of Homeland Security				\$ 33,706
<u>U.S. Department of Justice</u> Crime Victim Assistance (VOCA)	16.575	State of New Hampshire Coalition against Domestic and Sexual Violence	NONE	\$ 154,433
Sexual Assault Services Formula Program (SASP)	16.017	State of New Hampshire Coalition against Domestic and Sexual Violence	2017-KF-AX-0019	16,176
OVW Technical Assistance Initiative	16.526	Grafton County Court	OVW-2016-13829	27,552
Total U.S. Department of Justice				\$ 198,161
<u>U.S. Department of Transportation</u> Formula Grants for Rural Areas (Section 5311)	20.509	State of New Hampshire Department of Transportation	NH-1B-XD46	\$ 293,800
TRANSIT SERVICES PROGRAMS CLUSTER Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of New Hampshire Department of Transportation	04-08-08-004010-2016-077-000575	29,889
Enhanced Mobility of Seniors and Individuals with Disabilities (5310 POS, NCC)	20.513	State of New Hampshire Department of Transportation	04-08-08-004010-2016-077-000575	53,062
Total U.S. Department of Transportation			CLUSTER TOTAL	82,951
<u>U.S. Department of Housing and Urban Development</u> Emergency Solutions Grant Program	14.231	State of New Hampshire Department of Health and Human Services	102-500731	\$ 67,203
Continuum of Care Program (HOIP)	14.267	State of New Hampshire Department of Health and Human Services	33-2019-01945-01-Contd -4	144,922
Total U.S. Department of Housing and Urban Development				\$ 212,125

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
U.S. Department of Labor				
WIA/WIOA CLUSTER				
WIA/WIOA Adult Program	17.258	Southern New Hampshire Services, Inc.	2018-0004	\$ 39,250
WIA/WIOA Dislocated Worker Formula Grants	17.278	Southern New Hampshire Services, Inc.	2018-0004	39,058
Total U.S. Department of Labor			CLUSTER TOTAL	\$ 78,308
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ 12,243,187

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal grant activity of Tri-County Community Action Program, Inc. under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Tri-County Community Action Program, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE C - INDIRECT RATE

Tri-County Community Action Program Inc. has elected to not use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Tri-County Community Action Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 21, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Tri-County Community Action Program Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Tri-County Community Action Program Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tri-County Community Action Program Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Leone McDonnell & Roberts
Professional Association

October 21, 2019
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Tri-County Community Action Program Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Tri-County Community Action Program Inc.'s major federal programs for the year ended June 30, 2019. Tri-County Community Action Program Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Tri-County Community Action Program Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Tri-County Community Action Program Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Tri-County Community Action Program Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Tri-County Community Action Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of Tri-County Community Action Program, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Tri-County Community Action Program Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Leone McDonnell & Roberts
Professional Association

October 21, 2019
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

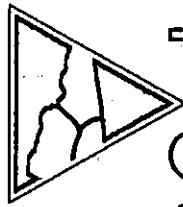
1. The auditors' report expresses an unmodified opinion on the financial statements of Tri-County Community Action Program, Inc.
2. No significant deficiencies relating to the audit of the financial statements are reported in the *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Tri-County Community Action Program, Inc. which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs during the audit are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance in Accordance with the Uniform Guidance*.
5. The auditors' report on compliance for the major federal award programs for Tri-County Community Action Program, Inc. expresses an unmodified opinion on all major programs.
6. No audit findings that are required to be reported in accordance with 2 CFR 200.516(a) are reported in this Schedule.
7. The programs tested as major programs included:
 - U.S. Dept. of Health & Human Services, LIHEAP – CFDA #93.568
 - U.S. Dept. of Health & Human Services, Head Start – CFDA #93.600
 - U.S. Dept. of Energy, Weatherization Assistance for Low Income Individuals – CFDA #81.042
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Tri-County Community Action Program, Inc. was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None



TRI-COUNTY COMMUNITY ACTION

Serving Coös, Carroll & Grafton Counties since 1965

Helping People. Changing Lives.

BOARD OF DIRECTORS FY2020

COÖS COUNTY

Board Chair
Sandy Alonzo

CARROLL COUNTY

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Tricia Garisson

Richard McLeod

CEO: Jeanne L. Robillard COO: Regan Pride CFO: Randall S. Pilotte
30 Exchange Street, Berlin NH 03570 P: 603-752-7001
www.tccap.org FB@TriCountyCommunityActionProgram

Jeanne L. Robillard

CORE STRENGTHS

Program development, management and administration • Community collaborations
Development of policy, protocol, and service delivery to meet funder standards
Grant writing and management • Budget performance and financial reporting
Innovative solutions & problem solving • Capacity building
Professional presentations • Public speaking
Dedication • Imagination • Determination • Fortitude

PROFESSIONAL EXPERIENCE

Tri-County Community Action Programs, Inc.

Chief Executive Officer

Berlin, NH 2018 - current FT employment

Tri-County Community Action Programs, Inc.

Chief Operating Officer

Berlin, NH 2016 - 2018

Responsible for the operations of six agency Divisions with 15 individual programs that provide over 60 consumer services across three counties of Northern New Hampshire. Essential duties include; supervision of Division Directors, oversee and monitor program resources, revenues, expenditures, and budget performance; tactical oversight of programs to meet or exceed agency defined strategic goals; develop and implement strategies to improve individual programs and overall agency program and fiscal performance; oversee and lead special projects such as the Annual Report, Strategic Plan, Community Needs Assessment process, and work with Senior Management Team to develop new service initiatives. Provide tactical guidance to Division Directors to trouble shoot issues and problems in the daily operations of programs.

Tri-County Community Action Programs, Inc.

Division Director: TCCAP Prevention Services

Berlin, NH 2015- 2016

Responsible for four agency programs under the umbrella of TCCAP Prevention Services; oversee division resources, revenues, and expenditures and monitor budget performance; general oversight of programs to meet or exceed agency defined strategic goals; supervise program directors; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and agency; develop fundraising and marketing strategies for programs; represent program through participation in state and local initiatives relative to program/division goals and service delivery; collaborate with stakeholders and elected officials, including presenting legislative testimony.

Tri-County Community Action Programs, Inc.

Program/Division Director: Support Center at Burch House

Littleton, New Hampshire 2007- 2015

Oversee daily operation and supervision of domestic and sexual violence crisis center and residential shelter; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and parent agency; oversee program resources, revenues and expenditures, and monitor budget performance and progress toward strategic goals; create and direct victim advocacy programs to ensure compliance with grant deliverables and applicable state and federal law; develop fundraising and marketing strategies; participate in state and local collaborations to enhance victim services; represent program in state and federal victim service initiatives, including presentation of legislative testimony; create and present trainings for medical and legal professionals on legal standards and best practices for victim services.

RANDALL S. PILOTTE

SUMMARY

Accounting professional with over 29 years of experience, of which 21 years were with a single private manufacturer. 16 years of experience managing accounting professionals. Key competencies include:

Financial Statements	Accounts Payables	Inventory	Fixed Assets
Payroll	Bank Reconciliations	Accounts Receivables	Sales/Use Tax
Budgeting	Cash Flow Management	Audits	Forecasting

EXPERIENCE

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC., Berlin, NH

06/2013-Present

CFO (2017 – Present)

Work closely with the CEO, Treasurer and Finance Committee to identify performance goals for the Agency and to maintain systems to monitor performance against those goals. Plan, direct, coordinate, implement and evaluate the financial management systems and activities of the Agency with a budget of \$18M.

- Prepare/provides complete and accurate financial, statistical, and accounting records for the Agency and outside regulatory agencies.
- As a member of the senior management team, assists in the formulation and execution of corporate finance policies, objectives and programs.
- Prepares program and agency budgets in conjunction with the CEO and Program Directors. Plan, direct, coordinate, implement and evaluate fiscal performance reviews of Tri-County CAP's divisions.
- Hire, train, direct and evaluate employee performance within the department; recommend promotions and salary adjustments.
- Provides supervision and direction for the Facilities Management Team, ensuring that all mortgages, leases and covenants are maintained for Tri-County CAP's facilities. Creation of five-year capital plan.
- Reviews cash flows for each division, monitor cash management practices, and monitor investments associated with each property.
- Prepared five-year debt reduction plan.

Fiscal Director/Interim CFO (2016 – 2017)

- Direct and manage a fiscal staff of 5 and processes associated with the general ledger, payroll, and accounts payable, accounts receivable, cash receipts and fixed assets.
- Prepare and supervise the production of financial statements including Balance Sheet, Revenue and Expense Reports, and Cost Summaries on a monthly and annual basis.
- Maintain proper accounting controls on grants and contributions to ensure accurate revenue reporting and expense tracking to support periodic monitoring's by funders and auditors.
- Ensure all balance sheet, revenue and expense accounts are analyzed and reconciled periodically.
- Collaborate with Division Directors to monitor departmental revenue and expenses versus budget.
- Worked with the CFO to develop real time monthly and annual financial reporting; and implementing departmental goals.
- Prepare audit schedules for external auditors.
- Collaborate with external auditors in completing annual audit in a timely manner.

Accounting Manager (2015-2016)

Sr. Accountant (2013-2014)

RANDALL PILOTTE RESUME:

REGAN L. PRIDE

SUMMARY

My experience spans the fields of engineering, computer technology, education, and public administration. This unique combination brings a wide array of knowledge and skills to the table for your organization. I am a team player, a patient trainer, and adept at interpersonal relations.

RELEVANT KNOWLEDGE AND SKILL AREAS

- Confidence in public speaking for business and technical applications, and instructional settings
- Strong writing skills and interpersonal communication skills, ability to teach others, and build consensus
- Approachable, warm and personable style in teaching classes and interacting with colleagues
- Robust education in mathematics, engineering and general science topics
- Fluency with entire Microsoft Office application suite.
- Fluency with AutoCAD computer-aided drafting software
- Familiarity with ArcView GIS software.
- Familiar with Avante Enterprise Resource Planning software
- Familiar with BMSI fund accounting and Avitar assessing/tax billing software
- Adept at Macromedia/Adobe Dreamweaver MX web site design software

WORK EXPERIENCE

NORTH COUNTRY COUNCIL REGIONAL PLANNING COMMISSION, Littleton, NH

TITLE: Planner, 2012-2013 + 2015-2018

Managed solid waste technical assistance program funded by USDA Rural Development. Conducted "Full Cost Accounting" studies of municipal solid waste department operations. Reviewed and updated operating plans for municipal solid waste facilities. Organized household hazardous waste collection events. Created and delivered training programs for solid waste operator certification. Created pilot programs to reduce & divert food waste from landfills in 4 communities.

2013-2014

INNOVATIVE STRUCTURAL BUILDING PRODUCTS

TITLE: Project Manager

Performed a variety of functions including business plan preparation and product development associated with a start-up company in the engineered wood sheathing industry. I created engineering drawings, built and tested prototypes, and assisted in marketing activities.

2000 - Present

ICANTOO ENTERPRISES, Lisbon, NH

TITLE: Owner, Computer Applications Consulting

Assistance and training with business and technical applications. Created customized solutions involving AutoCAD, MS Word, MS Excel, MS Access software applications. I also perform web site HTML and CGI development, hardware setup, upgrades, and troubleshooting.

Recent clients/projects include:

- New England Electric Wire Corp - Implementation of Avante MRP & APS scheduling software, computerized WIP labeling system, computer workstation installations, user/operator training.
- Littleton, NH Senior Softball League - custom programming and support of statistical software
- Louisiana Corporate Credit Union - Web site design and maintenance.
- Brammer Creek - Web site design for wholesale food distributor.



Kristy Letendre

"If human beings are perceived as potentials rather than problems, as possessing strengths instead of weaknesses, as unlimited rather than dull and unresponsive, then they thrive and grow to their capabilities."

~Barbara Bush

Experience

May 2019–Present

Division Director • TCCAP, Inc- Prevention

Responsible to provide Sr. Leadership and oversight to the development, design, daily operation, compliance, and financial solvency of the programs and facilities under Prevention Services which include Guardianship Services; Homeless Programs, including Tyler Blain Homeless Shelter, and Advocacy and Support Services for Victims of Domestic Violence and Sexual Assault, including Emergency Shelter Services at the Support Center at Birch House

Sept 2018–Present

Division Operations Coordinator • TCCAP, Inc- Prevention

Responsible for monitoring compliance of grant deliverables and legal / ethical integrity of programs and services offered throughout the Division. Responsible to compile and analyze division data; reporting trends and outcomes to Sr. management and local stakeholders. Responsible to develop, review, and update program written policy, procedures, and work flows. Responsible for program development and oversight.

May 2017–August 2018

North Country SUD Continuum of Care Facilitator / Lead Transition Coordinator • North Country Health Consortium

COCE: The North Country Region's designated state liaison responsible to work with regional key stakeholders to conduct a comprehensive assets and gaps analysis; reporting back findings to NH DHHS and facilitate the development of a comprehensive plan aimed to create a robust, effective, and well-coordinated Continuum of Care (CoC) in the North Country for addressing substance use disorders (SUD) that include health, prevention, early identification/intervention, treatment and recovery supports. Responsible for community education and engagement.

LTC: Responsible to oversee the merger and acquisition of the Division of Alcohol and other Drug Services, including the region's 32-bed residential treatment facility. Responsible to provide Technical Assistance with Program Development, transfer of State, Federal, and Commercial contracts, initial Credentialing and Licensure of the new treatment facility following construction completion, and managing preparation for CARF Accreditation.

Carolyn Towne

SUMMARY OF QUALIFICATIONS

A dynamic and passionate self-starter with diversified experience and strong interest in non-profit and social service organizations, working with underserved populations, and crisis intervention services.

PROFESSIONAL EXPERIENCE

Tri-County Community Action Program Director of Housing Supports

2018-Present

- Supervise a team of 5 including 4 Homeless Intervention and Prevention Specialists and 1 Housing Stabilization Coordinator.
- Oversee the operations of and report on program's grant and loan programs to include PATH, ESG, EHP, PSH, HSGP, and HHARLF.
- Assist with completing grant/funding applications and represent TCCAP homeless programs at local, State, and other levels.
- Maintain good working relationship with State and other funders as well as other service providers.
- Assist with developing new programs to help address homelessness in the North Country.
- Agency Administrator for HMIS.

Families in Transition Housing Advocate

2016-2018

- Provided individual case management services for participants in transitional housing, permanent supportive housing and shelter.
- Supported participants in creating an action plan and achieving individual goals related to obtaining and/or maintaining stable housing, recovering from SUD, improving financial management skills, obtaining/maintaining mainstream benefits, improving physical and/or mental health, obtaining gainful employment and/or increasing education, improving parenting skills, and engaging in activities of daily living.
- Connected participants to community resources and benefits while communicating with collateral contacts as needed to coordinate appropriate level of care, support with navigating systems, and facilitate stable housing.
- Coordinated and facilitate workshops related to programming such as program orientation, apartment maintenance, self-care, employment, financial management, and program graduation.
- Maintained caseload files and document services in a timely manner.

The Support Center at Burch House Education and Outreach Coordinator

2015-2016

- Provided violence prevention education and outreach presentations to schools, community groups, social service agencies, police departments, and medical personnel, including the creation and distribution of relevant educational brochures.
- Provided direct services to victims and survivors of domestic violence, sexual violence and stalking and their families to include court accompaniment, crisis intervention via hotline, and accompaniment to child advocacy center.
- Outreached the community, in-person and via social networking, to increase awareness of the impact of domestic and sexual violence on victims, their families, and the community and to inform of services offered by the agency and ways to access these services.
- Created and managed online donation opportunities.

Families in Transition Housing Program Manager (2013 - 2015)

2010-2015

- Supervised a team of 5 Housing Advocates and managed the agency's housing program, consisting of 17 buildings and 200+ units of housing for 180 clients.
- Provided oversight and managed the supportive services provided to the housing program participants including: Workshops, individual case management, special events, and back-up for the 24hr crisis line.

- Collaborated with other community providers in order to ensure the success of housing participants.
- Collaborated with colleagues to develop, implement, and evolve programming.
- Collaborated on and provided oversight of housing program's strategic plan to ensure that programming and services were focused on goals, following strategies outlined, and meeting outcome expectations.
- Presented program outcomes to senior management team on a quarterly basis.
- Collaborated with the Chief Operating Officer to create, update, and implement housing program policies.
- Attended weekly LADC/Clinical supervision and attended continuing education trainings to ensure best services possible provided to participants.

Housing Advocate (2010- 2015)

- Provided individual case management services for participants.
- Supported participants in creating an action plan and achieving individual goals related to obtaining and/or maintaining stable housing, recovery from SUD, improving financial management skills, obtaining/maintaining mainstream benefits, improving physical and/or mental health, obtaining gainful employment and/or increasing education, improving parenting skills, and engaging in activities of daily living.
- Connected participants to community resources and communicated with collateral contacts as needed to coordinate appropriate level of care and facilitate stable housing.
- Coordinated and facilitated workshops related to programming such as program orientation, apartment maintenance, self-care, employment, financial management, and program graduation.
- Maintained caseload files and document services in a timely manner.

YWCA Supervised Visitation and Child Exchange Center, Manchester, NH 2007-2014

Visit Supervisor

- Facilitated a safe and neutral environment for court ordered supervised visits and exchanges between a child(ren) and their nonresidential parent.
- Responsible for supervising contact between child(ren) and non-residential parent during the visit.
- Ensured strict adherence to the center's policies and procedures by providing clear direction and redirection as needed during the visit.
- Documented objective observations before, during, and after visits.

Child and Family Services, Laconia, NH

2009-2010

Parent Aide

- Supervised visits between child(ren) in placement and their parent(s). Modeled appropriate parenting techniques and provided coaching regarding life skills.
- Supported parent(s) with identifying and accessing appropriate community resources.
- Completed treatment plans, assessments, and documentation of visit notes in a timely manner.

Fellowship Housing Opportunities, Concord, NH

2007-2009

Community Integration Coordinator

- Provided direct care and support with symptom management and activities of daily living in a residential setting for people suffering with severe and persistent mental illness.
- Coordinated and provided therapeutic behavioral services and medication support services to clients suffering with severe and persistent mental illness to clients within the residence and in the community.
- Resolved medication issues via communication with client, outreach staff, pharmacy personnel and client's treatment team as needed.

EDUCATION and SKILLS

BA in Psychology, Summa Cum Laude, University of New Hampshire at Manchester, Manchester NH

Certified trainer in Connect Suicide Prevention and Postvention Curriculum

Certified CALM (Counsel on Access to Lethal Means) Trainer

Proficient in Microsoft Office Suite

ADDITIONAL CONTINUING EDUCATION QUALIFICATIONS

- Motivational Interviewing: Advancing the Practice
- Dialectical Behavioral Therapy for Case Managers
- Brazelton Touchpoints
- Trauma-Informed Care
- Cognitive Behavioral Therapy for Case Managers
- Relational Cultural Theory
- Evidence-Based and Strength-Centered Case Management
- SOAR

Tri-County Community Action Program, Inc.

COC CE-PSHI Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Jeanne Robillard	Chief Executive Officer	\$115,000	0%	0%
Randal Pilote	Chief Financial Officer	\$75,000	0%	0%
Regan Pride	Chief Operations Officer	\$70,000	0%	0%
Kristy Letendre	Prevention Division Director	\$53,000	10%	\$5,300.00
Carolyn Towne	Director of Housing supports	\$45,000	28%	\$12,600.00



Jeffrey A. Meyers
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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHNNH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHNNH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

05-95-42-423010-7927 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: HUMAN SERVICES, HOMELESS & HOUSING, HOUSING- SHELTER PROGRAM

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are sole source because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

- A strategic planning process for addressing homelessness in the community.
- A process to engage broad-based, community-wide involvement in addressing homelessness on a year-round basis.
- An opportunity for communities to submit an application to the U.S. Department of Housing and Urban Development for resources targeting housing and support services for homeless individuals and families.

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

- Annual compliance reviews shall be performed that include the collection of data relating to compliance with administrative rules and contractual agreements.
- Statistical reports shall be submitted on a semi-annual basis from all funded vendors, including various demographic information and income and expense reports including match dollars.
- All vendors funded for rapid re-housing, transitional, permanent or coordinated entry housing, or outreach/supportive services will be required to maintain timely and accurate data entry in the New Hampshire Homeless Management Information System, unless they are required by law to use an alternate means of data collection. The NH Homeless Management Information System will be the primary reporting tool for outcomes and activities of shelter and housing programs funded through this contract.

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.

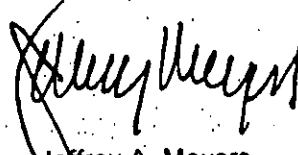
Source of funds: 100% Federal Funds from the U.S. Department of Housing and Urban Development, Office of Community Planning and Development, Catalog of Federal Domestic Assistance Number (CFDA) #14.267.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner


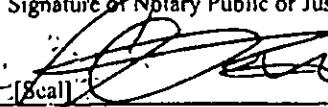
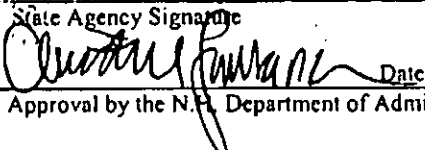

Subject: Continuum of Care, Coordinated Entry Program, SS-2020-BHS-05-Coord-04

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 Tri-County Community Action Program, Inc.		1.4 Contractor Address 30 Exchange Street Berlin, NH 03570	
1.5 Contractor Phone Number (603) 352-7512	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$130,822
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 Jeanne Robillard CEO	
1.13 Acknowledgement: State of New Hampshire , County of Cook On 5/22/19, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]		CHRISTINA MORIN, Notary Public State of New Hampshire My Commission Expires December 19, 2023	
1.13.2 Name and Title of Notary or Justice of the Peace Christina Morin Notary Public			
1.14 State Agency Signature  Date: 5/29/19		1.15 Name and Title of State Agency Signatory Christina Santanillo, DEAS Director	
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:  (N. Allen Brooks) On: 6/4/19			
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

Coordinated Entry 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
129 Pleasant Street
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may 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. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.7. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.
- 1.8. Failure to submit required reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by BHS.


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2. Scope of Services

- 2.1. Based on the continued receipt/availability of federal funds from HUD Continuum of Care Program, the Contractor shall provide a Coordinated Entry program that shall serve approximately One Thousand Three Hundred (1300) homeless individuals or individuals at imminent risk of homelessness.
- 2.2. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 2.3. The Contractor shall support the primary goal of this program which is to identify and engage unsheltered homeless persons and persons at imminent risk of homelessness, and to provide basic interventions such as food and referrals to services and to facilitate their movement to shelter, permanent housing and maximum self-sufficiency.
- 2.4. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations, or at imminent risk of homelessness. The Contractor must obtain and retain appropriate documentation.
- 2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.
- 2.6. The contractor shall participate in their regional Coordinated Entry process.

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/Grant 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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.
- 4.3. All contract records (originals or copies made by microfilming, photocopying, or other similar methods) shall be retained for a period of five (5) years or as required by state or federal law, following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

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Exhibit A

5. Performance Measures

- 5.1. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and all terms and conditions, and amendments thereto, as detailed in the relevant fiscal year Notice of Funding Available (NOFA) CoC Project Application approved by HUD; and
 - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
 - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

[Handwritten Signature]

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Coordinated Entry Program

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
 - 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0096L1T001803
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Coordinated Entry
 - 1.2.7. Total Amount Continuum of Care;
 - 1.2.7.1. not to exceed \$130,822
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Leasing Expenses: \$5,928
 - 1.2.8.2. Rental Assistance: \$0,000
 - 1.2.8.3. Operating Expenses: \$0,000
 - 1.2.8.4. Supportive Services: \$121,624
 - 1.2.8.5. Administrative Expenses: \$3,270
 - 1.2.8.6. Total program amount: \$130,822
- 1.3. The Contractor agrees to 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
129 Pleasant Street
Concord, NH 03301

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used 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/Grant completion date.

3. Project Costs: Payment Schedule: Review by the State


- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).

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 are to be documented with each payment request.
- 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
- 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
- 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
- 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
- 3.3.3.4. 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, subject to the availability of sufficient funds.


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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.
- 3.4.5. Schedule of Payments:
- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:
housingsupportsinvoices@dhhs.nh.gov
- 3.4.5.3. 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.

3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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 or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

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New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, and may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

5. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 5.3.2.4. **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;
- 5.3.2.5. **Education Services.** The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. **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;
- 5.3.2.7. **Food.** The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. **Housing search and counseling services.** Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. **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;
- 5.3.2.10. **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 the 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;
- 5.3.2.11. **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;
- 5.3.2.12. **Outpatient health services.** Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. **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;
- 5.3.2.14. **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;
- 5.3.2.15. **Transportation Services** are described in 24CFR 578(e) (15);

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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
- 5.3.2.19. 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.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51, and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. 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.
- 5.4.6. 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.
- 5.4.7. 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.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. 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.
- 5.4.9.2. 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.
- 5.4.9.3. 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.
- 5.4.9.4. 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.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

- 5.5.1.1. 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; and
- 5.5.1.2. 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:
 - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
 - 5.5.1.2.1.1. 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:



**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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.

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5.6.1. Requirements:

- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8).
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. 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.

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**New Hampshire Department of Health and Human Services
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Exhibit B

- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

[Signature]

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SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractor's costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

[Signature]
5/22/19

New Hampshire Department of Health and Human Services
Exhibit C



- 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.

Exhibit C – Special Provisions

Contractor Initials

Date

5/22/19

New Hampshire Department of Health and Human Services
Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) 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 EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP 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 EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

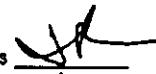
17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure 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


5/22/19

New Hampshire Department of Health and Human Services
Exhibit C



- 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.

JK
5/22/19



REVISIONS TO STANDARD CONTRACT LANGUAGE

D

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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.



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 GRANTEEES OTHER THAN INDIVIDUALS

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



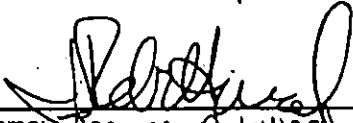
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Vendor Name: TriCounty Community Action Programs, INC.

5/22/19
Date


Name: Jeanne Robillard
Title: CEO



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

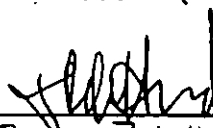
The undersigned certifies, to the best of his or her knowledge and belief, that:

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-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Vendor Name: Tri-county Community Action Programs, INC.

5/22/19
Date


Name: Jeanne Robillard
Title: CEO

5/22/19



**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

New Hampshire Department of Health and Human Services
Exhibit F



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name: Tri-County Community Action Programs, INC.

5/22/19
Date

Name: Joseph Robillard
Title: CEO



**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

JK

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

5/22/19

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.

5/22/19
Date

Vendor Name: Tri-County Community Action Programs, Inc.

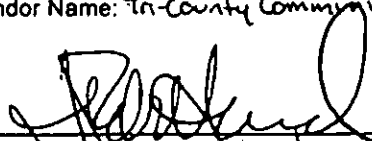

Name: Regine Robillard
Title: CEO

Exhibit G

Vendor Initials JK

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections.



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: Tri-County Community Action Programs, INC.

5/22/19
Date

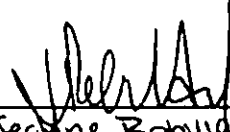

Name: Jeanne Robillard
Title: CEO



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.

JH

5/22/19



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions -- All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

- pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.
- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
 - g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
 - h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
 - i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
 - j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
 - k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
 - l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

3/2014

Vendor Initials

Date 5/22/19



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) i, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

Signature of Authorized Representative

Christine Santaniello

Name of Authorized Representative

Director, DEHS

Title of Authorized Representative

5/29/19

Date

Tri-County Community Action Programs, INC.

Name of the Vendor

Signature of Authorized Representative

Jeanne Robillard

Name of Authorized Representative

Chief Executive Officer

Title of Authorized Representative

5/22/19

Date

5/22/19



**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: Tri-County Community Action Programs, INC.

5/22/19

Date


Name: Jeanne Robillard
Title: CEO

New Hampshire Department of Health and Human Services
Exhibit J



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: 073975709
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: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

[Handwritten Signature]

5/22/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

[Signature]

5/22/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

A handwritten signature in black ink, appearing to be "JL", is written over the "Contractor Initials" label.

5/22/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

[Handwritten Signature]
5/22/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/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.

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

- 1. Identify Incidents;
- 2. Determine if personally identifiable information is involved in Incidents;
- 3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
- 4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

[Signature]
5/22/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

JK
5/22/19

**New Hampshire Department of Health and Human Services
Continuum of Care, Permanent Supportive Housing I, Expansion Program**



**State of New Hampshire
Department of Health and Human Services**

Amendment #1 to the Continuum of Care, Permanent Supportive Housing I, Expansion Program

This 1st Amendment to the Continuum of Care, Permanent Supportive Housing I, Expansion Program contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Tri-County Community Action Program, Inc., (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 30 Exchange St, Berlin, NH, 03570.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #46), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2., Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2021.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$178,638
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Supportive Housing Program Funding, Subsection 1.2., Paragraph 1.2.4., to read:
1.2.4. Grant Numbers:
1.2.4.1. NH0020L1T001811
1.2.4.2. NH0020L1T001912
4. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Supportive Housing Program Funding, Subsection 1.2., Paragraph 1.2.7., Subparagraph 1.2.7.1., to read:
1.2.7.1 Not to exceed \$ 178,638
5. Exhibit B, Methods and Conditions Precedent to Payment, Section 1. Permanent Supportive Housing Program Funding, Subsection 1.2., Paragraph 1.2.8., to read:
1.2.8. Funds allocation under this agreement for Continuum of Care Program;

		<u>Grant Year 1</u>	<u>Grant Year 2</u>
1.2.8.1.	Rental Assistance	\$55,440	\$56,160
1.2.8.2.	Supportive Services	\$29,586	\$29,586
1.2.8.3.	Administrative Expenses	<u>\$3,933</u>	<u>\$3,933</u>
1.2.8.4.	Total Program Amount	\$88,959	\$89,679

**New Hampshire Department of Health and Human Services
Continuum of Care, Permanent Supportive Housing I, Expansion Program**



All terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

4/8/20
Date

Christine Santaniello
Name: Christine L. Santaniello
Title: Director DEHS

Tri-County Community Action Program, Inc.

3/27/2020
Date

Jeanne Robillard
Name: Jeanne Robillard
Title: Chief Executive Officer

**New Hampshire Department of Health and Human Services
Continuum of Care, Permanent Supportive Housing I, Expansion Program**



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/17/20
Date

[Signature]
Name:
Title:

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

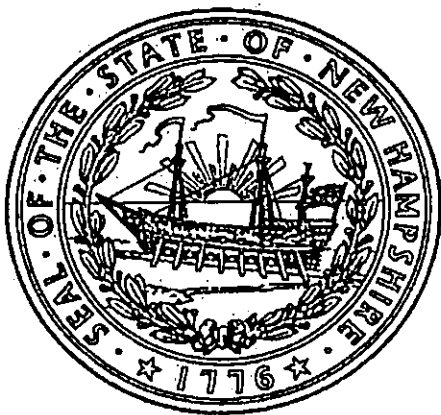
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (TRI-COUNTY CAP) is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 18, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 63020

Certificate Number: 0004876884



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April A.D. 2020.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Sandy Alonzo, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Tri-County Community Action Program, INC.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on 6/25/19:
(Date)

RESOLVED: That the Chief Executive Officer
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to
execute any and all documents, agreements and other instruments, and any amendments, revisions,
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 27 day of March, 2020.
(Date Contract Signed)

4. Jeanne Robillard is the duly elected Chief Executive Officer
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency:

Sandy Alonzo
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Coos

The forgoing instrument was acknowledged before me this 27 day of March, 2020.

By Sandy Alonzo
(Name of Elected Officer of the Agency)

[Signature]
(Notary Public/Justice of the Peace)

CHRISTINA MORIN, Notary Public
State of New Hampshire
My Commission Expires December 19, 2023
(NOTARY SEAL)

Commission Expires: 12/19/2023

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

17FY19 Board Resolution: Resolution of the Corporation

Authority to Sign

The Board of Directors of Tri County Community Action Program, Inc. (the "Corporation") takes the following action.

Resolved,

That the Tri-County Community Action Program, Inc. Chief Executive Officer (CEO) Jeanne L. Robillard, Chief Financial Officer (CFO) Randall S. Pilotte, and Chief Operating Officer (COO) Regan L. Pride are hereby authorized on behalf of this Corporation to enter into contracts with the Federal Government, State of New Hampshire, and any other parties as deemed necessary and to execute any and all documents, agreements and other instruments and amendments, revisions or modifications thereto, as may be deemed necessary, desirable or appropriate for the corporation; this authorization being enforced and effective until June 30th, 2020.

Attest, the resolution adopted therein was duly authorized by the Board of Directors on June 25th, 2019

By: 
Name: Sandy Alonzo
Title: Board Chair

By: 
Name: Cathy Conway
Title: Board Treasurer



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

02/25/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER FIAI/Cross Insurance 1100 Elm Street Manchester NH 03101		CONTACT NAME: Karen Shaughnessy PHONE (A/C, No, Ext): (603) 669-3218 FAX (A/C, No): (603) 645-4331 E-MAIL ADDRESS: kshaughnessy@crossagency.com	
INSURED Tri-County Community Action Program, Inc 30 Exchange Street Berlin NH 03570		INSURER(S) AFFORDING COVERAGE INSURER A: Philadelphia Ins Co INSURER B: Granite State Health Care and Human Services Self- INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 19-20 All Lines, 20-21 WC


REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR YWD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			PHPK2003516	07/01/2019	07/01/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COM/OP AGG \$ 3,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2003523	07/01/2019	07/01/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB DED <input checked="" type="checkbox"/> RETENTION \$ 10,000 <input type="checkbox"/> CLAIMS-MADE			PHUB683002	07/01/2019	07/01/2020	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	HCHS20200000241 (3a.) NH	02/01/2020	02/01/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liability			PHPK2003516	07/01/2019	07/01/2020	Each Occurrence \$1,000,000 Aggregate \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

NH DHHS 129 Pleasant Street Concord NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
--	---

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MISSION STATEMENT

TRI-COUNTY COMMUNITY ACTION PROGRAM, Inc. Is a private, non-profit 501(C) 3 corporation that is dedicated to improving the lives and well being of New Hampshire's people and communities. Formed on May 18, 1965, we provide opportunities and support for people to learn and grow in self-sufficiency and get involved in helping their neighbors and improving the conditions in their communities.

***TRI-COUNTY COMMUNITY ACTION PROGRAM, Inc.
...Helping people, changing lives.***

Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

AND AFFILIATE

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018
AND
INDEPENDENT AUDITORS' REPORTS**

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

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To the Board of Directors of
Tri-County Community Action Program, Inc. and Affiliate
Berlin, New Hampshire

**Leone,
McDonnell
& Roberts**
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • CONCORD
STRATHAM

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Tri-County Community Action Program, Inc. and Affiliate (New Hampshire nonprofit organizations), which comprise the consolidated statements of financial position as of June 30, 2019 and 2018, the related consolidated statements of cash flows and functional expenses for the years then ended, the related consolidated statement of activities for the year ended June 30, 2019 and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Tri-County Community Action Program, Inc. and Affiliate as of June 30, 2019 and 2018, and its consolidated cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2019, in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Tri-County Community Action Program, Inc. and Affiliate's 2018 consolidated financial statements, and we expressed an unmodified audit opinion on those consolidated financial statements in our report dated October 19, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2019, on our consideration of Tri-County Community Action Program, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Tri-County Community Action Program, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tri-County Community Action Program, Inc.'s internal control over financial reporting and compliance.

Leon McDonnell & Roberts
Professional Association

October 21, 2019
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,400,750	\$ 1,329,038
Restricted cash	583,963	380,902
Accounts receivable	1,274,083	1,156,657
Property held for sale	47,000	-
Pledges receivable	231,161	212,207
Inventories	85,886	87,569
Prepaid expenses	<u>34,037</u>	<u>25,640</u>
Total current assets	<u>3,656,880</u>	<u>3,192,013</u>
PROPERTY		
Property and equipment	12,086,152	12,812,689
Less accumulated depreciation	<u>(5,178,535)</u>	<u>(5,203,324)</u>
Property, net	<u>6,907,617</u>	<u>7,609,365</u>
OTHER ASSETS		
Restricted cash	<u>418,936</u>	<u>325,863</u>
TOTAL ASSETS	<u>\$ 10,983,433</u>	<u>\$ 11,127,241</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Demand note payable	\$ -	\$ 516,022
Current portion of long term debt	148,449	142,733
Current portion of capital lease obligations	4,870	4,445
Accounts payable	221,571	237,276
Accrued compensated absences	204,079	203,121
Accrued salaries	210,952	187,508
Accrued expenses	89,524	131,888
Refundable advances	197,157	191,069
Other liabilities	<u>598,195</u>	<u>387,168</u>
Total current liabilities	<u>1,674,797</u>	<u>2,001,230</u>
LONG TERM DEBT		
Long term debt, net of current portion	5,227,835	5,373,937
Capital lease obligations, net of current portion	<u>3,355</u>	<u>8,226</u>
Total liabilities	<u>6,905,987</u>	<u>7,383,393</u>
NET ASSETS		
Without donor restrictions	3,399,192	2,926,057
With donor restrictions	<u>678,254</u>	<u>817,791</u>
Total net assets	<u>4,077,446</u>	<u>3,743,848</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,983,433</u>	<u>\$ 11,127,241</u>

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Total</u>	<u>2018 Total</u>
REVENUES AND OTHER SUPPORT				
Grant and contracts	\$ 14,074,008	\$ 401,106	\$ 14,475,114	\$ 14,309,086
Program funding	1,167,509	-	1,167,509	1,259,037
Utility programs	1,287,103	-	1,287,103	1,079,361
In-kind contributions	477,167	-	477,167	351,187
Contributions	230,986	-	230,986	395,225
Fundraising	39,303	-	39,303	59,536
Rental income	625,046	-	625,046	679,112
Interest income	643	-	643	348
(Loss) gain on disposal of property	(32,892)	-	(32,892)	48,487
Loss on write down of property held for sale	(255,492)	-	(255,492)	-
Other revenue	196,384	-	196,384	81,938
Total revenues and other support	17,809,745	401,106	18,210,851	18,263,317
NET ASSETS RELEASED FROM RESTRICTIONS	540,643	(540,643)	-	-
Total revenues, other support, and net assets released from restrictions	18,350,388	(139,537)	18,210,851	18,263,317
FUNCTIONAL EXPENSES				
Program Services:				
Agency Fund	950,639	-	950,639	922,701
Head Start	2,451,296	-	2,451,296	2,481,916
Guardianship	767,241	-	767,241	760,009
Transportation	916,089	-	916,089	879,729
Volunteer	118,408	-	118,408	122,941
Workforce Development	354,263	-	354,263	394,252
Alcohol and Other Drugs	-	-	-	444,581
Carroll County Dental	747,474	-	747,474	642,637
Support Center	391,650	-	391,650	276,172
Homeloss	714,066	-	714,066	577,783
Energy and Community Development	7,788,560	-	7,788,560	7,480,943
Elder	1,462,613	-	1,462,613	1,142,818
Housing Services	172,852	-	172,852	176,511
Total program services	16,835,151	-	16,835,151	16,302,993
Supporting Activities:				
General and administrative	1,032,207	-	1,032,207	1,102,448
Fundraising	9,895	-	9,895	8,023
Total supporting activities	1,042,102	-	1,042,102	1,110,471
Total functional expenses	17,877,253	-	17,877,253	17,413,464
CHANGE IN NET ASSETS	473,135	(139,537)	333,598	849,853
NET ASSETS, BEGINNING OF YEAR	2,926,057	817,791	3,743,848	2,893,995
NET ASSETS, END OF YEAR	\$ 3,399,192	\$ 678,254	\$ 4,077,446	\$ 3,743,848

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 333,598	\$ 849,853
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	447,669	463,483
Loss (gain) on disposal of property	32,892	(48,487)
Loss on write down of property held for sale	255,492	-
(Increase) decrease in assets:		
Accounts receivable	(117,426)	170,337
Pledges receivable	(18,954)	(6,403)
Inventories	1,683	(21,928)
Prepaid expenses	(8,397)	19,705
Restricted cash	(296,134)	235,922
Increase (decrease) in liabilities:		
Accounts payable	(15,705)	(281,171)
Accrued compensated absences	958	(39,424)
Accrued salaries	23,444	(9,374)
Accrued expenses	(42,364)	24,261
Refundable advances	6,088	(6,479)
Other liabilities	<u>211,027</u>	<u>(258,143)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>813,871</u>	<u>1,092,152</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property	14,283	278,972
Purchases of property and equipment	<u>(95,588)</u>	<u>(141,335)</u>
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	<u>(81,305)</u>	<u>137,637</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment on demand note payable	(516,022)	(90,412)
Repayment of long-term debt	(140,386)	(311,983)
Repayment of capital lease obligations	<u>(4,446)</u>	<u>(4,056)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(660,854)</u>	<u>(406,451)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	71,712	823,338
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,329,038</u>	<u>505,700</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,400,750</u>	<u>\$ 1,329,038</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	<u>\$ 152,078</u>	<u>\$ 182,514</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Property donated	<u>\$ -</u>	<u>\$ 18,830</u>

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC

CONSOLIDATED STATEMENT OF FUNCTIONAL
FOR THE YEAR ENDED JUNE 30, 20

	<u>Agency Fund</u>	<u>Head</u>	<u>Total</u>	<u>General & Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Direct Expenses						
Payroll	\$ 199,241	\$ 1,366	\$ 5,462,305	\$ 596,457	\$ -	\$ 6,058,762
Payroll taxes and benefits	49,259	3	1,413,250	163,274	-	1,576,524
Assistance to clients	22,359	-	5,786,314	-	-	5,786,314
Consumable supplies	3,408	1978	846,305	11,436	-	857,741
Space costs and rentals	7,828	1	523,719	66,568	-	590,287
Depreciation expense	169,653	389	447,669	3,157	-	450,826
In-kind expended	-	-	477,167	-	-	477,167
Consultants and contractors	20,400	-	222,318	16,029	-	238,347
Utilities	168,297	181	378,636	5,708	-	384,344
Travel and meetings	11,024	542	297,607	20,789	-	318,396
Other direct program costs	2,535	224	157,696	9,225	9,895	176,816
Fiscal and administrative	16,817	731	103,147	94,740	-	197,887
Building and grounds maintenance	93,968	594	179,346	30	-	179,376
Interest expense	117,585	-	152,965	953	-	153,918
Vehicle expense	2,747	-	199,965	-	-	199,965
Insurance	56,671	316	89,016	30,772	-	119,788
Maintenance of equipment and rental	562	331	83,909	12,647	-	96,556
Fixed fees	8,265	-	13,817	422	-	14,239
Total Direct Expenses	950,639	2,452	16,835,151	1,032,207	9,895	17,877,253
Indirect Expenses						
Indirect costs	96,348	2	1,032,207	(1,032,207)	-	-
Total Direct & Indirect expenses	\$ 1,046,987	\$ 2,452	\$ 17,867,358	\$ -	\$ 9,895	\$ 17,877,253

See Notes to Consolidated Financials

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. A/

CONSOLIDATED STATEMENT OF FUNCTIONAL E/
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Agency Fund</u>	<u>Head Star</u>	<u>Total</u>	<u>General & Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Direct Expenses						
Payroll	\$ 99,755	\$ 1,250,837	\$ 5,214,049	\$ 670,592	\$ -	\$ 5,884,641
Payroll taxes and benefits	23,319	339,0	1,260,319	164,414	-	1,424,733
Assistance to clients	74,171	-	5,536,546	-	-	5,536,546
Consumable supplies	1,723	240,832	949,850	11,219	-	961,069
Space costs and rentals	21,013	164,4	578,542	72,385	-	650,927
Depreciation expense	324,623	1,639	463,483	-	-	463,483
In-kind expended	12,500	206,0	351,188	-	-	351,188
Consultants and contractors	15,615	28,9	315,842	15,662	-	331,504
Utilities	135,551	32,562	326,659	3,569	-	330,249
Travel and meetings	1,093	50,215	278,787	9,470	-	288,257
Other direct program costs	44,933	9,764	192,849	28,234	8,023	229,106
Fiscal and administrative	243	28,330	94,549	106,359	-	200,908
Building and grounds maintenance	62,822	62,560	198,381	160	-	198,561
Interest expense	127,777	34	183,401	1,241	-	184,642
Vehicle expense	4,282	1	164,961	-	-	164,961
Insurance	65,654	14,052	154,315	5,065	-	159,400
Maintenance of equipment and rental	-	52,1	127,333	14,018	-	141,351
Fixed fees	-	1	4,312	-	-	4,312
Total Direct Expenses	1,015,074	2,481,911	16,395,366	1,102,448	8,023	17,505,837
Indirect Expenses						
Indirect costs	86,950	248,0	1,102,448	(1,102,448)	-	-
Capitalized Expenses						
Less capitalization of assets	(92,373)	-	(92,373)	-	-	(92,373)
Total Direct & Indirect expenses	\$ 1,009,651	\$ 2,730,011	\$ 17,405,441	\$ -	\$ 8,023	\$ 17,413,464

See Notes to Consolidated Financials

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES **Organization and Principles of Consolidation**

The consolidated financial statements include the accounts of Tri-County Community Action Program, Inc. and its affiliate, Cornerstone Housing North, Inc. The two organizations are consolidated because Tri-County Community Action Program, Inc. controls 100% of the voting power of Cornerstone Housing North, Inc. All significant intercompany items and transactions have been eliminated from the basic financial statements. Tri-County Community Action Program, Inc. (the Organization) is a New Hampshire non-profit corporation that operates a wide variety of community service programs which are funded primarily through grants or contracts from various federal, state, and local agencies. Cornerstone Housing North, Inc. (a New Hampshire nonprofit corporation) was incorporated under the laws of the State of New Hampshire for the acquisition, construction and operation of community-based housing for the elderly.

Nature of activities

The Organization's programs consist of the following:

Agency

Tri-County CAP Administration provides central program management support and oversight to the Organization's many individual programs. This includes planning and budget development, bookkeeping and accounting, payroll and HR services, legal and audit services, IT support, management support, financial support and central policy development.

Tri-County CAP Administration is the liaison between Tri-County Community Action Program, Inc., Board of Directors and its programs, ensuring that programs comply with agreements made by the Board to funding sources and vendors.

Other responsibilities include the management and allocation of funding received through a Community Services Block Grant, as well as management of the Organization's real estate property.

Head Start

Head Start provides comprehensive services to low-income children and their families. Head Start supports children's growth and development in a positive learning environment through a variety of activities as well as providing services, which include in addition to early learning, health and family well-being. All children receive health and development screenings, nutritious meals, oral health and mental health support. Parents and families are supported in achieving their own goals, such as housing stability, continued education, and financial stability.

Programs support and strengthen parent-child relationships as their child's primary educator. Head Start staff work as partners with parents to identify and provide individualized activities that support their child's growth and development.

Tri County Community Action Head Start serves 217 children in Carroll, Coos & Grafton counties in 9 locations with 13 center-based classrooms and 1 home-based option.

Guardianship

The Organization's Guardianship program provides advocacy and guardian services for the vulnerable population of New Hampshire residents (developmentally disabled, chronically mentally ill, traumatic brain injury, and the elderly suffering from Alzheimer's, dementia, and multiple medical issues) who need a guardian and who have no family member or friend willing, able, or suitable to serve in that capacity. This program serves 414 individuals. Additional services include, conservatorship, representative payee-ship, federal fiduciary services, benefit management services and private probate accounting services.

Transportation

The Organization's transit program provides various transportation services: public bus routes, door-to-door service by request, long distance medical travel to medical facilities outside our regular service area, and special trips for the elderly to go shopping and enjoy other activities that are located outside the regular service area. The Organization's fleet of 17 wheelchair accessible vehicles offers transportation options to the elderly and disabled, as well as to the general public.

Volunteer

The Coos County Retired & Senior Volunteers Program (RSVP) maintains a minimum group of 394 volunteers, ages 55 and older, of which 287 actively served during the last reporting period. These volunteers share their skills, life experiences, and time with over 60 local non-profit and public agencies throughout Coos County that depend on volunteer assistance to meet the needs of their constituents. Our volunteers donate over 46,764 hours yearly.

Workforce Development

The Organization is assisting transitional and displaced workers as they prepare for new jobs, and also assisting currently-employed workers to gain the skills required for better jobs.

The Organization is helping to implement New Hampshire's Unified State Plan for Workforce Development, in line with the federal Workforce Investment Act. Workforce training programs, with training facilities in three towns, provide temporary assistance for needy families (TANF) recipients with 20-30 hours per week of training in the areas of employment skills, computer skills, and business experience, and also place participating TANF recipients in community-based work experience sites.

Alcohol & Other Drugs (AOD)

Services provided through the AOD program included assisting the alcoholic/addicted person on the road to recovery, through three phases: Crisis Intervention, Sobriety Maintenance, and Assessment and Referral to appropriate treatment facilities.

The Residential Treatment Programs (Friendship House) provided chemically dependent individuals with the fundamental tools of recovery, including educational classes, group and individual counseling, work and recreational therapy, and attendance at in-house and community-based alcoholics anonymous and narcotics anonymous meetings. The AOD program also offered assistance with its impaired driver programs.

Effective October 1, 2017, the Organization is no longer responsible for the Alcohol & Other Drugs (AOD) program. The grants for the program were transferred to North Country Health Consortium (NCHC), as they took over the program. The Friendship House was sold to Affordable Housing Education and Development (AHEAD).

Carroll County Dental

The Tamworth Dental Center (the Center) offers high quality oral health care to children with NH Medicaid coverage. The Organization also serves uninsured and underinsured children and adults using a sliding fee scale that offers income-based discounts for care. The Center accepts most common dental insurances for those who have commercial dental insurance coverage. A school-based project of the Dental Center, School Smiles, offers oral health education, screening, treatment and referrals for treatment to over 1,000 children in 9 schools in the vicinity of the Center.

Support Center

The Organization's Support Center at Burch House provides direct service and shelter to victims and survivors of domestic and sexual violence and stalking in Northern Grafton County. Support Center services are accessible 24 hours a day, 365 days a year. They include: crisis intervention; supportive counseling; court, hospital and policy advocacy and accompaniment; emergency shelter; support groups; community education and outreach; violence prevention programs for students; information, referrals and assistance accessing other community resources.

Homeless

Homeless services include an outreach intervention and prevention project that strives to prevent individuals and families from becoming homeless, and assists the already homeless in securing safe, affordable housing. The Organization provides temporary shelter space for homeless clients.

The Organization also provides some housing rehabilitation services to help preserve older housing stock.

Energy Assistance and Outreach

Energy Assistance Services provide fuel and electric assistance through direct pay to vendors or a discount on the client's bill. Community Contact sites allow local participants access to energy assistance programs and other emergency services. The offices provide information to the Organization's clients about other programs offered, as well as other programs available through other organizations in the community.

Low-Income Weatherization

The NH weatherization program helps low-income families, elderly, disabled, small children and individuals lower their home energy costs; increase their health, safety, and comfort; and improve the quality of living while improving housing stock in communities around the state utilizing energy cost saving, health and safety and carbon lowering measures. The NH Weatherization Assistance Program also creates local NH jobs.

Elder

The Organization's elder program provides senior meals in 15 community dining sites, home delivered meals (Meals on Wheels) to the frail and homebound elderly, and senior nutrition education and related programming. The Coos County ServiceLink Aging & Disability Resource Center assists with person-centered counseling, Medicare counseling, Medicaid assistance, long-term care counseling services, and caregiver supports.

Housing Services

Cornerstone Housing North, Inc. is subject to a Project Rental Assistance Contract (PRAC) with the United States Department of Housing and Urban Development (HUD), and a significant portion of their rental income is received from HUD.

The Organization includes a 12-unit apartment complex in Berlin, New Hampshire for the elderly. This operates under Section 202 of the National Housing Act and is regulated by HUD with respect to the rental charges and operating methods.

The Organization has a Section 202 Capital Advance. Under guidelines established by the U.S. Office of Management and Budget *Uniform Guidance, Title 2 U.S. Code of Federal Regulations (CFR) part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, the Section 202 Capital Advance is considered to be a major program.

Method of accounting

The consolidated financial statements of Tri-County Community Action Program, Inc. have been prepared utilizing the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under this basis, revenue, other than contributions, and expenses are reported when incurred without regard to the date of receipt or payment of cash.

Basis of presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions include net assets that are not subject to any donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.

Net assets with donor restrictions include 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 Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

The Organization has net assets with donor restrictions of \$678,254 and \$817,791 at June 30, 2019 and 2018, respectively. See **Note 13**

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Support that is restricted is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Most of the receivables are amounts due from federal and state awarding agencies and are based on reimbursement for expenditures made under specific grants or contracts. A portion of the accounts receivable balance represents amounts due from patients at Carroll County Dental program. Past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United State because the effects of the direct write method approximate those of the allowance method. Management selects accounts to be written off after analyzing past payment history, the age of the accounts receivable, and collection rates for receivables with similar characteristics, such as length of time outstanding. The Organization does not charge interest on outstanding accounts receivable.

Property and Depreciation

Acquisitions of buildings, equipment, and improvements in excess of \$5,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Buildings, equipment, and improvements are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets.

Depreciation expense related to assets used solely by an individual program is charged directly to the related program. Depreciation expense for assets used by more than one program is charged to the program based upon a square footage or other similar allocation.

Depreciation expense related to administrative assets is included in the indirect cost pool and charged to the programs in accordance with the indirect cost plan. Maintenance and repairs that do not materially prolong the useful lives of assets are charged to expense as incurred.

Estimated useful lives are as follows:

Buildings and improvements	20 to 40 years
Vehicles	5 to 8.5 years
Furniture and equipment	5 to 15 years

Client Rents and HUD Rent Subsidy

Cornerstone Housing North, Inc.'s rents are approved on an annual basis by the Department of Housing and Urban Development. Rental increases are prohibited without such approval. The clients are charged rent equal to 30% of their income less adjustments allowed by the Department of Housing and Urban Development. Rent subsidies are received from the Department of Housing and Urban Development for the difference between the allowed rents and the amounts received from the clients.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or incurred. Funds received in advance of grantor conditions being met aggregated \$197,157 and \$191,069 as of June 30, 2019 and 2018, respectively.

Nonprofit tax status

The Organization is a *not-for-profit* Section 501(c)(3) organization in accordance with the Internal Revenue Code. It has been classified as an organization that is not a private foundation under the Internal Revenue Code and qualifies for a charitable contribution deduction for individual donors. The Organization files information returns in the United States. The Organization's Federal Form 990 (Return of Organization Exempt from Income Tax), is subject to examination by the IRS, generally for three years after it is filed. The Organization is no longer subject to examinations by tax authorities for years prior to 2015.

The Organization follows FASB ASC, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Organization does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized.

Due to changes in the tax law in the 2017 Tax Cuts and Jobs Act, the Organization is subject to file an Unrelated Business Income Tax Return for unallowed expenses for the year ended June 30, 2019. These expenses fall under the qualified taxable fringe benefits. The total tax due for the year ended June 30, 2019 is approximately \$8,900.

Cornerstone Housing North, Inc. is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Organization to be other than a private foundation within the meaning of Section 509(a).

Retirement plan

The Organization maintains a tax-sheltered annuity plan under the provisions of Section 403(b) of the Internal Revenue Code. All employees are eligible to contribute to the plan beginning on the date they are employed. Each employee may elect salary reduction agreement contributions in accordance with limits allowed in the Internal Revenue Code. Employer contributions are at the Organization's annual discretion. In January 2013, employer contribution payments ceased, therefore as of June 30, 2019 and 2018, there were no discretionary contributions recorded. Further information can be obtained from the Organization's 403(b) audited financial statements.

Donated services and goods

Contributions of donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

Contributed noncash assets are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as net assets with donor restrictions. In the absence of such stipulations, contributions of noncash assets are recorded as net assets without donor restrictions.

Donated property and equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as net assets with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at the net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

As of June 30, 2019 and 2018, there were promises to give that were absent of donor stipulations, but restricted in regards to timing, and therefore classified as net assets with donor restrictions in the amount of \$231,161 and \$212,207, respectively. This amount was included in grants and contracts on the Consolidated Statement of Activities.

Use of estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments

Accounting Standards Codification No. 825 (ASC 825), *Disclosures of Fair Value of Financial Instruments*, requires the Organization to disclose fair values of its financial instruments. The carrying amount of the Organization's financial instruments which consists of cash, accounts receivable, deposits and accounts payable, approximate fair value because of the short-term maturity of those instruments.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Program salaries and related expenses are allocated to the various programs and supporting services based on actual or estimated time employees spend on each function as reported on a timesheet.

Workers Compensation expenses are charged to each program based upon the classification of each employee and allocated to the various program based upon the time employees spend on each function as noted above.

Paid Leave is charged to a leave pool and is allocated to each program as a percentage of total salaries.

Fringe Benefits are charged to a Fringe Benefit Pool. These expenses include employer payroll taxes, pension expenses, health and dental insurance and unemployment compensation. The pool is allocated to each program based upon a percentage of salaries.

Depreciation expense is allocated to each program based upon specific assets used by the program and is reported as depreciation expense on the statements of functional expenses.

Other occupancy expenses are applicable to assets which are used by multiple programs. Buildings are primarily charged to the benefiting program based upon an analysis of square footage. Costs related to a building include depreciation, insurance, utilities, building maintenance, etc. These costs are reported as space costs on the statements of functional expenses.

Insurance: automobile insurance is allocated to programs based on vehicle usage; building liability insurance is allocated to programs based on square footage of the buildings; and insurance for furniture and equipment is allocated to programs using the book basis of the insured assets.

The remaining shared expenses are charged to an Indirect Cost Pool and are allocated to each program based upon a percentage of program expenses. The expenses include items such as administrative salaries, general liability insurance, administrative travel, professional fees and other expenses which cannot be specifically identified and charged to a program.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human Services. The proposal, effective for the fiscal year beginning July 1, 2018, received provisional approval and is effective, until amended, at a rate of 12.50%. Per the agreement with the U.S. Department of Health and Human Services, the Organization's final rate for the year ended June 30, 2018 was 11.45%. The actual rate for the year ended June 30, 2019 was approximately 10.44%, which is allowable because it is less than the provisional rate.

Advertising policy

The Organization uses advertising to inform the community about the programs it offers and the availability of services. Advertising is expensed as incurred. The total cost of advertising for the years ended June 30, 2019 and 2018 was \$11,698 and \$18,616, respectively.

Debt Issuance Costs

During the year ended June 30, 2019, the Organization retrospectively adopted the provisions of the FASB Accounting Standards Update (ASU) No. 2015-03, "*Simplifying the Presentation of Debt Issuance Costs*." The ASU is limited to simplifying the presentation of debt issuance costs, and the recognition and measurement guidance for debt issuance costs is not affected by the ASU. Amortization expense of \$887 has been included with interest expense in the consolidated statements of functional expenses for both 2019 and 2018.

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 Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

NOTE 2. LIQUIDITY AND AVAILABILITY

The following represents the Organization's financial assets as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Financial assets at year-end:		
Cash and cash equivalents, undesignated	\$ 1,400,750	\$ 1,329,038
Accounts receivable	1,274,083	1,156,657
Pledges receivable	<u>231,161</u>	<u>212,207</u>
Total financial assets	<u>2,905,994</u>	<u>2,697,902</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	678,254	817,791
Less net assets with time restrictions to be met in less than a year	<u>(348,631)</u>	<u>(540,643)</u>
Amounts not available within one year	<u>329,623</u>	<u>277,148</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 2,576,371</u>	<u>\$ 2,420,754</u>

It is the Organization's goal to maintain financial assets to meet 60 days of operating expenses which approximates \$2,786,000 and \$2,729,000 respectively, at June 30, 2019 and 2018.

NOTE 3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, funds on deposit with financial institutions, and investments with original-maturities of three months or less. At year end and throughout the year, the Organization's cash balances were deposited with multiple financial institutions. At June 30, 2019 and 2018, the balances in interest and non-interest-bearing accounts were insured by the FDIC up to \$250,000. At June 30, 2019 and 2018, there was approximately \$1,750,000 and \$1,200,000, of deposits held in excess of the FDIC limit, respectively. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents and considers this a normal business risk.

Cash Restrictions

The Organization is required to maintain a deposit account with a bank as part of the loan security agreement disclosed at **Note 7**. It is required to maintain a balance of \$19,968 in the account, which is restricted from withdrawal except to make payments of debt service or as approved by the US Department of Agriculture.

Amounts withdrawn to make payments of debt service must be replenished with monthly deposits until the maximum required deposit balance is achieved. The balance as of June 30, 2019 and 2018 was \$20,010 and \$19,980, respectively. The Organization has made all of their scheduled deposits for the years ended June 30, 2019 and 2018. These amounts are included in restricted cash on the Statements of Financial Position.

The Organization is required to maintain a deposit account with another bank as part of a bond issue (see bond payable in **Note 7**). The required balance in the account is \$173,817 and is equal to 12 monthly payments. The balance as of June 30, 2019 and 2018 was \$176,298 and \$176,570, respectively, and the Organization was in compliance with this requirement. These amounts are included in restricted cash on the Statements of Financial Position.

The Organization maintains a deposit account on behalf of clients who participate in the Guardianship Services Program. The balance in the account is restricted for use on behalf of these clients and an offsetting liability is reported on the financial statements as other current liabilities. The total current liability related to this restriction at June 30, 2019 and 2018 was \$582,116 and \$378,605, respectively. These amounts are included in other liabilities on the Statements of Financial Position. The total restricted cash within this account at June 30, 2019 and 2018 was \$582,116 and \$378,605, respectively, and is included in the restricted cash balance on the Statements of Financial Position.

At June 30, 2019, the Organization had \$45,198 in restricted cash relating to the property that is held for sale at year end. Upon the sale of the property, it will be donated to another non-profit Organization.

Certain cash accounts related to Cornerstone Housing North, Inc. are restricted for certain uses in the Organization under rules and regulations prescribed by the Department of Housing and Urban Development. The total amount restricted at June 30, 2019 and 2018 was \$179,277 and \$131,610, respectively. See **Note 15**.

NOTE 4. INVENTORY

In 2019 and 2018, inventory included weatherization materials which had been purchased in bulk. These items are valued at the most recent cost. A physical inventory is taken annually. Cost is determined using the first-in, first-out (FIFO) method. Inventory at June 30, 2019 and 2018, consists of weatherization materials totaling \$85,886 and \$87,569, respectively.

During the year ended June 30, 2018, the Organization adopted the provisions of the FASB Accounting Standard Update (ASU) 2015-11, *Inventory, (Topic 330): Simplifying the Measurement of Inventory*, which simplifies the subsequent measurement of inventory by requiring inventory to be measured at the lower of cost or net realizable value. Net realizable value is the estimated selling price of inventory in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. The Organization has evaluated ASU 2015-11 and has determined that there is no material impact to the financial statements.

NOTE 5. ACCRUED EARNED TIME

For the years ending June 30, 2019 and 2018, employees of the Organization were eligible to accrue vacation for a maximum of 160 hours. At June 30, 2019 and 2018, the Organization had accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$204,079 and \$203,121, respectively.

NOTE 6. PROPERTY

Property consists of the following at June 30, 2019:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$ 9,709,749	\$ 3,469,618	\$ 6,240,131
Equipment	1,950,063	1,708,917	241,146
Construction in progress	2,500	-	2,500
Land	<u>423,840</u>	<u>-</u>	<u>423,840</u>
	<u>\$12,086,152</u>	<u>\$ 5,178,535</u>	<u>\$ 6,907,617</u>

Property consists of the following at June 30, 2018:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$10,003,944	\$ 3,448,411	\$ 6,555,533
Equipment	2,384,905	1,754,913	629,992
Land	<u>423,840</u>	<u>-</u>	<u>423,840</u>
	<u>\$12,812,689</u>	<u>\$ 5,203,324</u>	<u>\$ 7,609,365</u>

The Organization has use of computers and equipment which are the property of state and federal agencies under grant agreements. The equipment, whose book value is immaterial to the financial statements, is not included in the Organization's property and equipment totals.

Depreciation expense for the years ended June 30, 2019 and 2018 totaled \$447,669 and \$463,483, respectively.

The Organization has property held for sale at June 30, 2019 amounting to \$47,000, which is classified as a current asset in the accompanying consolidated statements of financial position. The total loss on the write down to market value of this property was \$255,492.

NOTE 7. LONG TERM DEBT

The long term debt of the Organization as of June 30, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Note payable with the USDA requiring 360 monthly installments of \$1,664, including interest at 5% per annum. Secured by general business assets. Final installment due January 2027.	\$ 124,867	\$ 138,225
Note payable with a bank requiring 120 monthly installments of \$3,033, including interest at 4.69% per annum. Secured by first mortgages on two commercial properties. Final installment due April 2021.	328,896	349,131
Note payable with a bank requiring 60 monthly installments of \$459, including interest at 5% per annum. This note was an unsecured line of credit that was converted to a term loan during the year ended June 30, 2016. Final installment due April 2021.	9,618	14,500
Note payable to a financing company requiring 72 monthly installments of \$312, including interest at 5.49% per annum. Secured by the Organization's vehicle. Final installment due August 2021.	7,642	10,874
Note payable to a financing company requiring 72 monthly installments of \$313, including interest at 5.54% per annum. Secured by the Organization's vehicle. Final installment due July 2021.	7,385	10,637
Note payable to a financing company requiring 60 monthly installments of \$143, including interest at 5.99% per annum. Secured by the Organization's vehicle. Final installment due November 2020.	2,331	3,863

Note payable to a financing company requiring 72 monthly installments of \$248, including interest at 6.10% per annum. Secured by the Organization's vehicle. Final installment due February 2023.	9,739	12,041
Note payable with a bank requiring 60 monthly installments of \$2,512, including interest at 5.51% per annum. Secured by second mortgage on commercial property. Final balloon payment is due in March 2023.	395,429	403,244
Bond payable with a bank requiring monthly installments of \$14,485, including interest of 2.75% plus the bank's internal cost of funds multiplied by 67% with an indicative rate of 3.28%. Secured by first commercial real estate mortgage on various properties and assignments of rents at various properties. Final installment due August 2040.	2,634,595	2,719,260
Cornerstone Housing North, Inc. capital advance due to the Department of Housing and Urban Development. This capital advance is not subject to interest or principal amortization and will be forgiven after 40 years, or in August 2047.	1,617,600	1,617,600
Cornerstone Housing North, Inc. mortgage payable due to New Hampshire Housing Finance Authority. The mortgage is not subject to interest or principal amortization. Payments are deferred for 40 years, final payment due in August 2047.	<u>250,000</u>	<u>250,000</u>
Total long term debt before unamortized debt issuance costs	5,388,102	5,529,375
Unamortized deferred financing costs	<u>(11,818)</u>	<u>(12,705)</u>
Total long term debt	5,376,284	5,516,670
Less current portion due within one year	<u>(148,449)</u>	<u>(142,733)</u>
	<u>\$ 5,227,835</u>	<u>\$ 5,373,937</u>

The scheduled maturities of long-term debt as of June 30, 2019 were as follows:

<u>Years ending June 30</u>	<u>Amount</u>
2020	\$ 148,449
2021	437,624
2022	123,156
2023	485,481
2024	118,295
Thereafter	<u>4,075,097</u>
	<u>\$ 5,388,102</u>

As described at **Note 3**, the Organization is required to maintain a reserve account with a bank for the first two notes payable listed above.

NOTE 8. CAPITAL LEASE OBLIGATIONS

During the year ended June 30, 2016, the Organization leased a phone system and copier under the terms of capital leases, expiring in November 2020 and March 2021, respectively. During the year ended June 30, 2017, the Company leased an additional copier under the terms of a capital lease, expiring in May 2021. The assets and liabilities under the capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the assets. The assets are depreciated over their estimated lives.

The obligations included in capital leases at June 30, 2019 and 2018, consisted of the following:

	<u>2019</u>	<u>2018</u>
Lease payable to a financing company with monthly installments of \$208 for principal and interest at 9.5% per annum. The lease is secured by the phone system and will mature in November 2020.	\$ 3,291	\$ 5,362
Lease payable to a financing company with monthly installments of \$122 for principal and interest at 8.841% per annum. The lease is secured by a copier and will mature in March 2021.	2,261	3,467

Lease payable to a financing company with monthly installments of \$122 for principal and interest at 8.918% per annum. The lease is secured by a copier and will mature in May 2021.

	<u>2,673</u>	<u>3,842</u>
	8,225	12,671
Less current portion	<u>(4,870)</u>	<u>(4,445)</u>
	<u>\$ 3,355</u>	<u>\$ 8,226</u>

The scheduled maturities of capital lease obligations as of June 30, 2019 were as follows:

<u>Years ending</u> <u>June 30</u>	<u>Amount</u>
2020	\$ 4,870
2021	<u>3,355</u>
	<u>\$ 8,225</u>

NOTE 9. DEMAND NOTE PAYABLE

The Organization has available a \$750,000 line of credit with its primary financial institution which is secured by real estate mortgages and assignments of leases and rents on various properties as disclosed in the line of credit agreement. Borrowings under the line bear interest at 5.00% per annum, and totaled \$316,000 at June 30, 2018. There was no balance outstanding at June 30, 2019. The line is subject to renewal each January.

The Organization was issued an unsecured revolving line of credit in 2014 with the New Hampshire Department of Administration Services. The Organization was not required to make payments of interest or principal prior to maturity. At June 30, 2018, the outstanding debt totaled \$200,022, which included accrued interest of \$21,434. The unsecured revolving line of credit was paid off in full during the year ended June 30, 2019.

NOTE 10. OPERATING LEASES

The Organization has entered into numerous lease commitments for space. Leases under non-cancelable lease agreements have various starting dates, lengths, and terms of payment and renewal. Additionally, the Organization has several facilities which are leased on a month to month basis. For the years ended June 30, 2019 and 2018, the annual rent expense for leased facilities totaled \$181,127 and \$165,227, respectively.

Future minimum lease payments under non-cancelable operating leases having initial terms in excess of one year as of June 30, 2019, are as follows:

<u>Years ending</u> <u>June 30</u>	<u>Amount</u>
2020	\$ 147,778
2021	65,003
2022	<u>3,301</u>
	<u>\$ 216,082</u>

NOTE 11. IN-KIND CONTRIBUTIONS

The Organization records the value of in-kind contributions according to the accounting policy described in Note 1. The Head Start, transportation and elder programs rely heavily on volunteers who donate their services to the Organization. These services are valued based upon the comparative market wage for similar paid positions.

The Organization is also the beneficiary of a donation of in kind in the form of below market rent for some of the facilities utilized by the Head Start and elder programs. The value of the in-kind rent is recorded at the difference between the rental payment and the market rate for the property based upon a recent appraisal.

Many other individuals have donated significant amounts of time to the activities of the Organization. The financial statements do not reflect any value for these donated services since there is no reliable basis for making a reasonable determination.

NOTE 12. CONCENTRATION OF RISK

Tri-County Community Action Program, Inc. receives a majority of its support from federal and state governments. For the years ended June 30, 2019 and 2018, approximately \$13,951,828 (77%) and \$13,773,803 (75%), respectively, of the Organization's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant effect on the Organization's programs and activities.

Cornerstone Housing North, Inc. receives a large majority of its support from the U.S. Department of Housing and Urban Development. For the years ended June 30, 2019 and 2018, approximately 69% of the Organizations total revenue was derived from the U.S. Department of Housing and Urban Development. In the absence of additional revenue sources, the future existence of Cornerstone Housing North, Inc. is dependent upon the funding policies of the U.S. Department of Housing and Urban Development.

The majority of Cornerstone Housing North, Inc.'s assets are apartment projects, for which operations are concentrated in the elderly person's real estate market. In addition, the Organization operates in a regulated environment. The operation of the Organization is subject to administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the administrative burden, to comply with the change.

NOTE 13. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following specific program services as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Temporary Municipal Funding	\$ 231,161	\$ 212,207
10 Bricks Shelter Funds	142,190	142,190
FAP	117,470	136,614
Restricted Buildings	87,541	190,049
Support Center	25,939	-
Weatherization	25,000	-
Loans - HSGP	19,907	21,454
FAP/EAP	11,290	23,249
RSVP Program Funds	7,056	5,021
Senior Meals	5,130	-
Head Start	3,999	4,172
Donations to Maple Fund	1,571	1,586
Homeless Programs	-	27,680
USDA	-	10,332
Loans - HHARLF	-	6,967
IDN Capacity Fund	-	32,194
Community Needs Assessment	-	4,076
	<u> </u>	<u> </u>
Total net assets with donor restrictions	<u>\$ 678,254</u>	<u>\$ 817,791</u>

NOTE 14. COMMITMENTS AND CONTINGENCIES

Grant Compliance

The Organization receives funds under several federal and state grants. Under the terms of the grants the Organization is required to comply with various stipulations including use and time restrictions. If the Organization was found to be noncompliant with the provisions of the grant agreements, the Organization could be liable to the grantor or face discontinuation of funding.

Environmental Contingencies

On March 30, 2009, the Organization's Board of Directors agreed to secure ownership of a 1.2-acre site located in Berlin, New Hampshire. There are 2 buildings on this site designated as the East Wing and West Wing Buildings which were formerly used as a research and development facility for the Berlin Mills Company.

The exterior soil and interior parts of the East Wing Building contained contaminants which required environmental remediation. In a letter dated May 2, 2012, the State of New Hampshire Department of Environment Services (the Department) noted that the remedial actions for the exterior soils and parts of the East Wing Building had been completed to the Department's satisfaction.

In addition, the Department noted that the contaminants related to the West Wing Building did not pose an exposure hazard to site occupants, area residents, and the environment, provided the West Wing Building is maintained to prevent further structural deterioration. If further deterioration occurs and contaminants are released into the environment, the Organization could be required to take additional action including containment and remediation.

Loss Contingencies

During the year ended June 30, 2018, legal actions were brought against the Organization. Due to the uncertainty of the outcome of such cases as of June 30, 2019, as well as the uncertainty of the Organization's potential liability, no amount has been accrued by the Organization at this time.

NOTE 15. REPLACEMENT RESERVE AND RESIDUAL RECEIPTS ACCOUNTS

Under Cornerstone Housing North, Inc.'s regulatory agreement with HUD, the Organization is required to set aside amounts into a replacement reserve for the replacement of property and other project expenditures approved by HUD. HUD-restricted deposits of \$129,407 and \$106,548 were held in a segregated account at June 30, 2019 and 2018, respectively. HUD-restricted deposits generally are not available for operating purposes.

Cornerstone Housing North, Inc.'s use of the residual receipts account is contingent upon HUD's prior written approval. Residual receipts of \$46,514 and \$21,326 were held in a segregated account for the years ended June 30, 2019 and 2018, respectively.

HUD has initiated policies to recapture funds built up in residual receipts accounts upon renewal of the Organization's project rental assistance contract. The policies direct that the amounts in excess of certain limits in the residual receipts account be (a) used to offset rent subsidies due from HUD under HAP contracts, or (b) remitted directly to HUD. The policies generally require project owners to limit the monies accumulated in the residual receipts account to \$250 per unit.

In accordance with the policy noted above, subsequent to year end the Organization was required to remit funds to HUD totaling \$31,412. In addition to the funds remitted, HUD approved the Organization to withdraw \$11,852 from the residual receipts account for equipment.

NOTE 16. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Non-recognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through October 21, 2019, the date the financial statements were available to be issued.

IRIS COUNTY COMMUNITY ACTION PROGRAM, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S IDENTIFYING NUMBER	FEDERAL EXPENDITURES
<u>U.S. Department of Health and Human Services</u>				
Head Start	93.600		01CH10000-04-00	\$ 1,424,301
Head Start	93.600		01CH10000-05-00	1,068,289
			TOTAL	2,512,590
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-18B1NHLIEA	93,918
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-19B1NHLIEA	5,870,283
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-18B1NHLIEA 1056420	305,368
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-19B1NHLIEA 1056420	241,539
			TOTAL	6,461,128
AGING CLUSTER				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (SEAS)	93.044	State of New Hampshire Office of Energy and Planning	18AANH73SP	5,363
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (Sr Wheels)	93.044	State of New Hampshire Department of Health and Human Services	512-500352	111,278
			TOTAL	116,639
Special Programs for the Aging - Title III, Part C - Nutrition Services (Congregate & HD Meals)	93.045	State of New Hampshire Department of Health and Human Services	541-500386	284,654
Nutrition Services Incentive Program (NSIP)	93.053	State of New Hampshire Department of Health and Human Services	NONE	61,200
			CLUSTER TOTAL	462,493
Community Services Block Grant	93.569	State of New Hampshire Department of Health and Human Services	102-500731	738,731
TANF CLUSTER				
Temporary Assistance for Needy Families (NHFP Workplace Success)	93.558	Southern New Hampshire Services, Inc.	16-DHHS-BWW-CSP-05	307,922
Temporary Assistance for Needy Families (JARC)	93.558	State of New Hampshire Department of Health and Human Services	102-500731	24,800
			CLUSTER TOTAL	332,722
HIV Care Formula Grants (Ryan White Care Program)	93.917	State of New Hampshire Department of Health and Human Services	530-500371	9,910
Social Services Block Grant (Title XX I&R)	93.667	State of New Hampshire Department of Health and Human Services	545-500387	113,843
Social Services Block Grant (Title XX HD)	93.667	State of New Hampshire Department of Health and Human Services	544-500386	82,574
Social Services Block Grant (Guardianship)	93.667	State of New Hampshire Department of Health and Human Services	102-500731	13,582
			TOTAL	209,999
Promoting Safe and Stable Families/Family Violence Prevention and Services/Discretionary	93.556 & 93.592	State of New Hampshire Coalition against Domestic and Sexual Violence	SPIRDV	53,297
Preventative HHS Block Grant & Injury Prevention and Control Research	93.136 & 93.758	State of New Hampshire Coalition against Domestic and Sexual Violence	SVP	6,628
Projects for Assistance in Transition from Homelessness (PATH)	93.150	State of New Hampshire Bureau of Homelessness and Housing	05-95-42-423010-7926	73,172
Prevent Sexual Assault on College Campuses	93.XXX	University of New Hampshire, Durham	CSAPP	678
Total U.S. Department of Health and Human Services				\$ 10,851,348

IRIS COUNTY COMMUNITY ACTION PROGRAM, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
U.S. Department of Energy				
Weatherization Assistance for Low-Income Persons	81.042	State of New Hampshire Governor's Office of Energy & Community Services	EE0007935	\$ 273,188
Total U.S. Department of Energy				\$ 273,188
U.S. Corporation for National and Community Service				
Retired and Senior Volunteer Program	94.002		16SRAN001	\$ 86,939
Total U.S. Corporation for National and Community Service				\$ 86,939
U.S. Department of Agriculture				
Child and Adult Care Food Program	10.558	State of New Hampshire Department of Education	NONE	\$ 122,661
Total U.S. Department of Agriculture				\$ 122,661
U.S. Department of Homeland Security				
Emergency Food & Shelter Program (FEEMA)	97.024			\$ 10,408
Emergency Management Performance Grants (FEMA)	97.042	State of New Hampshire Department of Safety	EMB-2017-EP-00005-S01	23,298
Total U.S. Department of Homeland Security				\$ 33,706
U.S. Department of Justice				
Crime Victim Assistance (VOCA)	16.575	State of New Hampshire Coalition against Domestic and Sexual Violence	NONE	\$ 154,433
Sexual Assault Services Formula Program (SASP)	16.017	State of New Hampshire Coalition against Domestic and Sexual Violence	2017-KF-AX-0019	16,176
OVW Technical Assistance Initiative	16.526	Grafton County Court	OVW-2016-13829	27,552
Total U.S. Department of Justice				\$ 198,161
U.S. Department of Transportation				
Formula Grants for Rural Areas (Section 5311)	20.509	State of New Hampshire Department of Transportation	NH-18-XD46	\$ 293,800
TRANSIT SERVICES PROGRAMS CLUSTER				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of New Hampshire Department of Transportation	04-08-80-004210-2018-072-0023.75	29,889
Enhanced Mobility of Seniors and Individuals with Disabilities (5310 POS, NCC)	20.513	State of New Hampshire Department of Transportation	04-08-80-004210-2018-072-0023.75	53,062
			CLUSTER TOTAL	82,951
Total U.S. Department of Transportation				\$ 376,751
U.S. Department of Housing and Urban Development				
Emergency Solutions Grant Program	14.231	State of New Hampshire Department of Health and Human Services	102-500731	\$ 67,203
Continuum of Care Program (HOIP)	14.267	State of New Hampshire Department of Health and Human Services	53-2019-SHHS-01-Covid-19	144,922
Total U.S. Department of Housing and Urban Development				\$ 212,125

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFOA NUMBER	PASS-THROUGH GRANTOR'S NAME	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
U.S. Department of Labor				
WIA/WIOA CLUSTER				
WIA/WIOA Adult Program	17.258	Southern New Hampshire Services, Inc.	2016-0004	\$ 39,250
WIA/WIOA Dislocated Worker Formula Grants	17.278	Southern New Hampshire Services, Inc.	2016-0004	<u>39,058</u>
Total U.S. Department of Labor			CLUSTER TOTAL	\$ 78,308
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 12,243,187</u>

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal grant activity of Tri-County Community Action Program, Inc. under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Tri-County Community Action Program, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE C - INDIRECT RATE

Tri-County Community Action Program Inc. has elected to not use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Tri-County Community Action Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 21, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Tri-County Community Action Program Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Tri-County Community Action Program Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tri-County Community Action Program Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Leone McDonnell & Roberts
Professional Association

October 21, 2019
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Tri-County Community Action Program Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Tri-County Community Action Program Inc.'s major federal programs for the year ended June 30, 2019. Tri-County Community Action Program Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Tri-County Community Action Program Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Tri-County Community Action Program Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Tri-County Community Action Program Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Tri-County Community Action Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of Tri-County Community Action Program, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Tri-County Community Action Program Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Leone McDonnell & Roberts
Professional Association

October 21, 2019
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

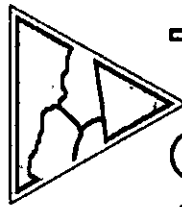
1. The auditors' report expresses an unmodified opinion on the financial statements of Tri-County Community Action Program, Inc.
2. No significant deficiencies relating to the audit of the financial statements are reported in the *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Tri-County Community Action Program, Inc. which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs during the audit are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance in Accordance with the Uniform Guidance*.
5. The auditors' report on compliance for the major federal award programs for Tri-County Community Action Program, Inc. expresses an unmodified opinion on all major programs.
6. No audit findings that are required to be reported in accordance with 2 CFR 200.516(a) are reported in this Schedule.
7. The programs tested as major programs included:
 - U.S. Dept. of Health & Human Services, LIHEAP – CFDA #93.568
 - U.S. Dept. of Health & Human Services, Head Start – CFDA #93.600
 - U.S. Dept. of Energy, Weatherization Assistance for Low Income Individuals – CFDA #81.042
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Tri-County Community Action Program, Inc. was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None



TRI-COUNTY COMMUNITY ACTION

Serving Coös, Carroll & Grafton Counties since 1965

Helping People. Changing Lives.

BOARD OF DIRECTORS FY2020

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Sandy Alonzo

CARROLL COUNTY

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Julie Davis

GRAFTON COUNTY

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Tricia Garisson

Richard McLeod

CEO: Jeanne L. Robillard COO: Regan Pride CFO: Randall S. Pilotte
30 Exchange Street, Berlin NH 03570 P: 603-752-7001
www.tccap.org FB@TriCountyCommunityActionProgram

Jeanne L. Robillard

CORE STRENGTHS

Program development, management and administration • Community collaborations
Development of policy, protocol, and service delivery to meet funder standards
Grant writing and management • Budget performance and financial reporting
Innovative solutions & problem solving • Capacity building
Professional presentations • Public speaking
Dedication • Imagination • Determination • Fortitude

PROFESSIONAL EXPERIENCE

Tri-County Community Action Programs, Inc.
Chief Executive Officer
Berlin, NH 2018 - current FT employment

Tri-County Community Action Programs, Inc.
Chief Operating Officer
Berlin, NH 2016 - 2018

Responsible for the operations of six agency Divisions with 15 individual programs that provide over 60 consumer services across three counties of Northern New Hampshire. Essential duties include; supervision of Division Directors, oversee and monitor program resources, revenues, expenditures and budget performance; tactical oversight of programs to meet or exceed agency defined strategic goals; develop and implement strategies to improve individual programs and overall agency program and fiscal performance; oversee and lead special projects such as the Annual Report, Strategic Plan, Community Needs Assessment process, and work with Senior Management Team to develop new service initiatives. Provide tactical guidance to Division Directors to trouble shoot issues and problems in the daily operations of programs.

Tri-County Community Action Programs, Inc.
Division Director: TCCAP Prevention Services
Berlin, NH 2015- 2016

Responsible for four agency programs under the umbrella of TCCAP Prevention Services; oversee division resources, revenues, and expenditures and monitor budget performance; general oversight of programs to meet or exceed agency defined strategic goals; supervise program directors; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and agency; develop fundraising and marketing strategies for programs; represent program through participation in state and local initiatives relative to program/division goals and service delivery; collaborate with stakeholders and elected officials, including presenting legislative testimony.

Tri-County Community Action Programs, Inc.
Program/Division Director: Support Center at Burch House
Littleton, New Hampshire 2007- 2013

Oversee daily operation and supervision of domestic and sexual violence crisis center and residential shelter; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and parent agency; oversee program resources, revenues and expenditures, and monitor budget performance and progress toward strategic goals; create and direct victim advocacy programs to ensure compliance with grant deliverables and applicable state and federal law; develop fundraising and marketing strategies; participate in state and local collaborations to enhance victim services; represent program in state and federal victim service initiatives, including presentation of legislative testimony; create and present trainings for medical and legal professionals on legal standards and best practices for victim services.

RANDALL S. PILOTTE

SUMMARY

Accounting professional with over 29 years of experience, of which 21 years were with a single private manufacturer. 16 years of experience managing accounting professionals. Key competencies include:

Financial Statements	Accounts Payables	Inventory	Fixed Assets
Payroll	Bank Reconciliations	Accounts Receivables	Sales/Use Tax
Budgeting	Cash Flow Management	Audits	Forecasting

EXPERIENCE

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC., Berlin, NH

06/2013-Present

CFO (2017 – Present)

Work closely with the CEO, Treasurer and Finance Committee to identify performance goals for the Agency and to maintain systems to monitor performance against those goals. Plan, direct, coordinate, implement and evaluate the financial management systems and activities of the Agency with a budget of \$18M.

- Prepare/provides complete and accurate financial, statistical, and accounting records for the Agency and outside regulatory agencies.
- As a member of the senior management team, assists in the formulation and execution of corporate finance policies, objectives and programs.
- Prepares program and agency budgets in conjunction with the CEO and Program Directors. Plan, direct, coordinate, implement and evaluate fiscal performance reviews of Tri-County CAP's divisions.
- Hire, train, direct and evaluate employee performance within the department; recommend promotions and salary adjustments.
- Provides supervision and direction for the Facilities Management Team, ensuring that all mortgages, leases and covenants are maintained for Tri-County CAP's facilities. Creation of five-year capital plan.
- Reviews cash flows for each division, monitor cash management practices, and monitor investments associated with each property.
- Prepared five-year debt reduction plan.

Fiscal Director/Interim CFO (2016 – 2017)

- Direct and manage a fiscal staff of 5 and processes associated with the general ledger, payroll, and accounts payable, accounts receivable, cash receipts and fixed assets.
- Prepare and supervise the production of financial statements including Balance Sheet, Revenue and Expense Reports, and Cost Summaries on a monthly and annual basis.
- Maintain proper accounting controls on grants and contributions to ensure accurate revenue reporting and expense tracking to support periodic monitoring's by funders and auditors.
- Ensure all balance sheet, revenue and expense accounts are analyzed and reconciled periodically.
- Collaborate with Division Directors to monitor departmental revenue and expenses versus budget.
- Worked with the CFO to develop real time monthly and annual financial reporting; and implementing departmental goals.
- Prepare audit schedules for external auditors.
- Collaborate with external auditors in completing annual audit in a timely manner.

Accounting Manager (2015-2016)

Sr. Accountant (2013-2014)

RANDALL PILOTTE RESUME:

REGAN L. PRIDE

SUMMARY

My experience spans the fields of engineering, computer technology, education, and public administration. This unique combination brings a wide array of knowledge and skills to the table for your organization. I am a team player, a patient trainer, and adept at interpersonal relations.

RELEVANT KNOWLEDGE AND SKILL AREAS

- Confidence in public speaking for business and technical applications, and instructional settings
- Strong writing skills and interpersonal communication skills, ability to teach others, and build consensus
- Approachable, warm and personable style in teaching classes and interacting with colleagues
- Robust education in mathematics, engineering and general science topics
- Fluency with entire Microsoft Office application suite.
- Fluency with AutoCAD computer-aided drafting software
- Familiarity with ArcView GIS software.
- Familiar with Avante Enterprise Resource Planning software
- Familiar with BMSI fund accounting and Avitar assessing/tax billing software
- Adept at Macromedia/Adobe Dreamweaver MX web site design software

WORK EXPERIENCE

NORTH COUNTRY COUNCIL REGIONAL PLANNING COMMISSION, Littleton, NH

TITLE: Planner, 2012-2013 + 2015-2018

Managed solid waste technical assistance program funded by USDA Rural Development. Conducted "Full Cost Accounting" studies of municipal solid waste department operations. Reviewed and updated operating plans for municipal solid waste facilities. Organized household hazardous waste collection events. Created and delivered training programs for solid waste operator certification.. Created pilot programs to reduce & divert food waste from landfills in 4 communities.

2013-2014

INNOVATIVE STRUCTURAL BUILDING PRODUCTS

TITLE: Project Manager

Performed a variety of functions including business plan preparation and product development associated with a start-up company in the engineered wood sheathing industry. I created engineering drawings, built and tested prototypes, and assisted in marketing activities.

2000 - Present

ICANTOO ENTERPRISES, Lisbon, NH

TITLE: Owner, Computer Applications Consulting

Assistance and training with business and technical applications. Created customized solutions involving AutoCAD, MS Word, MS Excel, MS Access software applications. I also perform web site HTML and CGI development, hardware setup, upgrades, and troubleshooting.

Recent clients/projects include:

- New England Electric Wire Corp - Implementation of Avante MRP & APS scheduling software, computerized WIP labeling system, computer workstation installations, user/operator training.
- Littleton, NH Senior Softball League - custom programming and support of statistical software
- Louisiana Corporate Credit Union - Web site design and maintenance.
- Brammer Creek - Web site design for wholesale food distributor.



Kristy Letendre

"If human beings are perceived as potentials rather than problems, as possessing strengths instead of weaknesses, as unlimited rather than dull and unresponsive, then they thrive and grow to their capabilities."

~Barbara Bush

Experience

May 2019–Present

Division Director • TCCAP, Inc. Prevention

Responsible to provide Sr. Leadership and oversight to the development, design, daily operation, compliance, and financial solvency of the programs and facilities under Prevention Services which include Guardianship Services; Homeless Programs, including Tyler Blain Homeless Shelter, and Advocacy and Support Services for Victims of Domestic Violence and Sexual Assault, including Emergency Shelter Services at the Support Center at Birch House

Sept 2018–Present

Division Operations Coordinator • TCCAP, Inc. Prevention

Responsible for monitoring compliance of grant deliverables and legal / ethical integrity of programs and services offered throughout the Division. Responsible to compile and analyze division data; reporting trends and outcomes to Sr. management and local stakeholders. Responsible to develop, review, and update program written policy, procedures, and work flows. Responsible for program development and oversight.

May 2017–August 2018

North Country SUD Continuum of Care Facilitator / Lead Transition Coordinator • North Country Health Consortium

COCF: The North Country Region's designated state liaison responsible to work with regional key stakeholders to conduct a comprehensive assets and gaps analysis; reporting back findings to NH DHHS and facilitate the development of a comprehensive plan aimed to create a robust, effective, and well-coordinated Continuum of Care (CoC) in the North Country for addressing substance use disorders (SUD) that include health, prevention, early identification/intervention, treatment and recovery supports. Responsible for community education and engagement.

LTC: Responsible to oversee the merger and acquisition of the Division of Alcohol and other Drug Services, including the region's 32-bed residential treatment facility. Responsible to provide Technical Assistance with Program Development, transfer of State, Federal, and Commercial contracts, initial Credentialing and Licensure of the new treatment facility following construction completion, and managing preparation for CARF Accreditation.

Carolyn Towne

SUMMARY OF QUALIFICATIONS

A dynamic and passionate self-starter with diversified experience and strong interest in non-profit and social service organizations, working with underserved populations, and crisis intervention services.

PROFESSIONAL EXPERIENCE

Tri-County Community Action Program Director of Housing Supports

2018-Present

- Supervise a team of 5 including 4 Homeless Intervention and Prevention Specialists and 1 Housing Stabilization Coordinator.
- Oversee the operations of and report on program's grant and loan programs to include PATH, ESG, EHP, PSH, HSGP, and HHARLF.
- Assist with completing grant/funding applications and represent TCCAP homeless programs at local, State, and other levels.
- Maintain good working relationship with State and other funders as well as other service providers.
- Assist with developing new programs to help address homelessness in the North Country.
- Agency Administrator for HMIS.

Families in Transition Housing Advocate

2016-2018

- Provided individual case management services for participants in transitional housing, permanent supportive housing and shelter.
- Supported participants in creating an action plan and achieving individual goals related to obtaining and/or maintaining stable housing, recovering from SUD, improving financial management skills, obtaining/maintaining mainstream benefits, improving physical and/or mental health, obtaining gainful employment and/or increasing education, improving parenting skills, and engaging in activities of daily living.
- Connected participants to community resources and benefits while communicating with collateral contacts as needed to coordinate appropriate level of care, support with navigating systems, and facilitate stable housing.
- Coordinated and facilitate workshops related to programming such as program orientation, apartment maintenance, self-care, employment, financial management, and program graduation.
- Maintained caseload files and document services in a timely manner.

The Support Center at Burch House Education and Outreach Coordinator

2015-2016

- Provided violence prevention education and outreach presentations to schools, community groups, social service agencies, police departments, and medical personnel, including the creation and distribution of relevant educational brochures.
- Provided direct services to victims and survivors of domestic violence, sexual violence and stalking and their families to include court accompaniment, crisis intervention via hotline, and accompaniment to child advocacy center.
- Outreached the community, in-person and via social networking, to increase awareness of the impact of domestic and sexual violence on victims, their families, and the community and to inform of services offered by the agency and ways to access these services.
- Created and managed online donation opportunities.

Families in Transition Housing Program Manager (2013 - 2015)

2010-2015

- Supervised a team of 5 Housing Advocates and managed the agency's housing program, consisting of 17 buildings and 200+ units of housing for 180 clients.
- Provided oversight and managed the supportive services provided to the housing program participants including: Workshops, individual case management, special events, and back-up for the 24hr crisis line.

- Collaborated with other community providers in order to ensure the success of housing participants.
- Collaborated with colleagues to develop, implement, and evolve programming.
- Collaborated on and provided oversight of housing program's strategic plan to ensure that programming and services were focused on goals, following strategies outlined, and meeting outcome expectations.
- Presented program outcomes to senior management team on a quarterly basis.
- Collaborated with the Chief Operating Officer to create, update, and implement housing program policies.
- Attended weekly LADC/Clinical supervision and attended continuing education trainings to ensure best services possible provided to participants.

Housing Advocate (2010- 2015)

- Provided individual case management services for participants.
- Supported participants in creating an action plan and achieving individual goals related to obtaining and/or maintaining stable housing, recovery from SUD, improving financial management skills, obtaining/maintaining mainstream benefits, improving physical and/or mental health, obtaining gainful employment and/or increasing education, improving parenting skills, and engaging in activities of daily living.
- Connected participants to community resources and communicated with collateral contacts as needed to coordinate appropriate level of care and facilitate stable housing.
- Coordinated and facilitated workshops related to programming such as program orientation, apartment maintenance, self-care, employment, financial management, and program graduation.
- Maintained caseload files and document services in a timely manner.

YWCA Supervised Visitation and Child Exchange Center, Manchester, NH 2007-2014

Visit Supervisor

- Facilitated a safe and neutral environment for court ordered supervised visits and exchanges between a child(ren) and their nonresidential parent.
- Responsible for supervising contact between child(ren) and non-residential parent during the visit.
- Ensured strict adherence to the center's policies and procedures by providing clear direction and redirection as needed during the visit.
- Documented objective observations before, during, and after visits.

Child and Family Services, Laconia, NH 2009-2010

Parent Aide

- Supervised visits between child(ren) in placement and their parent(s). Modeled appropriate parenting techniques and provided coaching regarding life skills.
- Supported parent(s) with identifying and accessing appropriate community resources.
- Completed treatment plans, assessments, and documentation of visit notes in a timely manner.

Fellowship Housing Opportunities, Concord, NH 2007-2009

Community Integration Coordinator

- Provided direct care and support with symptom management and activities of daily living in a residential setting for people suffering with severe and persistent mental illness.
- Coordinated and provided therapeutic behavioral services and medication support services to clients suffering with severe and persistent mental illness to clients within the residence and in the community.
- Resolved medication issues via communication with client, outreach staff, pharmacy personnel and client's treatment team as needed.

EDUCATION and SKILLS

BA in Psychology, Summa Cum Laude, University of New Hampshire at Manchester, Manchester NH
 Certified trainer in Connect Suicide Prevention and Postvention Curriculum
 Certified CALM (Counsel on Access to Lethal Means) Trainer
 Proficient in Microsoft Office Suite

ADDITIONAL CONTINUING EDUCATION QUALIFICATIONS

- Motivational Interviewing: Advancing the Practice
- Dialectical Behavioral Therapy for Case Managers
- Brazelton Touchpoints
- Trauma-Informed Care
- Cognitive Behavioral Therapy for Case Managers
- Relational Cultural Theory
- Evidence-Based and Strength-Centered Case Management
- SOAR

Tri-County Community Action Program, Inc.

COC CE-PSHI Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Jeanne Robillard	Chief Executive Officer	\$115,000	0%	0%
Randal Pilote	Chief Financial Officer	\$75,000	0%	0%
Regan Pride	Chief Operations Officer	\$70,000	0%	0%
Kristy Letendre	Prevention Division Director	\$53,000	10%	\$5,300.00
Carolyn Towne	Director of Housing supports	\$45,000	28%	\$12,600.00



Jeffrey A. Meyers
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

May 28, 2019

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 sole source agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHNH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHNH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			Total:	\$1,606,764

Funds are available in the following account for State Fiscal Year 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

05-95-42-423010-7927 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: HUMAN SERVICES, HOMELESS & HOUSING, HOUSING- SHELTER PROGRAM

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			Total	\$1,606,764

EXPLANATION

These requests are sole source because federal regulations require the Department to specify each vendor's name 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 (HUD) 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 attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.

Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

- A strategic planning process for addressing homelessness in the community.
- A process to engage broad-based, community-wide involvement in addressing homelessness on a year-round basis.
- An opportunity for communities to submit an application to the U.S. Department of Housing and Urban Development for resources targeting housing and support services for homeless individuals and families.

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

- Annual compliance reviews shall be performed that include the collection of data relating to compliance with administrative rules and contractual agreements.
- Statistical reports shall be submitted on a semi-annual basis from all funded vendors, including various demographic information and income and expense reports including match dollars.
- All vendors funded for rapid re-housing, transitional, permanent or coordinated entry housing, or outreach/supportive services will be required to maintain timely and accurate data entry in the New Hampshire Homeless Management Information System, unless they are required by law to use an alternate means of data collection. The NH Homeless Management Information System will be the primary reporting tool for outcomes and activities of shelter and housing programs funded through this contract.

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, 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 these requests, Permanent Housing and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families 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. It may also cause individuals and/or families to become homeless.


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.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner


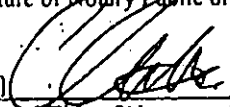
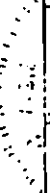
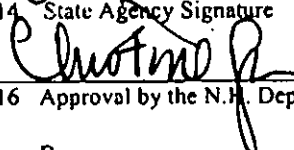
Subject: Continuum of Care, Permanent Supportive Housing I, Expansion Program, SS-2020-BHS-04-PERMA-25

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 Tri-County Community Action Program, Inc		1.4 Contractor Address 30 Exchange Street Berlin, NH 03570	
1.5 Contractor Phone Number 603-752-7001	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date 06/30/2020	1.8 Price Limitation \$88,959
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 Jeanne Robillard CEO	
1.13 Acknowledgement: State of New Hampshire , County of <u>Cook</u> On <u>5/22/19</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  (Seal)  CHRISTINA MORIN, Notary Public State of New Hampshire My Commission Expires December 19, 2023			
1.13.2 Name and Title of Notary or Justice of the Peace Christina Morin Notary Public			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Christine Sanhian, DE's Director	
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>SEA</u> (K. Allen Prati) On: <u>6/4/19</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 Supportive Housing Program

1. Provisions Applicable to All Services

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided 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 (BHS)
129 Pleasant Street
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 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 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.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be 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. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

[Signature]
5/22/19



Exhibit A

- 1.10. 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 Services

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a permanent supportive housing program through the expansion project that delivers six (6) scattered site apartments for individuals experiencing chronic homelessness, and which includes, but is not limited to:
- 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
- 2.2.2. The development 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 must 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).
- 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.

JK
5/22/19



Exhibit A

- 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, 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 must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
 - 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
 - 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, 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 must 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 has 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 must 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 must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were 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).

JK
5/22/19



Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 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.
- 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the 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 as required by this Agreement and state and federal laws and regulations;
- 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not 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 the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (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


5/22/19



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 HUD New Project Application, federal fiscal year 2018, #SF-424, dated September 07, 2018; and
 - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
 - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. 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 a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.
- 6.2. The Contractor shall provide a permanent supportive housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.
 - 6.2.1. Project outcomes shall include, but are not limited to:
 - 6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.
 - 6.2.1.2. Participants experience increased connections to:
 - 6.2.1.2.1. Financial resources such as SSI/SSDI, SNAP and cash assistance through applications done with the assistance of the case manager;
 - 6.2.1.2.2. Increased employment through availability of job training/resume writing courses; and
 - 6.2.1.2.3. A decrease in the use of emergency services such as hospitals, jails and shelters.
- 6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

JR
5/22/19



New Hampshire Department of Health and Human Services
Continuum of Care Program

Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1. Permanent Supportive Housing Program Funding

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
 - 1.2.1. NH General Fund: 0%
 - 1.2.2. Federal Funds: 100%
 - 1.2.3. CFDA #: 14.267
 - 1.2.4. Grant Number: NH0020L1T001811
 - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
 - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing
 - 1.2.7. Total Amount Continuum of Care;
 - 1.2.7.1. not to exceed \$88,959
 - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
 - 1.2.8.1. Rental Assistance: \$55,440
 - 1.2.8.2. Supportive Services: \$29,586
 - 1.2.8.3. Administrative Expenses: \$3,933
 - 1.2.8.4. Total program amount: \$88,959
- 1.3. The Contractor agrees to 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
129 Pleasant Street
Concord, NH 03301
- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.

JK
5/8/19



**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 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/Grant completion date.

3. Project Costs; Payment Schedule; Review by the State

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 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).

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 are to be documented with each payment request.
- 3.3.3. The Contractor must 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. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
- 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
- 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
- 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
- 3.3.3.4. 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, subject to the availability of sufficient funds.

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. 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 Section 1.2. Exhibit B.

3.4.5. Schedule of Payments:

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) 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.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:
housingsupportsinvoices@dhhs.nh.gov
- 3.4.5.3. 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.

3.5. 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 or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 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 the terms and conditions of this Agreement.

JK
5/22/19



**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

4. Use of Grant Funds

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

5. Expense Eligibility

- 5.1. 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.

5.2. Operating Expenses:

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. 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);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.3. Supportive Services

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. 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;


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**New Hampshire Department of Health and Human Services
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- 5.3.2.4. 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;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. 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;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. 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;
- 5.3.2.10. 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 the 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;
- 5.3.2.11. 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;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. 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;
- 5.3.2.14. 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;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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New Hampshire Department of Health and Human Services
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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 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);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section 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; and
- 5.3.2.19. 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.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
 - 5.4.3.1. Short term, up to 3 months of rent;
 - 5.4.3.2. Medium term, for 3-24 months; or
 - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. 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.
- 5.4.6. 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.
- 5.4.7. 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.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

5.4.9.1. 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.

5.4.9.2. 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.

5.4.9.3. 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.

5.4.9.4. 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.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

5.5.1.1. 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; and

5.5.1.2. 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:

5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.

5.5.1.2.1.1. 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:

JK

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**New Hampshire Department of Health and Human Services
Continuum of Care Program**

Exhibit B

- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. 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;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

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.

[Handwritten Signature]
5/22/19



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5.6.1. Requirements:

- 5.6.1.1. 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.
- 5.6.1.2. Leasing individual units. When the grants 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.
- 5.6.1.3. 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 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.
- 5.6.1.4. 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.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8).
- 5.6.1.9. 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.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. 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.

JR
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Continuum of Care Program**

Exhibit B

- 5.7. 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.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

6. Contractor Financial Management System

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

JK
5/22/19



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;

Exhibit C - Special Provisions

Contractor Initials

JK

Date 5/22/19



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
 - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
 - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
 - 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

New Hampshire Department of Health and Human Services
Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) 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

Exhibit C – Special Provisions

Contractor Initials

JK

Date

5/22/19



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP 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 EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP 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

JR

5/22/19

New Hampshire Department of Health and Human Services
Exhibit C



- 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.

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5/22/19



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 two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

JR



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 GRANTEEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

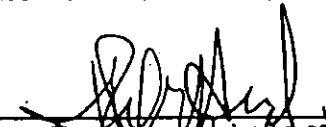
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Vendor Name: Tri-County Community Action Programs, Inc

5/22/19
Date


Name: Jeanne Robillard
Title: CEO

Vendor Initials JR
Date 5/22/19



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: Fr. County Community Action Programs, INC.

5/22/19
Date

[Signature]
Name: Joanne Robillard
Title: CEO

Exhibit E - Certification Regarding Lobbying

Vendor Initials JK

Date 5/22/19



**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

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5/22/19

New Hampshire Department of Health and Human Services
Exhibit F



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

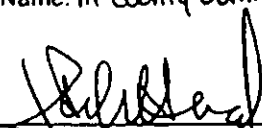
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name: Tri-County Community Action Programs, Inc.

5/22/19
Date


Name: Jeanne Robillard
Title: CEO



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Vendor Initials

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

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: Tri-County Community Action Programs, Inc.

5/22/19
Date

[Signature]
Name: Jeannet Robillard
Title: CEO

Exhibit G

Vendor Initials [Signature]

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Date 5/22/19



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: In-County Community Action Program, INC.

5/22/19
Date

[Signature]
Name: Jeanne Robillard
Title: CEO

Vendor Initials JR
Date 5/22/19



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.

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5/22/19



Exhibit I

- l. **"Required by Law"** shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. **"Secretary"** shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. **"Security Rule"** shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. **"Unsecured Protected Health Information"** means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. **Other Definitions** - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
- I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business

JA



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

3/2014

Vendor Initials

JK

Date 5/22/19



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

3/2014

Vendor Initials

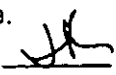

Date 5/22/19



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

Christina Samanelli
Signature of Authorized Representative

Christina Samanelli
Name of Authorized Representative

Director, D3.115
Title of Authorized Representative

5/29/19
Date

Tri-County Community Action Programs, INC.
Name of the Vendor

[Signature]
Signature of Authorized Representative

Jeanne Robillard
Name of Authorized Representative

Chief Executive Officer
Title of Authorized Representative

5/22/19
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: Tri-County Community Action Programs, INC.

5/22/19
Date

[Signature]
Name: Judith Robillard
Title: CEO

Vendor Initials [Signature]
Date 5/22/19

New Hampshire Department of Health and Human Services
Exhibit J



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: 073975708
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO _____ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

_____ NO _____ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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5/22/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

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5/22/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. **Application Encryption.** If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. **Computer Disks and Portable Storage Devices.** End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. **Encrypted Email.** End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. **Encrypted Web Site.** If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. **File Hosting Services, also known as File Sharing Sites.** End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. **Ground Mail Service.** End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. **Laptops and PDA.** If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. **Open Wireless Networks.** End User may not transmit Confidential Data via an open

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

JR
5/28/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
 1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
 2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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5/22/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

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Exhibit K

DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/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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- 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

[Handwritten Signature]
5/22/19

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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

SR
5/27/19