



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

Nicholas A. Toumpas
 Commissioner

Mary Ann Cooney
 Associate Commissioner

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June 29, 2015

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

Sole Source

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Human Services, Bureau of Homeless and Housing Services, to amend an existing **sole source** agreement with The Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health (Vendor # 154480-B001), 111 Church Street, Laconia, NH 03246, to provide permanent housing services through the Federal Continuum of Care program by increasing the price limitation by \$1,836 from \$37,670 to \$39,506, with no change to the current contract end date of January 31, 2016. The original contract was approved by the Governor and Executive Council on December 23, 2014 (Item # 13). 100% Federal Funds.

Funds to support this request are available in the following account in State Fiscal Year 2015 and anticipated to be available in State Fiscal Year 2016 upon the availability and continued appropriation of funds in the future operating budget, with the ability to adjust encumbrances in each of the State Fiscal Years through the Budget Office, if needed and justified, without further approval from the Governor and Executive Council.

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

| SFY | Class/Object | Class Title | Activity Code | Current Modified Budget | Increase (Decrease) Amount | Revised Modified Budget |
|------|--------------|--------------------------------|---------------|-------------------------|----------------------------|-------------------------|
| 2015 | 102-500731 | Contracts for Program Services | 42306040 | \$15,696 | \$0.00 | \$15,696 |
| 2016 | 102-500731 | Contracts for Program Services | 42306040 | \$21,974 | \$1,836 | \$23,810 |
| | | | Total | \$37,670 | \$1,836 | \$39,506 |

EXPLANATION

The original request was **sole source** because federal regulations require the Department to specify the vendor's name during the federal, Continuum of Care application process prior to the grant award being issued. The U.S. Department of Housing and Urban Development scores the applications, then awards funding based on their criteria. The Bureau of Homeless and Housing Services receives notification of the awards from the U.S. Department of Housing and Urban Development several months later. Further, the Department cannot begin new agreements with the community-based agencies prior to their current contract completion dates.

The purpose of this amendment is to add funds to the original contract from the U.S. Department of Housing and Urban Development Continuum of Care, Permanent Supportive Housing Program because the Department has been notified that the grant award is larger than previously estimated.

Working under the Continuum of Care program, funded by the US Department of Housing and Urban Development, the vendor will continue to provide permanent housing for seven (7) or more individuals at the Genesis Behavioral Health Summer Street facility in Laconia, NH. A comprehensive supportive services network is provided to meet housing needs for handicapped individuals and to promote the ability of participants to live more independently. Performance is monitored through the required submission of quarterly and annual progress reports regarding the achievements of the program and the individuals it serves as well as ongoing data reporting in the Homeless Management Information System.

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 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, and 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.

Should Governor and Executive Council determine not to approve this request, permanent housing services in Laconia New Hampshire for seven (7) or more individuals with disabilities and their families may not be available. This could result in additional new homeless cases causing an increase in demand for services placed upon the region's local welfare authorities. People who are without housing and resources will resort to seeking shelter in places that are not fit for habitation, or will attempt to travel to shelters in other communities. This will increase the likelihood that people who are homeless will be in danger of injury or death, and will be cut off from basic supports for housing, health, education and treatment. Additionally full and part-time jobs may be lost since the shelter and/or resource agency may have to close its doors or reduce staff.

Area served: Belknap and Grafton Counties.

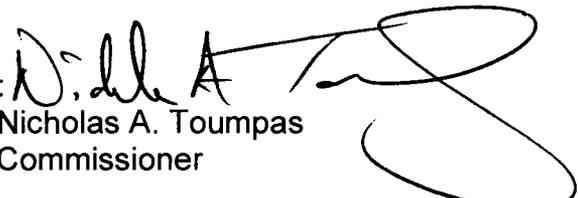
Source of funds: 100% Federal Funds from the United States Department of Housing and Urban Development Continuum of Care Permanent Supportive Housing Program, Office of Community Planning and Development, Federal Grant Number NH0002L1T001406, Code of Federal Domestic Assistance Number (CFDA) #14.267.

In the event that the federal funds become no longer available, general funds will not be requested to support this program.

Respectfully submitted,



 Mary Ann Cooney
Associate Commissioner

Approved by: 
Nicholas A. Toumpas
Commissioner



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

This first Amendment to the Continuum of Care Program Contract (hereinafter referred to as "Amendment # 1") dated this 9th day of June, 2015, 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. d/b/a Genesis Behavioral Health (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business located at 111 Church Street, Laconia, NH 03246.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on December 23, 2014 (Item #13), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

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

WHEREAS, pursuant to form P-37 General Provisions, Paragraph 18, the State may at its sole discretion, amend the Contract by written agreement of the parties upon Governor and Executive Council Approval; and

WHEREAS the parties agree to increase the price limitation, reduce the completion date and change the payment terms; and

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

To amend as follows:

1. Form P-37, General Provisions, Block 1.8, to read:
\$39,506
2. Delete Exhibit B, Method and Conditions Precedent to Payment, Continuum of Care Program, and replace with Exhibit B - Amendment # 1, Method and Conditions Precedent to Payment Continuum of Care, Permanent Housing Program.
3. Delete Exhibit C, Special Provisions, and replace with Exhibit C Amendment # 1, Special Provisions.
4. Delete Exhibit G, Certification Regarding The Americans with Disabilities Act Compliance, and replace with Exhibit G Amendment # 1, 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
Continuum of Care Program
Amendment # 1

Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement, and the obligations of the parties there under, shall remain in full force and effect in accordance with the terms and conditions set forth herein.

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

6/30/15
Date

Mary Ann Cooney
for Mary Ann Cooney
Associate Commissioner

The Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health

June 23, 2015
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director

Acknowledgement:

State of NH, County of Belknap on June 23, 2015, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Jawn H. LaGrace, Notary
Name and Title of Notary or Justice of the Peace



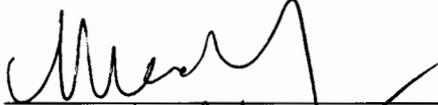
**New Hampshire Department of Health and Human Services
Continuum of Care Program
Amendment # 1**

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

OFFICE OF THE ATTORNEY GENERAL

7/6/15

Date



Name: Megan A. Taylor
Title: Attorney

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:



METHOD AND CONDITIONS PRECEDENT TO PAYMENT

Continuum of Care, Permanent Housing Program

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

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

NH General Fund: Not applicable
Federal Funds: 100%, Grant Number NH0002L1T001406
CFDA #: 14.267
Federal Agency: U.S. Department of Housing & Urban Development
Program Title: Continuum of Care, Permanent Housing Program

Total Amount Continuum of Care, Permanent Housing Program;

February 1, 2015 – January 31, 2016: not to exceed \$39,506

Funds allocation under this agreement for Continuum of Care, Permanent Housing Program;

Operating Cost: \$38,540

Administrative Costs: \$966

Total program amount: \$39,506

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. REPORTS

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

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

2.2. Where the Contractor is not subject to the requirements of OMB Circular A-133, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.



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

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.
- 3.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.
- 3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part 578.

4. USE OF GRANT FUNDS

- 4.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.
- 4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.

mp

6/23/15



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- 4.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.
5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM
- 5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 5.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 of this Agreement.



SPECIAL PROVISIONS

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

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



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

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

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



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

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current 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.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



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

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

Contractor 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- Amendment #1

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

Contractor Initials mf

Date 4/23/15



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

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

Contractor Name: *The Lakes Region Mental Health Center, Inc., d/b/a Genesis Behavioral Health*

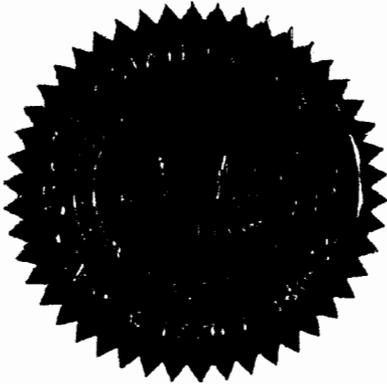
June 23, 2015
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director

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 formed July 14, 1969. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 7th day of April, A.D. 2015

A handwritten signature in black ink, which appears to read 'William M. Gardner'. The signature is written in a cursive style and is positioned above the printed name and title.

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of The Lakes Region Mental Health Center, Inc., d/b/a Genesis Behavioral Health.
(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 June 23, 2015:
(Date)

RESOLVED: That the Executive Director
(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 23 day of June, 2015.
(Date Contract Signed)

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

of the Agency.

Susan L Stearns
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Belknap

The forgoing instrument was acknowledged before me this 23 day of June, 2015.

By Susan Stearns
(Name of Elected Officer of the Agency)

Dawn H Lacroix
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires:



Mission Vision & Values

The mission of Genesis Behavioral Health is to provide essential services that enhance the emotional and mental health of our communities.

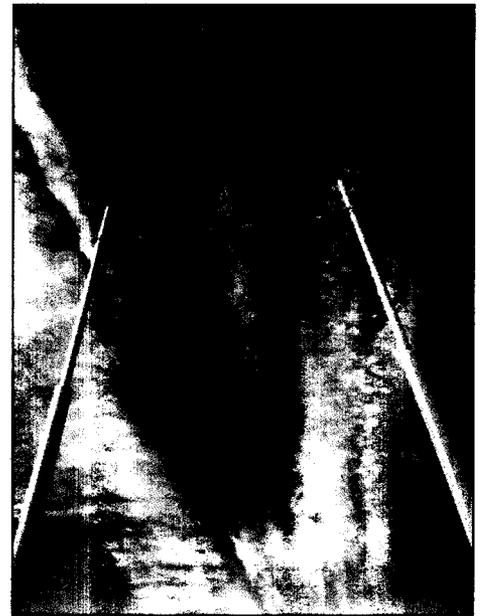
(Revised June 2012)

Our Vision

Genesis Behavioral Health is the leading health care provider recognized for its excellence in delivering accessible, quality mental health care and support in our communities.

Our Values

| | |
|--------------------|---|
| RESPECT | We conduct our business and provide services with respect and professionalism. |
| ADVOCACY | We advocate for those we serve through enhanced collaborations, community relations and political action. |
| INTEGRITY | We work with integrity and transparency, setting a moral compass for the agency. |
| STEWARDSHIP | We are effective stewards of our resources for our clients and our agency's health. |
| EXCELLENCE | We are committed to excellence in all programming and services. |



Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health

FINANCIAL STATEMENTS

June 30, 2014

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
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June 30, 2014

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Kittell Branagan & Sargent

Certified Public Accountants

Vermont License #167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health

We have audited the accompanying financial statements of Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health (a nonprofit organization) which comprise the statement of financial position as of June 30, 2014, and the related statement of activities 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 Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health as of June 30, 2014, 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.

To the Board of Directors
of Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
Page 2

Other Matter

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 11-14 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.



St. Albans, Vermont
August 28, 2014

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF FINANCIAL POSITION
June 30, 2014

ASSETS

CURRENT ASSETS

| | |
|--|---------------|
| Cash | \$ 244,521 |
| Investments | 1,226,817 |
| Accounts receivable (net of \$508,000 allowance) | 1,185,882 |
| Prepaid expenses and other current assets | <u>43,865</u> |

TOTAL CURRENT ASSETS 2,701,085

PROPERTY AND EQUIPMENT - NET

1,379,226

OTHER ASSETS

| | |
|-----------------|---------------|
| Restricted cash | <u>47,448</u> |
|-----------------|---------------|

TOTAL ASSETS \$ 4,127,759

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

| | |
|---------------------------------|----------------|
| Accounts payable | \$ 187,606 |
| Current portion--long-term debt | 44,994 |
| Line of credit | 649,863 |
| Deferred income | 21,612 |
| Accrued vacation | 276,071 |
| Accrued expenses | <u>267,291</u> |

TOTAL CURRENT LIABILITIES 1,447,437

LONG-TERM DEBT, less current portion

462,631

TOTAL LIABILITIES 1,910,068

NET ASSETS

| | |
|------------------------|------------------|
| Temporarily restricted | 34,687 |
| Unrestricted | <u>2,183,004</u> |

TOTAL NET ASSETS 2,217,691

TOTAL LIABILITIES AND NET ASSETS \$ 4,127,759

See Notes to Financial Statements

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2014

| | <u>Unrestricted Funds</u> | <u>Temporarily Restricted Funds</u> | <u>All Funds</u> |
|--|-------------------------------|---|----------------------|
| PUBLIC SUPPORT AND REVENUES | | | |
| Public support - | | | |
| Federal | \$ 378,910 | \$ - | \$ 378,910 |
| State of New Hampshire - DBH | 264,117 | - | 264,117 |
| Other public support | <u>250,229</u> | <u>-</u> | <u>250,229</u> |
| Total Public Support | <u>893,255</u> | <u>-</u> | <u>893,255</u> |
| Revenues - | | | |
| Program service fees | 9,079,446 | - | 9,079,446 |
| Rental income | 62,328 | - | 62,328 |
| Other revenue | 35,084 | 5,000 | 40,084 |
| Net assets released from restriction | <u>12,802</u> | <u>(12,802)</u> | <u>-</u> |
| Total Revenues | <u>9,189,660</u> | <u>(7,802)</u> | <u>9,181,858</u> |
| | | | |
| TOTAL PUBLIC SUPPORT AND REVENUES | <u>10,082,915</u> | <u>(7,802)</u> | <u>10,075,113</u> |
| | | | |
| EXPENSES | | | |
| BBH funded program services - | | | |
| Children Services | 2,899,333 | - | 2,899,333 |
| Intake | 242,202 | - | 242,202 |
| Multi-service | 4,826,511 | - | 4,826,511 |
| ACT | 338,277 | - | 338,277 |
| Emergency Services | 602,408 | - | 602,408 |
| Housing Services | 206,439 | - | 206,439 |
| Non-Eligible | 661,701 | - | 661,701 |
| Non-BBH funded program services | <u>737,908</u> | <u>-</u> | <u>737,908</u> |
| TOTAL EXPENSES | <u>10,514,779</u> | <u>-</u> | <u>10,514,779</u> |
| | | | |
| DECREASE IN NET ASSETS FROM OPERATIONS | (431,864) | (7,802) | (439,666) |
| | | | |
| OTHER INCOME AND EXPENSES | | | |
| Investment income | <u>257,344</u> | <u>-</u> | <u>257,344</u> |
| | | | |
| TOTAL DECREASE IN NET ASSETS | (174,520) | (7,802) | (182,322) |
| | | | |
| NET ASSETS, beginning | <u>2,357,524</u> | <u>42,489</u> | <u>2,400,013</u> |
| | | | |
| NET ASSETS, ending | <u>\$ 2,183,004</u> | <u>\$ 34,687</u> | <u>\$ 2,217,691</u> |

See Notes to Financial Statements.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|--|------------------|
| Decrease in net assets | \$ (182,322) |
| Adjustments to reconcile to net cash provided by operations: | |
| Depreciation | 205,389 |
| Unrealized (gain) on investments | (173,223) |
| Realized (gain) on investments | (26,101) |
| (Increase) decrease in: | |
| Accounts receivable | (179,276) |
| Prepaid expenses | 12,320 |
| Increase (decrease) in: | |
| Accounts payable & accrued liabilities | 58,657 |
| Deferred income | <u>(132,610)</u> |

NET CASH (USED) IN OPERATING ACTIVITIES (417,166)

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|-------------------------------------|---------------|
| Purchases of property and equipment | (152,187) |
| Net investment activity | <u>65,061</u> |

NET CASH (USED) IN INVESTING ACTIVITIES (87,126)

CASH FLOWS FROM FINANCING ACTIVITIES

| | |
|---|----------------|
| Principal payments on long-term debt | (43,585) |
| Net proceeds from line of credit borrowings | <u>556,540</u> |

NET CASH PROVIDED BY FINANCING ACTIVITIES 512,955

NET INCREASE IN CASH 8,663

CASH AT BEGINNING OF YEAR 235,858

CASH AT END OF YEAR \$ 244,521

SUPPLEMENTAL DISCLOSURE

| | |
|----------------------------|------------------|
| Cash Payments for Interest | <u>\$ 48,859</u> |
|----------------------------|------------------|

See Notes to Financial Statements

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

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

Estimates

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

Income Taxes

Consideration has been given to uncertain tax positions. The federal income tax returns (Form 990) for the year ended June 30, 2011, remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

Depreciation

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

State Grants

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

Vacation Pay and Fringe Benefits

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

Revenue

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

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, 2014 totaled \$8,157,860, of which \$7,988,738 was revenue from third-party payers and \$169,122 was revenue from self-pay clients.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Third Party Contractual Arrangements

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

Temporarily Restricted Funds

Specific purpose funds are used to differentiate resources, the use of which is restricted by donors, from resources of general funds on which the donors place no restriction or that arise as a result of the operations of the Center for its stated purposes. Specific purpose contributions and other donor-restricted resources are recorded as additions to temporarily restricted net assets at the time they are received and as released from restrictions when expended for the purpose for which they were given. The earnings from these funds will be used to fund operations. For the year ending June 30, 2014 \$12,802 was released from restrictions.

Accounts Receivable

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

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.

During 2014, the Center increased its estimated percentage in the allowance for doubtful accounts from 30% to 33%. The allowance for doubtful accounts increased to \$508,000 as of June 30, 2014 from \$372,000 as of June 30, 2013. This was a direct result of total trade accounts receivable increasing to \$1,548,048 as of June 30, 2014 from \$1,237,550 at June 30, 2013.

Advertising

Advertising costs are expensed as incurred. Total costs were \$121,486 at June 30, 2014 and consisted of advertising costs of \$31,558 and recruitment costs of \$89,928.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

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:

| | |
|-----------------------------------|---------------------|
| Land, buildings and improvements | \$ 2,528,697 |
| Computer equipment | 863,104 |
| Furniture, fixtures and equipment | 1,537,242 |
| Vehicles | <u>76,688</u> |
| | 5,005,731 |
| Accumulated depreciation | <u>(3,626,505)</u> |
| NET BOOK VALUE | <u>\$ 1,379,226</u> |

NOTE 3 ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE – TRADE

| | |
|-------------------------------------|------------------|
| Due from clients | \$ 253,045 |
| Receivable from insurance companies | 173,864 |
| Medicaid receivables | 888,761 |
| Medicare receivables | <u>232,378</u> |
| | 1,548,048 |
| Allowance for doubtful accounts | <u>(508,000)</u> |
| Total Receivable - Trade | <u>1,040,048</u> |

ACCOUNTS RECEIVABLE – OTHER

| | |
|--------------------------|----------------|
| Housing Rent | 11,564 |
| UNH (IOD) | 9,000 |
| HUD | 31,675 |
| Grafton County | 5,750 |
| LDS | 6,350 |
| Belknap County | 8,550 |
| Mount Prospect Academy | 10,400 |
| Town Appropriations | 32,700 |
| NFI North, Inc. | 5,875 |
| BBH | 17,907 |
| Other Grants | <u>12,413</u> |
| Total Receivable - Other | <u>145,834</u> |

TOTAL ACCOUNTS RECEIVABLE \$ 1,185,882

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 4 LINE OF CREDIT

As of June 30, 2014, the Center had available a line of credit with an upper limit of \$1,400,000 with a local area bank. At that date, \$649,863 had been borrowed against the line of credit. These funds are available at a variable rate of interest, with a floor no less than 4.5% per annum. This line of credit expires November 27, 2014, 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, 2014 for each of the next four years and in the aggregate are:

| <u>June 30,</u> | <u>Amount</u> |
|-----------------|---------------|
| 2015 | \$ 275,825 |
| 2016 | 201,820 |
| 2017 | 136,211 |
| 2018 | 48,095 |
| 2019 | 7,998 |

Total rent expense for the year ended June 30, 2014, including rent expense for leases with a remaining term of one year or less was \$266,577.

The Center entered into a subscription agreement with a software vendor and is obligated to pay \$5,950 per month through May 31, 2016 in exchange for software subscription services. The amount is included in the above obligations.

NOTE 6 EMPLOYEE BENEFIT PLAN

The Center has the option to make contributions to a defined contribution 403(b) plan on behalf of its employees. This program covers substantially all full-time employees. During the year ended June 30, 2014 the total contributions into the plan were \$88,799. Total administrative fees paid into the plan for the year ended June 30, 2014 were \$9,346.

NOTE 7 RESTRICTED CASH

The Center maintains restricted depository accounts. At the balance sheet date the amounts are as follows:

| | |
|---------------------|------------------|
| Rural Development * | <u>\$ 47,448</u> |
|---------------------|------------------|

* Balance will accumulate per loan agreement to \$47,448 at a required monthly deposit of \$395. As of June 30, 2014 this required total had been accumulated and monthly deposits were no longer required.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 8 LONG-TERM DEBT

As of June 30, 2014, long-term debt consisted of the following:

| | |
|---|-----------------------------------|
| 5% mortgage note payable - Rural Development due in monthly aggregate installments of \$3,357 (including principal and interest) secured by land and buildings through May, 2027. | \$ 383,699 |
| 5% mortgage note payable - Rural Development due in monthly installments of \$597 (including principal and interest) secured by land and buildings through December, 2030. | 79,970 |
| 1% note payable - NH Health and Education Facilities due in monthly installments of \$1,709 (including principal and interest) secured by equipment through September, 2016. | <u>43,956</u> |
| Less: Current Portion | <u>507,625</u> <u>(44,994)</u> |
| | <u>\$ 462,631</u> |

Expected maturities for the next five years are as follows:

| Year Ending June 30, | |
|-------------------------|-------------------|
| 2015 | \$ 44,994 |
| 2016 | 46,467 |
| 2017 | 30,857 |
| 2018 | 28,838 |
| 2019 | 30,313 |
| Thereafter | <u>326,157</u> |
| | <u>\$ 507,625</u> |

NOTE 9 CONTINGENT LIABILITIES

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

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 10 INVESTMENTS

Investments consist of amounts invested in various Vanguard Equity and Bond Funds. At June 30, 2014, the status of these funds were as follows:

| | Cost | Unrealized Gain (Loss) | Market |
|-----------------|-------------------|---------------------------|---------------------|
| Large Blend | \$ 293,091 | \$ 112,263 | \$ 405,354 |
| Health | 153,212 | 47,698 | 200,910 |
| Large Growth | 149,090 | (287) | 148,803 |
| Mid-Cap Value | 141,764 | 80,171 | 221,935 |
| Short-Term Bond | 165,132 | 84,483 | 249,615 |
| Cash | 200 | - | 200 |
| | <u>\$ 902,489</u> | <u>\$ 324,328</u> | <u>\$ 1,226,817</u> |

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 | \$ 58,020 |
| Realized Gains | 26,101 |
| Unrealized Gains | 173,223 |
| | <u>\$ 257,344</u> |

NOTE 11 FAIR VALUE MEASUREMENTS

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

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.

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

NOTE 11 FAIR VALUE MEASUREMENTS (continued)

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, 2014. As required by professional accounting standards, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

NOTE 12 CONCENTRATIONS OF CREDIT RISK

The Center maintained cash balances at three financial institutions as of June 30, 2014. Accounts with these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of June 30, 2014, there were no cash balances at either of these institutions greater than the \$250,000 threshold and therefore all balances were fully insured by the FDIC.

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, 2014 is as follows:

| | |
|---------------------|--------------|
| Due from clients | 16 % |
| Insurance companies | 11 |
| Medicaid | 57 |
| Medicare | <u>15</u> |
| | <u>100 %</u> |

NOTE 13 SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Center has evaluated subsequent events through August 28, 2014, which is the date the financial statement was available to be issued. All events requiring recognition as of June 30, 2014, have been incorporated into the financial statements herein.

SUPPLEMENTARY INFORMATION

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Year Ended June 30, 2014

| | Accounts Receivable Beginning of Year | Gross Fees | Contractual Allowances and Other Discounts Given | Cash Receipts | Accounts Receivable End of Year |
|------------------------------------|--|----------------------|--|---------------------|--|
| CLIENT FEES | \$ 249,703 | \$ 1,539,776 | \$ (1,370,655) | \$ 165,779 | \$ 253,045 |
| BLUE CROSS / BLUE SHIELD | 54,999 | 557,698 | (252,120) | 307,313 | 53,264 |
| MEDICAID | 679,291 | 11,847,475 | (4,892,854) | 6,745,151 | 888,761 |
| MEDICARE | 167,610 | 1,335,961 | (861,180) | 410,013 | 232,378 |
| OTHER INSURANCE | 85,947 | 613,243 | (357,360) | 221,230 | 120,600 |
| ALLOWANCE FOR DOUBTFUL ACCOUNTS | <u>(372,000)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(508,000)</u> |
| TOTAL | <u>\$ 865,550</u> | <u>\$ 15,894,153</u> | <u>\$ (7,734,169)</u> | <u>\$ 7,849,486</u> | <u>\$ 1,040,048</u> |

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
ANALYSIS OF BBH REVENUES, RECEIPTS AND RECEIVABLES
For the Year Ended June 30, 2014

| | 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 |
|------------------------------|---|---|----------------------|--|
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| CONTRACT YEAR, June 30, 2014 | \$ - | \$ 264,117 | \$ (264,117) | \$ - |

| Analysis of Receipts Date of Receipt Deposit Date | <u>Amount</u> |
|---|-------------------|
| 07/23/13 | \$ 18,186 |
| 09/03/13 | 9,093 |
| 09/03/13 | 1,575 |
| 09/27/13 | 9,093 |
| 09/27/13 | 1,530 |
| 10/24/13 | 9,093 |
| 11/04/13 | 810 |
| 11/20/13 | 9,093 |
| 11/20/13 | 1,085 |
| 12/11/13 | 44,529 |
| 12/26/13 | 9,093 |
| 01/22/14 | 9,093 |
| 02/21/14 | 80,849 |
| 02/28/14 | 9,093 |
| 04/02/14 | 9,093 |
| 04/04/14 | 24,622 |
| 04/29/14 | 9,093 |
| 06/02/14 | 9,094 |
| Less: Federal Monies | <u>-</u> |
| | <u>\$ 264,117</u> |

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF FUNCTIONAL PUBLIC SUPPORT AND REVENUES
For the Year Ended June 30, 2014

| | Total Agency | Admin. | Total Programs | Children |
|--|----------------------|-----------------|----------------------|---------------------|
| Program Service Fees: | | | | |
| Net Client Fee | \$ 169,122 | \$ - | \$ 169,122 | \$ 6,829 |
| Blue Cross/Blue Shield | 305,578 | - | 305,578 | 54,120 |
| Medicaid | 6,954,621 | - | 6,954,621 | 3,409,406 |
| Medicare | 474,781 | - | 474,781 | - |
| Other Insurance | 253,758 | - | 253,758 | 21,929 |
| Program Sales: | | | | |
| Service | 921,585 | - | 921,585 | 13,290 |
| Public Support - Other: | | | | |
| United Way | 1,216 | 1,216 | - | - |
| Local/County Government | 161,720 | - | 161,720 | - |
| Donations/Contributions | 77,540 | 64,540 | 13,000 | 10,400 |
| Bureau Development | 966 | - | 966 | - |
| Other Public Support | 7,017 | 2,075 | 4,942 | 3,261 |
| DCYF | 1,770 | - | 1,770 | 1,770 |
| Federal Funding: | | | | |
| HUD Grant | 144,192 | - | 144,192 | - |
| Other Federal Grants | 234,718 | - | 234,718 | 31,015 |
| Rental Income | 62,328 | - | 62,328 | - |
| Investment Income | - | - | - | - |
| DBH & DS: | | | | |
| Community Mental Health | 264,117 | - | 264,117 | - |
| Other Revenues | 35,084 | 3,777 | 31,307 | 8,191 |
| Net Assets Released From Restriction | 12,802 | - | 12,802 | 3,074 |
| | <u>10,082,915</u> | <u>71,608</u> | <u>10,011,307</u> | <u>3,563,285</u> |
| Administration | <u>0</u> | <u>(71,608)</u> | <u>71,608</u> | <u>25,487</u> |
| TOTAL PUBLIC SUPPORT AND REVENUES | <u>\$ 10,082,915</u> | <u>\$ 0</u> | <u>\$ 10,082,915</u> | <u>\$ 3,588,772</u> |

| Multi -Service | ACT | Intake | Emergency Services | Housing Services | | Non Eligible | Non BBH Funded Programs |
|---------------------|-------------------|-------------------|-----------------------|-----------------------|----------------------|-------------------|-------------------------------|
| | | | | Apts. S.L. McGrath | Apts. S.L. Summer | | |
| \$ 72,832 | \$ 2,591 | \$ 9,655 | \$ 7,158 | \$ - | \$ - | \$ 70,057 | \$ - |
| 60,741 | - | 31,312 | 21,151 | - | - | 138,254 | - |
| 3,012,276 | 222,599 | 86,599 | 125,301 | - | - | 98,440 | - |
| 349,229 | 7,338 | 13,047 | 3,250 | - | - | 101,917 | - |
| 70,748 | - | 25,938 | 9,001 | - | - | 126,142 | - |
| 29,635 | 400 | - | - | - | - | 7,555 | 870,705 |
| - | - | - | - | - | - | - | - |
| - | - | - | 104,520 | - | - | 57,200 | - |
| - | - | - | - | - | - | - | 2,600 |
| 966 | - | - | - | - | - | - | - |
| 1,222 | 114 | 37 | 159 | - | - | 149 | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 42,154 | 102,038 | - | - |
| 199,761 | 3,233 | 13 | 40 | - | - | 656 | - |
| - | - | - | - | 34,757 | 27,571 | - | - |
| - | - | - | - | - | - | - | - |
| 5,000 | 150,000 | - | 109,117 | - | - | - | - |
| 15,114 | 255 | 380 | 1,334 | - | 2,419 | 1,633 | 1,981 |
| 8,762 | - | - | 966 | - | - | - | - |
| 3,826,286 | 386,530 | 166,981 | 381,997 | 76,911 | 132,028 | 602,003 | 875,286 |
| 27,368 | 2,765 | 1,194 | 2,733 | 550 | 944 | 4,306 | 6,261 |
| <u>\$ 3,853,654</u> | <u>\$ 389,295</u> | <u>\$ 168,175</u> | <u>\$ 384,730</u> | <u>\$ 77,461</u> | <u>\$ 132,972</u> | <u>\$ 606,309</u> | <u>\$ 881,547</u> |

Lakes Region Mental Health Center, Inc.
d/b/a Genesis Behavioral Health
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2014

| | <u>Total Agency</u> | <u>Administration</u> | <u>Total Programs</u> | <u>Children</u> |
|---|-----------------------------|-----------------------|-----------------------------|----------------------------|
| Personnel Costs: | | | | |
| Salary and wages | \$ 6,575,286 | \$ 553,161 | \$ 6,022,125 | \$ 1,644,270 |
| Employee benefits | 1,489,188 | 159,131 | 1,330,057 | 361,237 |
| Payroll Taxes | 456,618 | 37,964 | 418,654 | 114,315 |
| Substitute Staff | 217,398 | - | 217,398 | 2,964 |
| Client Evaluation/Services | 679 | - | 679 | 579 |
| PROFESSIONAL FEES AND CONSULTANTS: | | | | |
| Accounting/audit fees | 32,575 | 32,575 | - | - |
| Legal fees | 17,396 | - | 17,396 | 5,440 |
| Other professional fees | 28,621 | 22,069 | 6,552 | 1,122 |
| Staff Devel. & Training: | | | | |
| Journals & publications | 5,451 | 369 | 5,082 | 1,525 |
| In-Service training | 3,941 | - | 3,941 | 1,195 |
| Conferences & conventions | 34,484 | 1,545 | 32,939 | 12,130 |
| Other staff development | 15,820 | 2,579 | 13,241 | 7,780 |
| Occupancy costs: | | | | |
| Rent | 105,201 | 8,776 | 96,425 | 40,800 |
| Mortgage (Interest) | 24,375 | 2,681 | 21,694 | 6,638 |
| Heating Costs | 33,000 | 618 | 32,382 | 3,812 |
| Other Utilities | 81,165 | 4,180 | 76,985 | 19,987 |
| Maintenance & repairs | 124,558 | 9,462 | 115,096 | 29,060 |
| Consumable Supplies: | | | | |
| Office | 39,117 | 2,986 | 36,131 | 11,256 |
| Building/household | 23,535 | - | 23,535 | 6,071 |
| Medical | - | - | - | - |
| Other | 96,856 | 9,180 | 87,676 | 27,508 |
| Depreciation-Equipment | 118,470 | 8,689 | 109,781 | 28,514 |
| Depreciation-Building | 86,919 | 4,710 | 82,209 | 15,595 |
| Equipment rental | 18,396 | 1,346 | 17,050 | 5,093 |
| Equipment maintenance | 34,743 | 996 | 33,747 | 10,569 |
| Advertising | 121,487 | 6,992 | 114,495 | 62,904 |
| Printing | - | - | - | - |
| Telephone/communications | 251,852 | 10,483 | 241,369 | 72,407 |
| Postage/shipping | 25,440 | 234 | 25,206 | 9,432 |
| Transportation: | | | | |
| Staff | 193,744 | 1,772 | 191,972 | 75,830 |
| Clients | 35,918 | - | 35,918 | 85 |
| Assist to Individuals: | | | | |
| Client services | 71,579 | - | 71,579 | 43,714 |
| Insurance: | | | | |
| Malpractice/bonding | 31,099 | 8,699 | 22,400 | 5,652 |
| Vehicles | 2,020 | 65 | 1,955 | 301 |
| Comp. Property/liability | 22,908 | 1,372 | 21,536 | 4,970 |
| Membership Dues | 22,972 | 890 | 22,082 | 132 |
| Other Expenditures | 47,487 | 35,841 | 11,646 | 3,433 |
| Interest Expense | 24,483 | 24,483 | - | - |
| | <u>10,514,780</u> | <u>953,848</u> | <u>9,560,932</u> | <u>2,636,320</u> |
| Admin. Allocation | - | (953,848) | 953,848 | 263,013 |
| TOTAL PROGRAM EXPENSES | <u>\$ 10,514,780</u> | <u>\$ 0</u> | <u>\$ 10,514,779</u> | <u>\$ 2,899,333</u> |

| Multi-Service | ACT | Intake | Emergency Services | Housing Services | | Non-Eligible | Non BBH Funded Programs |
|---------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|-------------------------|
| | | | | Apts. S.L. McGrath | Apts. S.L. Summer | | |
| \$ 2,726,067 | \$ 198,178 | \$ 159,064 | \$ 363,200 | \$ 14,552 | \$ 34,890 | \$ 416,365 | \$ 465,539 |
| 607,550 | 47,039 | 32,666 | 84,571 | 3,496 | 8,393 | 84,818 | 100,287 |
| 194,381 | 13,996 | 10,863 | 25,353 | 1,031 | 2,472 | 28,857 | 27,386 |
| 155,054 | 1,748 | 528 | 7,343 | - | - | 19,518 | 30,243 |
| 100 | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 9,024 | 624 | 265 | 1,053 | - | - | 990 | - |
| 1,941 | 124 | 97 | 236 | - | - | 229 | 2,803 |
| 2,803 | 182 | 61 | 235 | - | - | 276 | - |
| 2,059 | 165 | 67 | 228 | - | - | 227 | - |
| 18,780 | 502 | 104 | 981 | - | - | 442 | - |
| 3,873 | 4 | 1 | 1,374 | - | - | 209 | - |
| 47,107 | 437 | 1,856 | 1,047 | - | - | 5,178 | - |
| 12,655 | 1,096 | 259 | 159 | - | - | 887 | - |
| 7,053 | 678 | 127 | 183 | 11,307 | 8,687 | 535 | - |
| 30,893 | 1,967 | 835 | 298 | 11,858 | 8,626 | 2,521 | - |
| 49,641 | 3,497 | 1,195 | 1,449 | 6,455 | 19,821 | 3,978 | - |
| 19,464 | 1,318 | 528 | 1,595 | - | - | 1,970 | - |
| 9,384 | 605 | 287 | 956 | 1,453 | 3,712 | 1,067 | - |
| - | - | - | - | - | - | - | - |
| 45,023 | 3,257 | 1,404 | 5,259 | - | - | 5,225 | - |
| 55,764 | 3,595 | 2,441 | 7,006 | 1,471 | 5,200 | 5,790 | - |
| 25,354 | 1,744 | 1,117 | 553 | 12,823 | 22,922 | 2,101 | - |
| 8,088 | 593 | 303 | 1,737 | - | - | 1,236 | - |
| 16,906 | 1,224 | 520 | 1,874 | 149 | 557 | 1,948 | - |
| 27,096 | 1,955 | 1,003 | 3,218 | - | - | 3,119 | 15,200 |
| - | - | - | - | - | - | - | - |
| 114,320 | 6,820 | 2,848 | 33,014 | 390 | 762 | 8,891 | 1,917 |
| 12,607 | 544 | 436 | 764 | - | - | 1,423 | - |
| 98,451 | 12,310 | 209 | 2,051 | - | - | 1,349 | 1,772 |
| 35,787 | 13 | 3 | 15 | - | - | 15 | - |
| 27,679 | 186 | - | - | - | - | - | - |
| 8,100 | 2,074 | 741 | 751 | - | - | 1,016 | 4,066 |
| 1,265 | 32 | 14 | 35 | 130 | 130 | 48 | - |
| 8,680 | 688 | 235 | 692 | 2,739 | 2,686 | 846 | - |
| 153 | 6 | 6 | 9 | - | - | 20 | 21,756 |
| 5,572 | 391 | 148 | 521 | - | 1,000 | 581 | - |
| - | - | - | - | - | - | - | - |
| 4,388,674 | 307,591 | 220,231 | 547,760 | 67,854 | 119,858 | 601,675 | 670,969 |
| 437,837 | 30,687 | 21,971 | 54,648 | 6,769 | 11,958 | 60,026 | 66,939 |
| <u>\$ 4,826,511</u> | <u>\$ 338,277</u> | <u>\$ 242,202</u> | <u>\$ 602,408</u> | <u>\$ 74,623</u> | <u>\$ 131,816</u> | <u>\$ 661,701</u> | <u>\$ 737,908</u> |

**Genesis Behavioral Health
Board of Directors Listing
October, 2014**

President: Susan Stearns

Vice President: Deborah Pendergast

Treasurer: Jim Hundrieser

Secretary: Jannine Sutcliffe

Members at Large: Lori Boelig
Joe Driscoll
Miller Lovett
Ed McFarland
Liz Merry
Carol Pierce
Jennifer Sereni
Cinda Shepard
Matthew Soza
Kim Sperry
Cinde Warmington
Kelley White, MD

Honorary Member: Esther Peters

Rosemary Schraeder

SKILLS

- Strong clinical judgment
- Excellent communication and critical thinking skills
- Ability to work independently
- Strong crisis management skills
- Supervisory, staff training, budget management skills
- Trained in CPT and DBT

EMPLOYMENT HISTORY

Clinical Coordinator 12/31/14 to present

Genesis Behavioral Health, 111 Church Street, Laconia, NH

Responsibilities include oversight of an interdisciplinary team that provides services to adult consumers in the Adult Services Department. Duties include however not limited to facilitating of team meetings on a weekly basis, providing individual supervision with clinical staff, conducting annual performance reviews. Assurance of quality and timely documentation of staff according to established standards. Educates and orients staff to program philosophy/values and goals to ensure understanding of, commitment to, and cohesiveness of program goals and vision. Have a general knowledge of programs costs, revenues and overall service delivery. Participate in the development of clinical programs designed to meet the needs of the client population. Individual therapy with a small caseload and intakes as needed.

Therapist 12/30/13 to 12/30/14

01/01/12 to 04/2013

Genesis Behavioral Health, 111 Church St, Plymouth, NH

Responsibilities include initial intake, evaluations, individual psychotherapy and facilitation of emergency mental health assessments including hospitalizations with adults who experience severe symptoms of mental illness. Development and facilitation of psychotherapy and skills training groups. Ongoing trainings and experience providing evidence based practices such as CPT and DBT

Adult Protective Social Worker III 4/2013 to 12/27/13

State of New Hampshire, Bureau of Elderly and Adult Services

3 Pine Street, Nashua, NH

Receives and records reports of adult abuse including assessing for investigation of abuse, exploitation or criminal neglect. Performs collateral and clinical interviews and gathers data relating to allegations to determine if there is imminent danger to the alleged victim. Analyzes and interprets complex data, policies and laws, to resolve investigated situations. Collaborates with law enforcement, legal authorities, courts, administrative hearings and other entities before, during and post investigation. Performs clinical and forensic assessments and follow up social work for problem resolution. Provides preventative education to families, facilities providers and collaborative organizations.

Case Manager

Genesis Behavioral Health, Tenney Mtn. Hwy, Plymouth, NH 7/2002 to 1/12

Moore Center Services, Titus Ave., Manchester, NH 1997 - 1998

White Mtn. Mental Health, Maple St., Littleton, NH 1993 - 1997

Case management responsibilities include the ongoing service of assessment, linking, monitoring and advocacy in a community setting to adults who suffer with mental illness and developmental disabilities that lack an adequate support system. Responsibilities include treatment planning, crisis management and psychotherapeutic intervention. Duties include facilitation of groups, ongoing trainings of various disorders, treatment modalities and evidence based practices.

Residential Coordinator

Moore Center Services, Titus Ave., Manchester, NH 1998 - 2000

The Residential Coordinator's responsibilities include hiring, training, evaluating and supervising residential staff. Responsibilities include coordinating the upkeep and maintenance of assigned properties including agency vehicles and equipment. The Coordinator is required to participate in development and monitoring of assigned program budgets in addition to understanding He-M laws in order to run the programs in a manner consistent with agencies policies and procedures.

Family Service Worker

NFI, Davenport School, Rte. 2, Jefferson, NH

FSW works closely with families, youth and foster families to provide intensive services directed towards the reunification of the child with his or her family or community in transitioning from shelter placement. FSW serves as liaison to link/network community resources with family's needs, consult with JSO/CPSW regarding case plans, updates, visitation plans and maintain active orientation towards family-centered treatment model.

EDUCATION

Master of Science in Mental Health Counseling 2011/ license eligible
New England College, Henniker, NH

BSHS 1993

Springfield College of Human Services, St. Johnsbury, VT

VOLUNTEER

Support Center for Domestic Violence and Sexual Assault, Littleton, NH
24 hour crisis line and advocacy 1993-1995

References available upon request

LRMHC, Inc. d/b/a Genesis Behavioral Health

Key Personnel

| Name | Job Title | Salary | % Paid from this Contract | Amount Paid from this Contract |
|--------------------|----------------------|----------|---------------------------|--------------------------------|
| Rosemary Schraeder | Clinical Coordinator | \$45,000 | Zero | None |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

EB



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

Nicholas A. Toumpas
Commissioner

Mary Ann Cooney
Associate Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9196 1-800-852-3345 Ext. 9196
Fax: 603-271-5139 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

November 13, 2014

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

G&C Approved

Date 12/23/14
Item # 13

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Human Services, Bureau of Homeless and Housing Services to enter into a **sole source** agreement with Lakes Region Mental Health Center, Inc., d/b/a Genesis Behavioral Health, 111 Church Street, Laconia, NH 03246, (vendor code 154480-B001) to provide Continuum of Care program services to homeless individuals in an amount not to exceed \$37,670; effective upon Governor and Council approval for the period of February 1, 2015 through January 31, 2016. The source of funding is 100% Federal Funds.

Funds are available in State Fiscal Year 2015, and anticipated to be available in State Fiscal Year 2016, to support this request in the following account with the ability to adjust encumbrances in each of the State Fiscal Years through the Budget Office if needed and justified.

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

| SFY | Class/Object | Class Title | Activity Code | Budget |
|------|--------------|--------------------------------|---------------|-----------------|
| 2015 | 102-500731 | Contracts for Program Services | 42306040 | \$15,696 |
| 2016 | 102-500731 | Contracts for Program Services | 42306040 | \$21,974 |
| | | | Total: | \$37,670 |

EXPLANATION

This request is **sole source** because the U.S. Department of Housing and Urban Development regulations require the Department to specify the vendor's names during the federal application process prior to the grant awards being issued. The Department has administered this program for over twenty (20) previous rounds of federal funding, and has not yet been notified of the funding amounts available from the U.S. Department of Housing and Urban Development. However, the Department executed this contract for anticipated funding such that when the federal funds do become available, vendor access to the funds will allow continuation of services to homeless individuals without interruption. The agreement provides prospective funds from the U.S. Department of Housing and Urban Development Supportive Housing Demonstration, Permanent Housing for the Handicapped Homeless program. This program is subject to the US Department of Housing and Urban Development application and award process. Funds are administered by the Department of Health and Human Services.

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

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

Working under the Continuum of Care program, funded by the US Department of Housing and Urban Development, the vendor will provide permanent housing for seven (7) or more individuals at the Genesis Behavioral Health Summer Street facility. A comprehensive supportive services network will be provided to meet housing needs for handicapped individuals and to promote the ability of participants to live more independently. Performance is monitored through the required submission of quarterly and annual progress reports regarding the performance of the program and the individuals it serves as well as ongoing data reporting on the Homeless Management Information System.

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

Area served: Belknap and Grafton Counties.

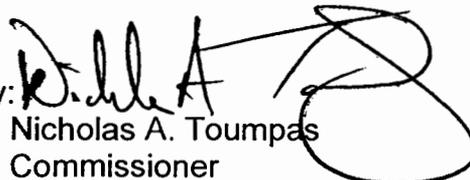
Source of funds: 100% Federal Funds from the United States Department of Housing and Urban Development Continuum of Care Program, Office of Community Planning and Development, Code of Federal Domestic Assistance Number (CFDA) #14.267.

In the event that the federal funds become no longer available, general funds will not be requested to support this program.

Respectfully submitted,



Mary Ann Cooney
Associate Commissioner

Approved by: 
Nicholas A. Toumpas
Commissioner

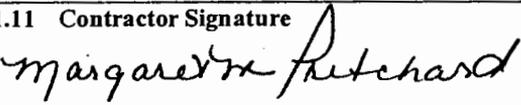
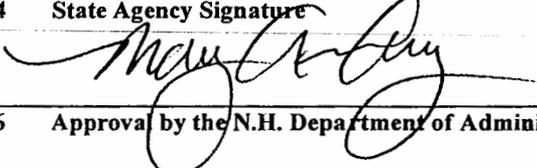
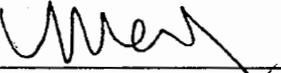
Subject: Continuum of Care Program

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

| | | | |
|--|--|---|---|
| 1.1 State Agency Name Department of Health and Human Services Office of Human Services | | 1.2 State Agency Address 129 Pleasant Street Concord, NH 03301 | |
| 1.3 Contractor Name Lakes Region Mental Health Center, Inc. d/b/a Genesis Behavioral Health | | 1.4 Contractor Address 111 Church Street Laconia, NH 03246 | |
| 1.5 Contractor Phone Number (603) 524-1100 | 1.6 Account Number 05-95-42-423010-7927-102-500731 | 1.7 Completion Date January 31, 2016 | 1.8 Price Limitation \$37,670 |
| 1.9 Contracting Officer for State Agency Eric D. Borrin | | 1.10 State Agency Telephone Number (603) 271-9558 | |
| 1.11 Contractor Signature  | | 1.12 Name and Title of Contractor Signatory Margaret M. Pritchard, Executive Director | |
| 1.13 Acknowledgement: State of <u>NH</u> , County of <u>Belknap</u> On <u>10/28/14</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12. | | | |
| 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 Dawn H. LaCroix, Notary | | | |
| 1.14 State Agency Signature  | | 1.15 Name and Title of State Agency Signatory Mary Ann Caprio Associate Counselor | |
| 1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____ | | | |
| 1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. Yopl, Attorney On: <u>11/24/14</u> | | | |
| 1.18 Approval by the Governor and Executive Council By: _____ On: _____ | | | |

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in

no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

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

14. INSURANCE.

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

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer

identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

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

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

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

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks I.2 and I.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

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

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

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

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

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

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



Exhibit A

SCOPE OF SERVICES

Continuum of Care Program

1. **CONDITIONAL NATURE OF AGREEMENT**

- 1.1. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care Grant. The State has applied for the Continuum of Care Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the Continuum of Care Grant.

2. **SERVICES**

- 2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide a permanent housing program that shall serve five (5) homeless individuals with disabilities.
- 2.2. The goal of this program is to facilitate the movement of homeless individuals to permanent housing and maximum self-sufficiency.
- 2.3. To be eligible for contract services, individuals must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.
- 2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.
- 2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. **PROGRAM REPORTING REQUIREMENTS**

- 3.1. The Contractor shall submit the following reports:

- ~~3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State.~~

- 3.1.2. Other Reports as requested by the State.

- 3.2. All programs under this contract are required to be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs under this contract must be familiar with and follow NH HMIS policy, including specific information that is required for data entry, accuracy of data entered, and time required for data entry. Current NH HMIS policy can be accessed electronically through the following website: <http://www.nh-hmis.org>.

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Exhibit A

- 3.3. Failure to submit the above reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by the BHHS.
4. CONTRACT ADMINISTRATION
- 4.1. The Contractor shall have appropriate levels of staff attend all meetings or trainings requested by the BHHS. To the extent possible, BHHS shall notify the contractor of the need to attend such meetings five working days in advance of each meeting.
- 4.2. The Bureau Administrator of BHHS or designee may observe performance, activities and documents under this Agreement; however, these personnel may not unreasonably interfere with contractor performance.
- 4.3. The Contractor shall inform BHHS of any staffing changes.
- 4.4. Contract records shall be retained for a period of five (5) years following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.
- 4.5. Changes to the contract services that do not affect its scope, duration, or financial limitations may be made upon mutual agreement between the Contractor and the BHHS.
5. FINANCIAL
- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care Program agreement value specified in Exhibit B of this agreement from the HUD Continuum of Care Program, for contract services.
- 5.1.1. Operating Expenses
- 5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost), building security for a structure where more than fifty percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.
- 5.1.1.2. Ineligible costs include rental assistance and operating costs in the same project, operating costs of emergency shelter- and supportive service-only facilities, maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.
- 5.1.2. Supportive Services
- 5.1.2.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53. Eligible services are available to those individuals actively participating in the permanent housing program.



Exhibit A

- 5.1.2.2. Eligible costs include mental health services, case management services, salaries of Contractor staff providing supportive services, reasonable one-time moving costs (truck rental and hiring a moving company), child-care costs for establishing and operating child care, and providing child-care vouchers for children from families experiencing homelessness (including providing meals and snacks and comprehensive and coordinated developmental activities), education services, employment assistance and job training skills, housing search and counseling services, legal services (fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing), outpatient health services, transportation services, and utility deposits.
- 5.1.2.3. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.
- 5.1.3. Rental Assistance
 - 5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
 - 5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a)(9) and 24 CFR 578.51.
 - 5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
 - 5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
 - 5.1.3.5. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant.
 - 5.1.3.6. 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 A

- 5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.
- 5.1.3.8. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and sub recipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid ReHousing program component must be tenant based rental assistance.
- 5.1.3.9. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
- 5.1.3.10. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
- 5.1.3.11. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.
- 5.1.4. Administrative Costs
 - 5.1.4.1. Administrative costs include: Preparing program budgets, schedules and amendments, developing systems for assuring compliance with program requirements, developing interagency agreements and agreements with sub recipients and contractors to carry out program activities, preparing reports and other documents related to the program for submission to HUD, evaluating program results against stated objectives, travel costs incurred for official business in carrying out the program, administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services), and other costs for goods and services required for administration of the program (including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space).
- 5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).

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



Exhibit A

- 5.2.1. The contractor must match all grant funds except for leasing funds, with no less than twenty-five percent of funds or in-kind contributions from other sources.
- 5.2.2. Match requirements are to be documented with each payment request.
- 5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 4.1. The Contractor must have written approval from the State prior to billing for any other expenses.
- 5.4. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 583.315). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

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METHOD AND CONDITIONS PRECEDENT TO PAYMENT

Continuum of Care Program

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

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

NH General Fund: Not applicable
Federal Funds: 100% NH0002L1T001305
CFDA #: 14.267
Federal Agency: U.S. Department of Housing & Urban Development
Program Title: Continuum of Care Program
Total Amount Continuum of Care Program;
February 1, 2015 – January 31, 2016: not to exceed \$37,670
Funds allocation under this agreement for Continuum of Care Program;
Operating Cost: \$36,705
Administrative Costs: \$965
Total program amount: \$37,670

1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. REPORTS

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

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

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Exhibit B

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

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in OMB Circular A-87 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of OMB Circular A-122.
- 3.2. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550) in an amount not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.
- 3.3. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this agreement are subject to recapture pursuant to 24 CFR Subsection 576.55. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part 578.

4. USE OF GRANT FUNDS

- 4.1. The State agrees to provide payment for actual costs, up to the not to exceed amount for the Continuum of Care Program as specified in this Exhibit, as defined by HUD under the provisions of P.L. 102-550 and applicable regulations.
- 4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.

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10/20/14



Exhibit B

- 4.3. Conformance to OMB Circular A-110: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in OMB Circular A-110.
5. CONTRACTOR FINANCIAL MANAGEMENT SYSTEM
 - 5.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
 - 5.2. The Contractor shall maintain a financial management system that complies with Attachment G of A-102, "Standards of Contractor Financial Management Systems" or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2 of this Agreement.

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SPECIAL PROVISIONS

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

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

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

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

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

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.
19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
- When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis



- 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.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act. NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



REVISIONS TO GENERAL PROVISIONS

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

14.1.1 comprehensive general liability against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence with additional general liability umbrella coverage of not less than \$4,000,000; and



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

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New Hampshire Department of Health and Human Services
Exhibit D



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

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

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

Contractor Name: Lakes Region Mental Health Center Inc
dba Genesis Behavioral Health

10/28/2014
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name: *Lakes Region Mental Health Center, Inc.
dba Genesis Behavioral Health*

10/28/2014
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director



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

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

INSTRUCTIONS FOR CERTIFICATION

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



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

Contractor Name: Lakes Region Mental Health Center, Inc.
dba Genesis Behavioral Health

10/28/14
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director



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

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

Contractor 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.

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

New Hampshire Department of Health and Human Services
Exhibit G



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

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

Contractor Name: Lakes Region Mental Health Center, Inc.
dba Genesis Behavioral Health

10/28/14
Date

Margaret M. Pritchard
Name: Margaret M. Pritchard
Title: Executive Director