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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF HUMAN SERVICES
BUREAU OF ELDERLY & ADULT SERVICES

Jeffrey A. Meyers
Commissioner

Maureen U. Ryan
Director of Human
Services

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9203 1-800-351-1888
Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

August 29, 2016

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Human Services, Bureau of Elderly and Adult Services to exercise a renewal option to an existing Agreement with the Area Agency of Greater Nashua, Inc. (vendor # #155784), 144 Canal Street, Nashua, New Hampshire, to continue to provide Financial Management Services which manage the payments for respite and support services that caregivers receive, by increasing the price limitation by \$224,000 from \$2,363,000 to \$2,587,000, and extending the completion date from September 30, 2016, to December 31, 2016, upon Governor and Council approval. The Agreement was approved by Governor and Executive Council on April 9, 2014 (Item #46) and Amended on May 6, 2015 (Item #22). 48% Federal Funds and 52% General Funds.

Funds to support this request are available in the following accounts in State Fiscal Years 2017, with authority to adjust line item amounts and encumbrances between State Fiscal Years within the price limitation through the Budget Office, if needed and justified, without further approval from Governor and Executive Council.

**05-95-48-481010-7872 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS,
HHS: ELDERLY – ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANTS**

State Fiscal Year	Class/Object	Class Title	Current Budget Amounts	Increase/Decrease Amounts	Revised Budget Amounts
2014	570-500928	Family Caregiver	\$250,000	\$0	\$250,000
2015	570-500928	Family Caregiver	\$575,000	\$0	\$575,000
2016	570-500928	Family Caregiver	\$575,000	\$0	\$575,000
2017	570-500928	Family Caregiver	\$143,750	\$143,750	\$287,500
Subtotal			\$1,543,750	\$143,750	\$1,687,500

05-95-48-481010-8943 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: ELDERLY – ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANT-ADRD

State Fiscal Year	Class/Object	Class Title	Current Budget Amounts	Increase/Decrease Amounts	Revised Budget Amounts
2014	502-500891	Payments to Providers	\$97,000	\$0	\$97,000
2015	502-500891	Payments to Providers	\$321,000	\$0	\$321,000
2016	502-500891	Payments to Providers	\$321,000	\$0	\$321,000
2017	502-500891	Payments to Providers	\$80,250	\$80,250	\$160,500
Subtotal			\$819,250	\$80,250	\$899,500
Grand Total			\$2,363,000	\$224,000	\$2,587,000

EXPLANATION

Approval of this Amendment will allow the Vendor continue to provide Financial Management Services which manage the payments for respite and support services that caregivers receive under the Department’s Alzheimer’s Disease and Related Disorders and Family Caregiver programs. This amendment exercises three (3) of the remaining nine (9) months of the renewal option. This extension will provide for continuity of service, as the Department completes a new procurement for these services.

The Alzheimer’s Disease and Related Disorders program provides respite services to family caregivers who provide home care for adults diagnosed with Alzheimer’s disease or a similar irreversible dementia.

The Family Caregiver Program is for supports and services for family caregivers who provide home care for aging family members and for grandparents/relative caregivers ages 55 and up who are raising grandchildren. Caregiver supports and services include, but are not limited to, respite care, educational materials, and emergency and outreach services.

The Contractor pays for caregivers expenses and serves as the “Employer of Record” for individuals the family caregivers choose to hire as respite providers (who are not employees of an agency), known as “family managed employees.” The Contractor acting as the “employer of record” relieves the family caregiver of the additional responsibility of managing payroll, workers’ compensation liability, unemployment insurance and tax related issues, yet preserves their control over choosing and managing their respite providers in a person-centered service model.

Should Governor and Executive Council decide not to authorize this request, New Hampshire citizens who provide care to their family members in their homes may not have access to supports that help them to persevere in this role. The American Association of Retired Persons (AARP, Inc.) has found that 80 percent of the care provided to frail elderly people is by family members, not through paid caregivers. Most of these individuals are committed to keeping their family members at home. AARP, Inc. has also determined that providing low cost services such as respite and emergency services to family caregivers can prevent or delay more expensive nursing home care when caregiver families “burn out” from the unremitting stress of caring for people who need a high level of assistance. When families spend down their assets to qualify for Medicaid nursing home care, the cost to taxpayers will be considerably more than the \$2,000 these programs allocate to families each year.

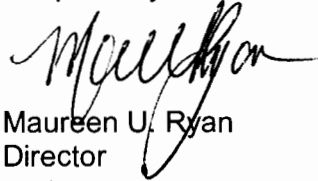
This Contractor was selected through a competitive bid process.

Area Served: Statewide

Source of Funds: 48% Federal Funds from the United States Department of Health and Human Services, Administration for Community Living, Family Caregiver Program, Title III, Catalog of Domestic Assistance #93.052 and Federal Award Identification Number # 15AANHT3FC and 52% General Funds

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

Respectfully submitted,



Maureen U. Ryan
Director

Approved by:



Jeffrey A. Meyers
Commissioner



**State of New Hampshire
Department of Health and Human Services
Amendment #2 to the Financial Management Services Contract**

This 2nd Amendment to the Financial Management Services contract (hereinafter referred to as "Amendment #2") dated August 17, 2016, is between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Area Agency of Greater Nashua, Inc. (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 144 Canal Street, Nashua, NH 03064.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on April 9, 2014 (item #46), and amended by an agreement (Amendment #1 to the Contract) approved by Governor and Executive Council on May 6, 2015 (Item #22), 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 the General Provisions, Paragraph 18 of the Agreement, and Exhibit C-1 Paragraph 3, this Agreement has an option for two (2) one year extensions to be exercised by mutual agreement by the parties, upon availability of funding, acceptable performance of the Statement of Work, and subsequent approval by the Governor and Executive Council; and

WHEREAS, the parties agree to extend the Contract completion date by an additional three (3) months and increase the price limitation; and

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

To amend as follows:

1. Form P-37, General Provisions, Item 1.7, Completion Date, to read:
December 31, 2016.
2. Form P-37, General Provision, Item 1.8, Price Limitation to read:
\$2,587,000.
3. Exhibit B, Item 5 to read:
Payment for contracted services will be made on cost reimbursement for allowable expenses based on budgets identified as Exhibit B-1 through Exhibit B-10. Each budget is specific to a time period as identified in the budget period at the top of the respective budget form. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
4. Exhibit B, Item 8 to read:
Notwithstanding paragraph 18 of the General Provisions of this Agreement P-37, an amendment limited to Exhibits B-1 through B-10 budget, to adjust line item amounts within the budgets and to adjust amounts between State Fiscal Years, within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of Governor and Executive Council.
5. Add Exhibit B-9.
6. Add Exhibit B-10.



New Hampshire Department of Health and Human Services
Financial Management Services

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

9/7/16
Date

Maureen Ryan
NAME Senior Director, office of Human Svcs
TITLE Maureen Ryan

Area Agency of Greater Nashua, Inc.

August 18, 2016
Date

Sandra Pelletier
NAME Sandra Pelletier
TITLE President / CEO

Acknowledgement:

State of NH, County of Hillsborough on Aug 18, 2016 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
Janet Cate Boisvert

Janet Cate Boisvert, Notary
Name and Title of Notary or Justice of the Peace

JANET CATE BOISVERT, Notary Public
My Commission Expires June 19, 2018

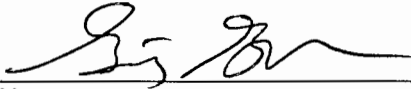
**New Hampshire Department of Health and Human Services
Financial Management Services**



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

OFFICE OF THE ATTORNEY GENERAL

9/7/16
Date


Name: Brian Burdette
Title: AAG

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

Exhibit B-9

**New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD**

Bidder Name: Area Agency of Greater Nashua, Inc.

Financial Management Services: Alzheimer's Disease and
Budget Request for: Related Disorders Program.
(Name of RFP)

Budget Period: October 1, 2016 through December 31, 2016

Item	Direct Incremental	Indirect Cost	Total Incremental
1. Total Salary/Wages	\$ 6,801.00	\$ -	\$ 6,801.00
2. Employee Benefits	\$ 1,565.00	\$ -	\$ 1,565.00
3. Consultants	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -
Office	\$ 224.00	\$ -	\$ 224.00
6. Travel	\$ 14.00	\$ -	\$ 14.00
7. Occupancy	\$ -	\$ 224.00	\$ 224.00
8. Current Expenses	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -
Postage	\$ 224.00	\$ -	\$ 224.00
Subscriptions	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -
13. Other: Direct Service Dollars	\$ 71,198.00	\$ -	\$ 71,198.00
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
TOTAL	\$ 80,026.00	\$ 224.00	\$ 80,250.00

Indirect As A Percent of Direct

0.3%

Exhibit B-10

**New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD**

Bidder Name: Area Agency of Greater Nashua, Inc

Budget Request for: Financial Management Services: NH Family Caregiver Program

Budget Period: October 1, 2016 through December 31, 2016

Line Item	Direct Intermittent	Indirect Fixed	Total	Allocation Method For Indirect Expenses
1. Total Salary/Wages	\$ 12,185.00	\$ -	\$ 12,185.00	
2. Employee Benefits	\$ 2,801.00	\$ -	\$ 2,801.00	
3. Consultants	\$ -	\$ -	\$ -	
4. Equipment:	\$ -	\$ -	\$ -	
Rental	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	
Office	\$ 401.00	\$ -	\$ 401.00	
6. Travel	\$ 24.00	\$ -	\$ 24.00	
7. Occupancy	\$ -	\$ 401.00	\$ 401.00	
8. Current Expenses	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	
Postage	\$ 401.00	\$ -	\$ 401.00	
Subscriptions	\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ -	\$ -	
Board Expenses	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ -	\$ -	\$ -	
11. Staff Education and Training	\$ -	\$ -	\$ -	
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	
13. Other: Direct Service Dollars	\$ 127,537.00	\$ -	\$ 127,537.00	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
TOTAL	\$ 143,349.00	\$ 401.00	\$ 143,750.00	

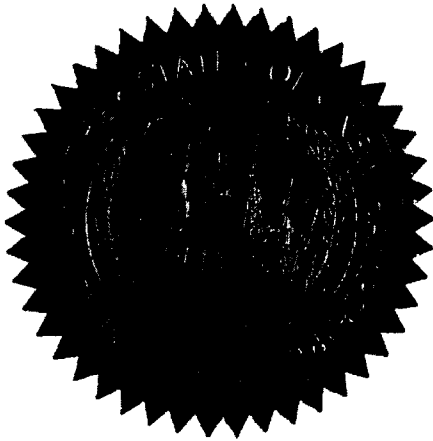
Indirect As A Percent of Direct

0.3%

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 Gateways Community Services is a New Hampshire trade name registered on December 12, 1983 and that AREA AGENCY OF GREATER NASHUA, INC. presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having 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 20th day of May, A.D. 2016

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Mark Thornton, do hereby certify that:
(Name of the elected Officer of the Agency: cannot be contract signatory)

1. I am a duly elected Officer of Gateways Community Services.
(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 March 30, 2016
(Date)

RESOLVED: That the Sandra Pelletier
(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 18th day of August, 2016.
(Date Contract Signed)

4. Sandra Pelletier is the duly elected President/CEO
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Mark M. Thornton
(Signature of the Elected Officer)

STATE OF NH

County of HILLSBOROUGH

The forgoing instrument was acknowledged before me this 18 day of Aug, 2016.

By Mark Thornton
(Name of Elected Officer of the Agency)

Barbara Walden
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

BARBARA A. WALDEN
Notary Public - New Hampshire
My Commission Expires October 1, 2019

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/17/2016

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

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

PRODUCER USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123	CONTACT NAME: PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE INSURER A: Philadelphia Insurance Company NAIC # 23850 INSURER B: AIM Mutual Insurance Company 33758 INSURER C: INSURER D: INSURER E: INSURER F:
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COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			PHPK1446995	01/23/2016	01/23/2017	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			PHPK1446995	01/23/2016	01/23/2017	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10000			PHUB528639	01/23/2016	01/23/2017	EACH OCCURRENCE \$3,000,000 AGGREGATE \$3,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			ECC600400028612016	07/01/2016	07/01/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liab			PHPK1446995	01/23/2016	01/23/2017	\$1,000,000 Ea. Incident \$3,000,000 Aggregate

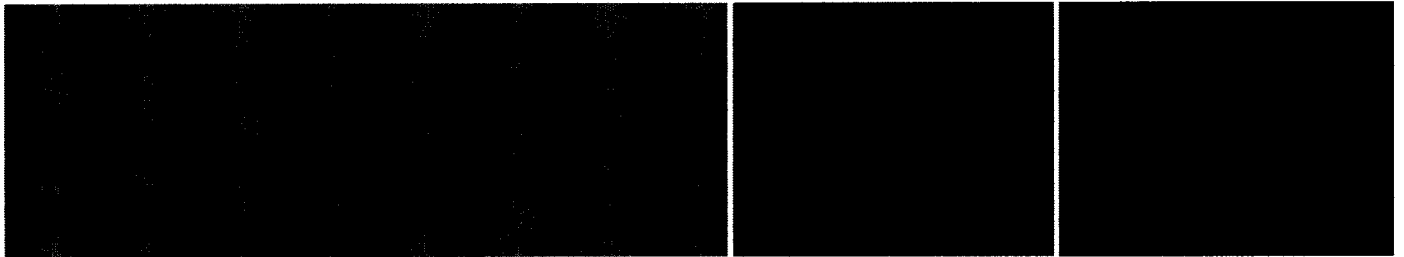
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 This Certificate covers all operations usual and customary to the business of the insured.

CERTIFICATE HOLDER NH Department of Health and Human Services 129 Pleasant Street Concord, NH 03301-3857	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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Mission

Gateways Community Services believes that all people are of great value and strives to be innovative when providing quality supports needed for individuals to lead meaningful lives in their community.



CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2015 and 2014

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Board of Directors
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc.

We have audited the accompanying consolidated financial statements of Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services and Area Agency Properties, Inc. (the Organization), which comprise the consolidated statements of financial position as of June 30, 2015, and the related consolidated statements of activities, functional revenue and support, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Qualified Opinion

As disclosed in Note 6 to the consolidated financial statements, the Organization has excluded the financial statements of The PLUS Company, Inc. from the accompanying consolidated financial statements. In accordance with U.S. GAAP, consolidation of related organizations is required when either common control or economic dependency exists. At June 30, 2015, both of these criteria exist between the Organization and The PLUS Company, Inc.

Qualified Opinion

In our opinion, except for the matter described in the *Basis for Qualified Opinion* paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2015, and the changes in their net assets and their cash flows for the year then ended in accordance with U.S. GAAP.

Prior Period Consolidated Financial Statements

The consolidated financial statements of the Organization as of and for the year ended June 30, 2014, were audited by another auditor whose report dated December 17, 2014, expressed a qualified opinion on those consolidated financial statements due to the exclusion of an affiliate's financial statements in the consolidated financial statements in accordance with U.S. GAAP as disclosed in the *Basis for Qualified Opinion* paragraph of this report.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
January 20, 2016

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statements of Financial Position

June 30, 2015 and 2014

ASSETS	<u>2015</u>	<u>2014</u>
Current assets		
Cash	\$ 2,950,855	\$ 2,628,280
Client accounts	453,825	435,960
Accounts receivable, net of allowance for doubtful accounts of \$21,108 and \$27,775 in 2015 and 2014, respectively	4,311,590	3,370,538
Prepaid expenses and other current assets	<u>167,855</u>	<u>304,654</u>
Total current assets	7,884,125	6,739,432
Property and equipment, net	2,446,503	2,324,928
Deposits	78,557	56,218
Beneficial interest in a perpetual trust	<u>33,046</u>	<u>32,759</u>
Total assets	<u>\$10,442,231</u>	<u>\$ 9,153,337</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of long-term debt	\$ 59,875	\$ 56,160
Accounts payable	2,939,239	2,119,414
Accrued expenses and other current liabilities	497,655	600,323
Deferred revenue	1,581,098	1,354,828
Client accounts	<u>453,825</u>	<u>435,960</u>
Total current liabilities	5,531,692	4,566,685
Long-term debt, net of current portion	<u>730,309</u>	<u>789,735</u>
Total liabilities	<u>6,262,001</u>	<u>5,356,420</u>
Net assets		
Unrestricted	4,156,678	3,778,401
Temporarily restricted	<u>23,552</u>	<u>18,516</u>
Total net assets	<u>4,180,230</u>	<u>3,796,917</u>
Total liabilities and net assets	<u>\$10,442,231</u>	<u>\$ 9,153,337</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statements of Activities

Years Ended June 30, 2015 and 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue and support						
Medicaid	\$ 36,812,472	\$ -	\$36,812,472	\$ 34,859,333	\$ -	\$34,859,333
New Hampshire Department of Developmental Services	782,158	-	782,158	863,113	-	863,113
Contributions and grants	1,578,028	15,780	1,593,808	1,155,032	7,403	1,162,435
Client fees	187,691	-	187,691	200,288	-	200,288
Adult day service program	226,758	-	226,758	242,591	-	242,591
Rental income	45,830	-	45,830	35,027	-	35,027
Interest income	1,614	-	1,614	473	-	473
Change in beneficial interest in perpetual trust	287	-	287	4,602	-	4,602
Other revenues	351,457	-	351,457	423,850	-	423,850
The PLUS Company, Inc. services	131,996	-	131,996	130,176	-	130,176
United Way	10,193	-	10,193	14,238	-	14,238
Third party insurance	605,133	-	605,133	484,275	-	484,275
Production sales and service	156,158	-	156,158	337,442	-	337,442
Net assets released from restrictions	10,744	(10,744)	-	12,219	(12,219)	-
Total revenue and support	<u>40,900,519</u>	<u>5,036</u>	<u>40,905,555</u>	<u>38,762,659</u>	<u>(4,816)</u>	<u>38,757,843</u>
Operating expenses						
Program services						
Adult services	32,844,463	-	32,844,463	30,567,058	-	30,567,058
Children services	3,167,931	-	3,167,931	3,363,673	-	3,363,673
Elder services	2,310,961	-	2,310,961	1,848,890	-	1,848,890
Medicaid infrastructure	-	-	-	96,268	-	96,268
Total program services	<u>38,323,355</u>	<u>-</u>	<u>38,323,355</u>	<u>35,875,889</u>	<u>-</u>	<u>35,875,889</u>
Supporting services						
General management	2,106,761	-	2,106,761	2,154,594	-	2,154,594
Fundraising	92,126	-	92,126	111,370	-	111,370
Total supporting services	<u>2,198,887</u>	<u>-</u>	<u>2,198,887</u>	<u>2,265,964</u>	<u>-</u>	<u>2,265,964</u>
Total operating expenses	<u>40,522,242</u>	<u>-</u>	<u>40,522,242</u>	<u>38,141,853</u>	<u>-</u>	<u>38,141,853</u>
Change in net assets	378,277	5,036	383,313	620,806	(4,816)	615,990
Net assets, beginning of year	<u>3,778,401</u>	<u>18,516</u>	<u>3,796,917</u>	<u>3,157,595</u>	<u>23,332</u>	<u>3,180,927</u>
Net assets, end of year	<u>\$ 4,156,678</u>	<u>\$ 23,552</u>	<u>\$ 4,180,230</u>	<u>\$ 3,778,401</u>	<u>\$ 18,516</u>	<u>\$ 3,796,917</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Revenue and Support

For the Year Ended June 30, 2015

	<u>General Management</u>	<u>Fundraising</u>	<u>Adult Services</u>	<u>Children Services</u>	<u>Elder Services</u>	<u>Total Area Agency Revenues</u>	<u>Area Agency Properties</u>	<u>Eliminations</u>	<u>Total Program Services</u>
Medicaid	\$ -	\$ -	\$ 33,936,152	\$ 2,248,585	\$ 627,735	\$ 36,812,472	\$ -	\$ -	\$ 36,812,472
New Hampshire Department of Developmental Services	-	-	355,882	426,276	-	782,158	-	-	782,158
Contributions and grants	-	39,677	23,342	109,106	1,421,683	1,593,808	-	-	1,593,808
Client fees	-	-	184,648	3,043	-	187,691	-	-	187,691
Adult day service program	-	-	-	-	226,758	226,758	-	-	226,758
Rental income	-	-	45,830	-	-	45,830	383,688	(383,688)	45,830
Interest income	1,238	-	-	346	-	1,584	30	-	1,614
Change in beneficial interest in a perpetual trust	-	287	-	-	-	287	-	-	287
Other revenues	442	-	120,403	64,733	118,988	304,566	46,891	-	351,457
The PLUS Company, Inc. service	131,996	-	-	-	-	131,996	-	-	131,996
United Way	-	-	1,077	-	9,116	10,193	-	-	10,193
Third party insurance	-	-	-	605,133	-	605,133	-	-	605,133
Production sales and service	44,550	-	40,638	70,970	-	156,158	-	-	156,158
Management fees	-	-	77,016	-	-	77,016	-	(77,016)	-
Total revenue and support	<u>\$ 178,226</u>	<u>\$ 39,964</u>	<u>\$ 34,784,988</u>	<u>\$ 3,528,192</u>	<u>\$ 2,404,280</u>	<u>\$ 40,935,650</u>	<u>\$ 430,609</u>	<u>\$ (460,704)</u>	<u>\$ 40,905,555</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Revenue and Support

For the Year Ended June 30, 2014

	<u>General Management</u>	<u>Fundraising</u>	<u>Adult Services</u>	<u>Children Services</u>	<u>Elder Services</u>	<u>Medicaid Infrastructure</u>	<u>Total Area Agency Revenues</u>	<u>Area Agency Properties</u>	<u>Eliminations</u>	<u>Total Program Services</u>
Medicaid	\$ -	\$ 60	\$ 31,819,137	\$ 2,336,984	\$ 703,152	\$ -	\$ 34,859,333	\$ -	\$ -	\$ 34,859,333
New Hampshire Department of Developmental Services	-	-	308,824	554,289	-	-	863,113	-	-	863,113
Contributions and grants	22,852	32,522	192,130	105,130	797,307	12,494	1,162,435	-	-	1,162,435
Client fees	-	-	200,288	-	-	-	200,288	-	-	200,288
Adult day service program	-	-	-	-	242,591	-	242,591	-	-	242,591
Rental income	-	-	31,863	-	-	-	31,863	369,752	(366,588)	35,027
Interest income	-	-	-	198	-	-	198	275	-	473
Change in beneficial interest in a perpetual trust	-	4,602	-	-	-	-	4,602	-	-	4,602
Other revenues	49,161	13	139,759	72,147	162,759	11	423,850	-	-	423,850
The PLUS Company, Inc. services	128,565	-	779	592	202	17	130,176	-	-	130,176
United Way	-	-	2,323	-	11,915	-	14,238	-	-	14,238
Third party insurance	-	-	-	484,275	-	-	484,275	-	-	484,275
Production sales and service	3,400	159	237,593	86,290	-	10,000	337,442	-	-	337,442
Management fees	-	-	76,674	-	-	-	76,674	-	(76,674)	-
Total revenue and support	\$ 203,978	\$ 37,377	\$ 33,009,370	\$ 3,639,905	\$ 1,917,926	\$ 22,522	\$ 38,831,078	\$ 370,027	\$ (443,262)	\$ 38,757,843

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Expenses

For the Year Ended June 30, 2015

	General Management	Fundraising	Adult Services	Children Services	Elder Services	Area Agency Expenses	Area Agency Properties	Eliminations	Total Program Expenses
Payroll and related expenses									
Salaries and wages	\$ 1,197,804	\$ 33,507	\$ 3,049,829	\$ 1,689,141	\$ 1,162,359	\$ 7,132,640	\$ -	\$ -	\$ 7,132,640
Contract staff	94,958	5	18,525	1,736	51	115,275	-	-	115,275
Employee benefits	330,361	7,816	558,128	291,992	135,773	1,324,070	-	-	1,324,070
Payroll taxes	85,336	2,519	229,243	127,844	88,455	533,397	-	-	533,397
Total payroll and related expenses	<u>1,708,459</u>	<u>43,847</u>	<u>3,855,725</u>	<u>2,110,713</u>	<u>1,386,638</u>	<u>9,105,382</u>	-	-	<u>9,105,382</u>
Other expenses									
Client treatment services	1,579	73	457,623	745,182	615,168	1,819,625	-	-	1,819,625
Professional fees	244,988	845	491,420	107,405	152,035	996,693	6,714	(6,714)	996,693
Staff development and training	20,879	6,386	257,576	14,274	2,709	301,824	-	-	301,824
Rent and mortgage interest	21,317	941	353,799	31,431	89,196	496,684	31,186	(383,688)	144,182
Other occupancy costs	-	-	-	-	-	-	37,562	-	37,562
Utilities	4,940	218	26,331	7,283	2,267	41,039	294	-	41,333
Repair and maintenance	5,593	221	67,699	7,368	2,294	83,175	200,388	(70,302)	213,261
Office, building and household	25,626	184	31,507	13,419	6,784	77,520	59	-	77,579
Equipment rental	20,645	330	39,932	11,754	5,266	77,927	-	-	77,927
Advertising	4,135	2,633	7,536	2,665	719	17,688	-	-	17,688
Communications	11,548	303	24,238	7,054	4,800	47,943	366	-	48,309
Transportation	5,580	2,722	185,377	37,684	12,436	243,799	4,313	-	248,112
Client services	-	-	323,397	9,065	21,258	353,720	-	-	353,720
Insurance	29,882	197	23,768	6,574	2,671	63,092	13,723	-	76,815
Other	-	33,161	280,349	54,046	8,185	375,741	87	-	375,828
Subcontractor	-	-	26,444,379	-	-	26,444,379	-	-	26,444,379
Total other expenses	<u>396,712</u>	<u>48,214</u>	<u>29,014,931</u>	<u>1,055,204</u>	<u>925,788</u>	<u>31,440,849</u>	<u>294,692</u>	<u>(460,704)</u>	<u>31,274,837</u>
Total operating expenses before depreciation and Area Agency Properties and elimination allocations	2,105,171	92,061	32,870,656	3,165,917	2,312,426	40,546,231	294,692	(460,704)	40,380,219
Depreciation	4,914	210	25,669	7,016	2,184	39,993	102,030	-	142,023
Area Agency Properties expense allocation	20,613	902	321,565	31,017	22,625	396,722	(396,722)	-	-
Elimination allocation	(23,937)	(1,047)	(373,427)	(36,019)	(26,274)	(460,704)	-	460,704	-
Total operating expenses	<u>\$ 2,106,761</u>	<u>\$ 92,126</u>	<u>\$ 32,844,463</u>	<u>\$ 3,167,931</u>	<u>\$ 2,310,961</u>	<u>\$ 40,522,242</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,522,242</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Expenses

For the Year Ended June 30, 2014

	<u>General Management</u>	<u>Fundraising</u>	<u>Adult Services</u>	<u>Children Services</u>	<u>Elder Services</u>	<u>Medicaid Infrastructure</u>	<u>Area Agency Expenses</u>	<u>Area Agency Properties</u>	<u>Eliminations</u>	<u>Total Program Expenses</u>
Payroll and related expenses										
Salaries and wages	\$ 1,138,632	\$ 42,211	\$ 3,559,656	\$ 1,616,124	\$ 944,887	\$ 57,808	\$ 7,359,318	\$ -	\$ -	\$ 7,359,318
Contract staff	51,169	1,433	40,710	15,648	2,849	-	111,809	-	-	111,809
Employee benefits	326,935	10,051	590,554	293,312	125,476	15,470	1,361,798	-	-	1,361,798
Payroll taxes	82,311	3,217	271,485	124,089	72,473	4,210	557,785	-	-	557,785
Total payroll and related expenses	<u>1,599,047</u>	<u>56,912</u>	<u>4,462,405</u>	<u>2,049,173</u>	<u>1,145,685</u>	<u>77,488</u>	<u>9,390,710</u>	<u>-</u>	<u>-</u>	<u>9,390,710</u>
Other expenses										
Client treatment services	350	13	409,589	885,246	412,375	11	1,707,584	-	-	1,707,584
Professional fees	295,001	835	476,554	97,251	81,467	9,677	960,785	6,372	(6,372)	960,785
Staff development and training	26,367	8,084	69,790	35,202	5,364	2,658	147,465	-	-	147,465
Rent and mortgage interest	34,631	1,787	306,224	52,324	94,979	1,544	491,489	34,313	(318,588)	207,214
Other occupancy costs	-	-	1,006	-	-	-	1,006	25,934	-	26,940
Utilities	7,870	406	16,499	11,891	4,064	351	41,081	632	-	41,713
Repairs and maintenance	6,854	353	54,347	10,355	4,292	306	76,507	188,744	(118,302)	146,949
Office, building and household equipment rental	45,789	1,309	29,471	21,200	10,003	572	108,344	98	-	108,442
Advertising	23,094	528	20,359	16,113	6,918	457	67,469	-	-	67,469
Communications	2,885	2,793	7,080	2,776	1,695	416	17,645	-	-	17,645
Transportation	9,284	314	21,519	11,324	7,978	891	51,310	357	-	51,667
Client services	6,422	2,588	185,469	39,050	24,063	650	258,242	4,313	-	262,555
Insurance	19,538	433	16,662	12,664	4,689	373	263,403	-	-	263,403
Other	86,537	35,269	144,305	101,904	24,410	1,094	54,359	18,518	-	72,877
Subcontractor	-	-	24,119,985	8,521	-	-	393,519	840	-	394,359
Total other expenses	<u>564,622</u>	<u>54,712</u>	<u>26,102,981</u>	<u>1,321,772</u>	<u>705,627</u>	<u>19,000</u>	<u>28,768,714</u>	<u>280,121</u>	<u>(443,262)</u>	<u>24,128,506</u>
Total operating expenses before depreciation and Area Agency Properties and elimination allocations	<u>2,163,669</u>	<u>111,624</u>	<u>30,565,386</u>	<u>3,370,945</u>	<u>1,851,312</u>	<u>96,488</u>	<u>38,159,424</u>	<u>280,121</u>	<u>(443,262)</u>	<u>37,996,283</u>
Depreciation	-	214	40,588	6,446	2,264	184	49,696	95,874	-	145,570
Area Agency Properties allocation	25,326	1,308	296,871	38,287	13,077	1,126	375,995	(375,995)	-	-
Elimination allocation	(34,401)	(1,776)	(335,787)	(52,005)	(17,763)	(1,530)	(443,262)	-	443,262	-
Total operating expenses	<u>\$ 2,154,594</u>	<u>\$ 111,370</u>	<u>\$30,567,058</u>	<u>\$ 3,363,673</u>	<u>\$ 1,848,890</u>	<u>\$ 96,268</u>	<u>\$ 38,141,853</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,141,853</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statements of Cash Flows

Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities		
Cash received from revenue and support	\$ 40,188,872	\$ 36,367,350
Cash paid to suppliers and employees	(39,480,926)	(37,695,437)
Interest received	1,614	473
Interest paid	<u>(38,744)</u>	<u>(45,907)</u>
Net cash provided (used) by operating activities	<u>670,816</u>	<u>(1,373,521)</u>
Cash flows from investing activities		
Change in deposits	(22,339)	(3,679)
Acquisition of property and equipment	<u>(270,191)</u>	<u>(380,619)</u>
Net cash used by investing activities	<u>(292,530)</u>	<u>(384,298)</u>
Cash flows from by financing activities		
Payments on long-term debt	<u>(55,711)</u>	<u>(50,086)</u>
Net increase (decrease) in cash and cash equivalents	322,575	(1,807,905)
Cash, beginning of year	<u>2,628,280</u>	<u>4,436,185</u>
Cash, end of year	<u>\$ 2,950,855</u>	<u>\$ 2,628,280</u>
Reconciliation of change in net assets to net cash provided (used) by operating activities		
Change in net assets	\$ 383,313	\$ 615,990
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	142,023	145,570
Loss on disposal of property and equipment	6,593	-
Change in beneficial interest in a perpetual trust	(287)	(4,602)
Change in assets and liabilities		
Increase in accounts receivable	(941,052)	(1,854,636)
Decrease (increase) in prepaid expenses and other current assets	136,799	(172,839)
Increase in accounts payable	819,825	215,647
(Decrease) increase in accrued expenses and other current liabilities	(102,668)	212,131
Increase (decrease) in deferred revenue	<u>226,270</u>	<u>(530,782)</u>
Net cash provided (used) by operating activities	<u>\$ 670,816</u>	<u>\$ (1,373,521)</u>

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2015 and 2014

Nature of Activities

Area Agency of Greater Nashua, Inc. d/ba Gateways Community Services (Gateways) provides a comprehensive residential and service delivery system for elders and people with developmental disabilities in southern New Hampshire. Its primary funding sources are federal and state governmental programs.

Area Agency Properties, Inc. (Properties) owns various homes and commercial office space that are used as residences for clients and for general operations.

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Gateways and Properties (collectively, the Organization). All material intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

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

Basis of Presentation

Net assets and revenues, expenses, gains and losses are classified as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may be or will be met by actions of the Organization and/or the passage of time. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. As of June 30, 2015 and 2014, the Organization had no permanently restricted net assets.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2015 and 2014

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support in the year of the gift.

The Organization reports contributions of land, buildings or equipment as unrestricted support, unless a donor places explicit restriction on their use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted support and reclassified to unrestricted net assets when the assets are acquired and placed in service.

Income Taxes

Gateways and Properties are tax-exempt organizations as described in Section 501(c)(3) and Section 501(c)(2), respectively, of the U.S. Internal Revenue Code (the Code) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these consolidated financial statements.

Cash

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. It has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk on cash and cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount that management expects to collect from outstanding balances. The Organization uses a specific identification reserve method to account for uncollectible accounts. A reserve for accounts receivable of \$21,108 and \$27,775 was recognized at June 30, 2015 and 2014, respectively. Balances that are outstanding after management has used reasonable collection efforts are written off through a charge to the reserve and a credit to accounts receivable.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2015 and 2014

Property and Equipment

Property and equipment are recorded at cost or, if donated, at their estimated value at date of receipt. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets as follows:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	10-40 years
Furniture	5-10 years

Deferred Revenue

The Organization's deferred revenue consists of funds received in advance from the State of New Hampshire for services to be performed at a later date.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, management has considered transactions or events occurring through January 20, 2016, which is the date that the consolidated financial statements were available to be issued.

2. Property and Equipment

Property and equipment consisted of the following:

	<u>2015</u>	<u>2014</u>
Land and improvements	\$ 521,520	\$ 521,520
Building improvements	3,196,800	3,140,671
Vehicles	14,452	14,452
Equipment and furniture	<u>542,348</u>	<u>382,000</u>
	<u>4,275,120</u>	<u>4,058,643</u>
Less accumulated depreciation	<u>1,828,617</u>	<u>1,733,715</u>
	<u>\$ 2,446,503</u>	<u>\$ 2,324,928</u>

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2015 and 2014

3. Line of Credit

The Organization has an unsecured line of credit with maximum borrowing of \$2,000,000. Interest on any outstanding balances is due monthly. The agreement provides that any borrowings are due on demand and bear interest at the lender's base rate (3.25% at June 30, 2015). The Organization maintained no outstanding balance at June 30, 2015 and 2014. The line of credit is due for renewal on February 28, 2016.

4. Long-Term Debt

Long-term debt consisted of the following at June 30:

	<u>2015</u>	<u>2014</u>
Mortgage note, payable in monthly installments of \$2,872 including interest at 3.37%, through May 2018; collateralized by real estate.	\$ 461,254	\$ 479,613
Mortgage note, payable in monthly installments of \$2,408 including interest at 3.75%, through January 2022; collateralized by real estate.	168,037	190,078
Mortgage note, payable in monthly installments of \$1,928 including interest at 4.55%, through November 2023; collateralized by real estate.	<u>160,893</u>	<u>176,204</u>
	790,184	845,895
Less current portion	<u>(59,875)</u>	<u>(56,160)</u>
Long-term debt, net of current portion	<u>\$ 730,309</u>	<u>\$ 789,735</u>

Annual principal payments for the next five fiscal years are as follows:

2016	\$	59,875
2017		62,209
2018		461,493
2019		44,214
2020		46,055

Certain notes payable of Properties contain financial covenants, which require that Properties maintain a debt service coverage ratio, as defined, of 1.2:1. Properties was in compliance with the debt service coverage ratio as of June 30, 2015.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2015 and 2014

5. Concentration of Credit Risk

For the years ended June 30, 2015 and 2014, 90% of revenue and support of the Organization was derived through contracts with the State of New Hampshire's Medicaid program. As of June 30, 2015 and 2014, accounts receivable due from the State of New Hampshire's Medicaid Program was 72% and 77%, respectively.

6. Affiliate

Effective July 1, 1996, the Organization entered into an affiliation agreement with The PLUS Company, Inc. (PLUS). The affiliation agreement allowed for certain administrative functions to be combined and required the Organization's Board of Directors to have majority representation on PLUS's Board of Directors. In addition to the Organization's majority representation on PLUS's Board of Directors, PLUS is financially dependent on the Organization.

PLUS's financial statements are not included in the accompanying consolidated financial statements, as required by U.S. GAAP, for certain regulatory reporting purposes. The Organization's general purpose consolidated financial statement include the accounts of all the related entities.

The following is summarized financial data of PLUS:

	<u>2015</u>	Restated <u>2014</u>
Total assets	\$ <u>3,642,802</u>	\$ <u>3,610,409</u>
Total liabilities	\$ 2,134,495	\$ 2,483,613
Total net assets	<u>1,508,307</u>	<u>1,126,796</u>
Total liabilities and net assets	\$ <u>3,642,802</u>	\$ <u>3,610,409</u>
Total revenue and support	\$ 11,829,806	\$ 10,856,248
Total operating expenses	<u>11,448,295</u>	<u>10,783,761</u>
Change in net assets	\$ <u>381,511</u>	\$ <u>72,487</u>
Due to PLUS included in accounts payable	\$ <u>784,828</u>	\$ <u>486,991</u>
PLUS revenue and support derived from the Organization included in subcontractor expense	\$ <u>8,039,403</u>	\$ <u>7,373,810</u>

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2015 and 2014

In 2003, PLUS acquired a building from a related party, but did not begin to depreciate the full value of the asset over its expected useful life. As a result its 2014 financial statements had to be restated to reflect this depreciation. The effect of the restatement as of July 1, 2014 and 2013 was \$64,454 and \$58,069, respectively. The restatement resulted in a decrease in the previously reported change in unrestricted net assets for the year ended June 30, 2014 of \$6,385.

7. Retirement Plan

On August 1, 2012, the Organization adopted a qualified 403(b) retirement plan (the Plan). The Plan covers all employees who have reached the age of 21 and completed 1,000 hours of service during the Plan year. The Plan provides for matching contributions at the discretion of the Organization. The matching contributions charged to operations for the plan were \$72,206 and \$121,958 for the years ended June 30, 2015 and 2014, respectively.

8. Funds Held by Others

The Organization is a beneficiary of a designated fund maintained at the New Hampshire Charitable Foundation (NHCF). Pursuant to the terms of the resolution establishing this designated fund, property contributed by unrelated parties to NHCF is held as a separate fund designated for the benefit of the Organization. The Board of Directors of NHCF has been granted the power to redesignate the funds contributed by unrelated parties, if the Organization is incapable of fulfilling their mission. The designated fund is not included in these consolidated financial statements, since NHCF has the ability to redesignate funds contributed by unrelated parties. The total market value of the designated fund was approximately \$465,000 at June 30, 2015 and \$425,000 at June 30, 2014.

The Organization is also a beneficiary of an agency endowment fund at NHCF. Pursuant to the terms of the resolution establishing this agency fund, property contributed by the Organization to NHCF is held as a separate fund designated for the benefit of the Organization. The Board of Directors of NHCF does not have the power to redesignate the funds contributed by the Organization. At June 30, 2015 and 2014, the estimated value of the future distributions from the agency fund in the amount of \$33,046 and \$32,759, respectively, is included in the consolidated statements of financial position as beneficial interest in perpetual trust.

In accordance with its spending policy, NHCF will make annual distributions of approximately 5% of the market value which will be equally divided between the beneficiaries once the funds have reached an agreed upon minimum market value of \$1,000,000. There were no distributions from the funds in the years ended June 30, 2015 and 2014.

AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.

Notes to the Consolidated Financial Statements

June 30, 2015 and 2014

9. Fair Value Measurements

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Topic 820, *Fair Value Measurement*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair value of the Organization's beneficial interest in perpetual trust is categorized as a Level 3 measurement because the interest is not marketable. The fair value of the assets held by the perpetual trust is based on the quoted market prices of the underlying assets. Due to the level of risk associated with the fair value of the underlying securities and the level of uncertainty related to changes in their value, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the consolidated statements of financial position. Change in fair value of the Organization's beneficial interest in a perpetual trust consisted of appreciation of \$287 and \$4,602 for the years ended June 30, 2015 and 2014, respectively.

WAYS COMMUNITY SERVICES
BOARD OF DIRECTORS

Edgar R. Carter – Chair
Helen Honorow – Vice Chair
Mark Thornton – Secretary
Joe Gamache – Treasurer
Leah Brokhoff
Peggy Gilmour
Tim McMahon
Lauren Primmer
Richard Quinlan
Lisa Scheib
Parker Thornton
Bob Corcoran
Jim McKenna
Rich Pietravalle
Lou Primmer
Marc Sadowsky
James Testaverde

SANDRA B. PELLETIER

Gateways Community Services | 144 Canal Street, Nashua, NH 03064 | 603-882-6333
spelletier@gatewayscs.org | www.gatewayscs.org

PROFESSIONAL SUMMARY

Chief Executive Officer of a non-profit organization for the past 30 years. Experience includes hands-on leadership in all development phases of a community-based service delivery system (second largest of ten regions within the State of New Hampshire). Extensive background in all aspects of non-profit organization and oversight. Responsibilities include executive and financial management; initiation of a close-knit affiliation between the Gateways and PLUS Company Boards of Directors, structuring and nurturing of community and civic partnerships between Gateways, a myriad of vendors and sponsors, grant writing, strategic planning and total quality management. Experience also involves re-engineering, including new development and mergers, and significant involvement in redefining public policy vis-à-vis the legislative process. Consultant to other states in the field of developmental disabilities and elder participant driven services.

EDUCATION

Leadership New Hampshire Certificate Intensive 10-month statewide leadership development program (seminar format)	1994
Antioch College Management Institute, Keene, NH Certificate Management of Non-Profit Agencies	1983
University of New Hampshire, Durham, NH M.Ed.	1979
University of Maine, Orono, ME B.A Summa cum Laude, Phi Beta Kappa	1977

PERSONAL AWARDS

25 Extraordinary Women – The Telegraph, Nashua, NH	2013
Easter Seals Special Achievement in the area of developmental services	2003
“Citizen of the Year” designate, The PLUS Company, Nashua, NH	2001
Recipient, “Book of Golden Deeds Award” from the Nashua Exchange Club	1991
Recipient, “Distinguished Service Award in the field of Developmental Disabilities”	1989

CORPORATE AWARDS

Recognized nationally as the primary entrepreneurial leaders for Consumer Directed Services By the Center on Human Policy, Syracuse University	2012
Recipient of “The Walter J. Dunfey Award for Excellence in Management” from the New Hampshire Charitable Foundation – The Corporate Fund	1990

EXPERIENCE

Gateways Community Services, Nashua, NH President/CEO	1983 – Present
Oversees a \$45 million private non-profit corporation (including subsidiary The PLUS Company), recognized nationally as a highly effective model of delivery, and one promoting community participant driven services. Responsibilities include executive oversight and fiscal management of new development, operations, and maintenance of a continuum of services to 2,900 children and adults with disabilities, their families, and elders in need of long-term care in the State of New Hampshire and Massachusetts. Gateways is supported by the State’s general funds, Federal Medicaid billings, Insurance dollars, and Development dollars	

BOARD MEMBERSHIPS

SHARE Outreach	2015 – Present
New Futures	2015 – Present
Rotary of Nashua West	2002 – Present
The PLUS Company, Nashua, NH	1996 – Present
CSNI, Concord, NH (founding Board Chair)	1995 – Present
Regional Special Education Consortium, Amherst, NH	1992 – 2015
Endowment for Health Foundation – President of the Board	2012 – 2014

TIMOTHY A. LEACH, C.P.A.

CHIEF FINANCIAL OFFICER

Professional capable of immediate impact on organization's issues with respect to finance/fiscal operations, corporate tax, audit, budget preparation, revenue recognition, reporting and compliance, data analysis, strategic and organizational planning, business operations and administration.

SUMMARY OF QUALIFICATIONS

M.B.A., C.P.A. with extensive professional experience in financial/fiscal operations, performance and business analysis, compliance, staff development and training, business operations and administration. Bottom-line individual with a solid track record for increasing operational efficiency, generating cost savings and contributing to company profits. Demonstrated ability to coordinate and manage multiple complex projects simultaneously. Designed/implemented policies and procedures with respect to business, finance/fiscal operations and administration. Proven ability to interface with all levels of an organization, to lead, to motivate and to get the job done. Reliable, goal-oriented achiever, innovative problem solver, and effective decision-maker. Excellent communication, leadership, interpersonal, presentation and organizational skills.

Expertise and knowledge in financial areas such as:

- *Certified Public Accountant*
- *Audits/Internal Controls*
- *Policy Design*
- *International Operations*
- *Finance/Fiscal Operations*
- *Budgeting*
- *Strategic/Organizational Planning*
- *Revenue Recognition*
- *Corporate Tax*
- *Foreign Currency Translations*
- *System Implementation*
- *Staff Development*
- *Consolidated Financials*
- *Procurement of Goods*
- *Asset Management*

SELECTED ACCOMPLISHMENTS

IMPROVED consolidated financial statement timeliness and accuracy by reducing cycle time by three days through process improvements despite headcount reductions. The consolidated financials include American, European, and Asian operations. The financial statement and narrative summary are completed within six workdays of month end for presentation to the Board of Directors.

COORDINATED annual audit and tax return prepared by Ernst & Young resulting in savings of \$15K. Responsible for preparing consolidated financial statements through supporting documentation including footnotes for American, European, and Asian operations. Corporate tax includes six state returns.

DEVELOPED accounts receivable policies and procedures and initiated billing to worldwide customers. Responsible for global billing, collecting, and establishing customer credit limit. Billing is generated within two working days of month end. One hundred percent of billings have been collected to date.

SUCCESSFULLY implemented three new accounting systems for organizations. Also served as part of organization-wide implementation team to coordinate all applications throughout firm.

PROFESSIONAL EXPERIENCE

AREA AGENCY OF GREATER NASHUA, INCORPORATED, Nashua, NH

2003 – Present

Chief Financial Officer

- Responsible for the day to day business operations of the Area Agency.

ACCELLION INCORPORATED, Auburn, NH (Global Internet Start Up)

2001 – 2003

Senior Finance Manager

- Promoted to Senior Finance Manager within six months.
- Prepared monthly consolidated financial statements for Board of Directors, including consolidation of American, Asian, and European operations; and maintain a level of proficiency in foreign currency exchange transactions.
- Monitored cash on a daily basis; reported weekly cash forecast (American, European, and Asian) to CFO for global operations; monitored global budget; and monitored global accounting policies and procedures; and prepared annual audit and corporate tax returns including multiple states returns.
- Managed all accounts receivable, including functions such as new client set-up, billing, follow-up, customer relations, and collections.

Senior Accountant

- Implemented General Ledger, Accounts Payable/Receivable functions for a global Internet start-up.
- Prepared monthly close of American operations including preparation and posting of all required journal entries.
- Installed Best Fixed Asset System software for asset tracking; monitored all worldwide fixed assets.

MONADNOCK COMMUNITY HOSPITAL, Peterborough, NH

1989 – 2000

Accounting Manager

- Supervised the Accounting and Accounts Payable functions of the Hospital and prepared monthly financial and statistical information for Management, Board of Trustees, and Affiliated Healthcare entities.
- Served as Hospital resource for all financial issues; prepared and monitored operating and capital budgets; handled all receipts and disbursements; monitored cash position of a daily basis; maintained the fixed asset system; and oversaw the processing of accounts payable invoices for payment; managed the Hospital insurance policies (Workers Compensation, Property, and Umbrella), including the functions of contracting, monitoring, and upgrading the Hospital insurance portfolio.
- Chaired capital budget, investment, management information system, condo association, and Y2K committees; active member of strategic operations, finance, resource, and leadership committees.
- Presented monthly financial statements to the Board of Trustees, Finance Committee, and Leadership Group and acted as liaison for all financial matters pertaining to the Hospital as Interim Chief Financial Officer from February through April 2000.

PURDY, BORNSTEIN, HAMEL & BURRELL CPA's, Salem, NH

1988 – 1989

Senior and Staff Accountant

- Performed audit, review, and compilation engagements; prepared corporate, partnership, and personal tax returns.

EDUCATION

Master of Business Administration, New Hampshire College, Manchester, NH

Bachelor of Science in Accounting, New Hampshire College, Manchester, NH

LICENSE/CERTIFICATION

Licensed Certified Public Accountant in the State of New Hampshire

ASSOCIATIONS/AFFILIATIONS

New Hampshire Society of CPAs, Milford Community Athletic Association (MCAA) Coach,
Volunteer – Nashua Soup Kitchen

KEY ADMINISTRATIVE PERSONNEL

NH Department of Health and Human Services Bureau of Elderly & Adult Services

Agency Name: Area Agency of Greater Nashua, Inc.
d.b.a. Gateways Community Services

Name of Program/Service: Fiscal Management Services

BUDGET PERIOD: 10/1/16-9/30/17			
Name & Title Key Administrative Personnel	Annual Salary of Key Administrative Personnel	Percentage of Salary Paid by Contract	Total Salary Amount Paid by Contract
Sandy Pelletier, President/CEO	\$162,225	0.00%	\$0.00
Tim Leach, CFO	\$100,725	0.00%	\$0.00
	\$0	0.00%	\$0.00
	\$0	0.00%	\$0.00
	\$0	0.00%	\$0.00
	\$0	0.00%	\$0.00
	\$0	0.00%	\$0.00
	\$0	0.00%	\$0.00
	\$0	0.00%	\$0.00
	\$0	0.00%	\$0.00
	\$0	0.00%	\$0.00
	\$0	0.00%	\$0.00
	\$0	0.00%	\$0.00
TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)			\$0.00

Key Administrative Personnel are top-level agency leadership (Executive Director, CEO, CFO, etc.). These personnel **MUST** be listed, even if no salary is paid from the contract. Provide their name, title, annual salary and percentage of annual salary paid from the agreement.



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN
SERVICES

DIVISION OF COMMUNITY BASED CARE SERVICES

BUREAU OF ELDERLY & ADULT SERVICES

Nicholas A. Toumpas
Commissioner

Diane Langley
Director

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9203 1-800-351-1888
Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

March 20, 2015

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Elderly and Adult Services to exercise a renewal option to an existing Agreement with Area Agency of Greater Nashua, Inc. (vendor # #155784), 144 Canal Street, Nashua, New Hampshire, to continue providing Financial Management Services by managing caregivers' expenses and payments for respite services and supports to care for their family members at home, by increasing the price limitation by \$1,120,000 from \$1,243,000 to \$2,363,000, and extending the completion date from June 30, 2015 to September 30, 2016, effective July 1, 2015 or on the date of Governor and Council approval, whichever is later. The Agreement was approved by Governor and Executive Council on April 9, 2014 (Item #46). 48% Federal Funds and 52% General Funds.

Funds to support this request are anticipated to be available in the following accounts in State Fiscal Years 2016 and 2017, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust line item amounts and encumbrances between State Fiscal Years within the price limitation through the Budget Office, if needed and justified, without further approval from Governor and Executive Council.

**05-95-48-481010-7872 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS,
HHS: ELDERLY – ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANTS**

State Fiscal Year	Class/Object	Class Title	Current Budget Amounts	Increase/Decrease Amounts	Revised Budget Amounts
2014	570-500928	Family Caregiver	\$250,000	\$0	\$250,000
2015	570-500928	Family Caregiver	\$575,000	\$0	\$575,000
2016	570-500928	Family Caregiver	\$0	\$575,000	\$575,000
2017	570-500928	Family Caregiver	\$0	\$143,750	\$143,750
Subtotal			\$825,000	\$718,750	\$1,543,750

05-95-48-481010-8943 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: ELDERLY – ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANT-ADRD

State Fiscal Year	Class/Object	Class Title	Current Budget Amounts	Increase/Decrease Amounts	Revised Budget Amounts
2014	502-500891	Payments to Providers	\$97,000	\$0	\$97,000
2015	502-500891	Payments to Providers	\$321,000	\$0	\$321,000
2016	502-500891	Payments to Providers	\$0	\$321,000	\$321,000
2017	502-500891	Payments to Providers	\$0	\$80,250	\$80,250
Subtotal			\$418,000	\$401,250	\$819,250
Grand Total			\$1,243,000	\$1,120,000	\$2,363,000

EXPLANATION

The Contractor will continue to provide Financial Management Services to manage the payments for these supports and respite services that caregivers receive under the Alzheimer’s Disease and Related Disorders and Family Caregiver programs.

The Alzheimer’s Disease and Related Disorders program provides respite services to family caregivers who provide home care for adults diagnosed with Alzheimer’s disease or a similar irreversible dementia.

The Family Caregiver Program is for supports and services for family caregivers who provide home care for aging family members and for grandparents/relative caregivers ages 55 and up who are raising grandchildren. Caregiver support services include, but are not limited to, respite care, educational materials, and emergency and outreach services.

The Contractor pays for caregivers expenses and serves as the “Employer of Record” for individuals the family caregivers choose to hire as respite providers (who are not employees of an agency), known as “family managed employees.” Providing services as the “employer of record” relieves the family caregiver of the additional responsibility of managing payroll, workers’ compensation liability, unemployment insurance and tax related issues, yet preserves their control over choosing and managing their respite providers in a person-centered service model.

Performance Measures

The FMS contractor shall provide FMS services that support the following outcomes so that caregivers and their care recipients will:

- Experience a seamless process of having invoices paid against their approved budgets in a timely manner.
- Have access to accurate and timely information regarding expenditures against their approved budgets.
- Have easy access to the FMS contractor during normal business hours to get answers to questions and concerns regarding their FMS services in a way that they can understand.
- Learn how to assume and manage the role of a co-employer with training and support from the FMS contractor.

Should Governor and Executive Council decide not to authorize this request, New Hampshire citizens who provide care to their family members in their homes will not have access to supports that help them to persevere in this role. The AARP has found that 80 percent of the care provided to frail elderly people is by family members, not through paid caregivers. Most of these individuals are committed to keeping their family members at home. The AARP has also found that providing low cost services such as respite and emergency services to family caregivers can prevent or delay more expensive nursing home care when caregiver families "burn out" from the unremitting stress of caring for people who need a high level of assistance. When families spend down their assets to qualify for Medicaid nursing home care, the cost to taxpayers will be considerably more than the \$2000 these programs allocate to families each year. The average annual Medicaid nursing home cost in 2013 was \$56,600.

This Agreement was competitively bid. A Request for proposals was released on the Department's website on December 6, 2013 through January 22, 2014. Area Agency of Greater Nashua, Inc. was the only bidder submitting a proposal. An evaluation team evaluated and scored the proposal and recommended this bidder for contract.

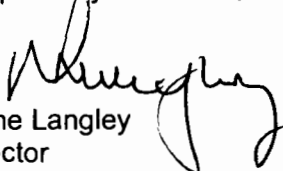
This Agreement includes an option for two (2) one year extensions to be exercised by mutual agreement by the parties, upon availability of funding, acceptable performance of the Statement of work, and subsequent approval by the Governor and Executive Council. This amendment exercises fifteen (15) months of the renewal option.

Area Served: Statewide

Source of Funds: 48% Federal Funds from the United States Department of Health and Human Services, Administration for Community Living, Family Caregiver Program, Title III, Catalog of Domestic Assistance #93.052 and Federal Award Identification Number # 15AANHT3FC and 52% General Funds

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

Respectfully submitted,


Diane Langley
Director

Approved by: 
Nicholas A. Toumpas
Commissioner



State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Financial Management Services Contract

This 1st Amendment to the Financial Management Services contract (hereinafter referred to as "Amendment #1") dated February 25, 2015, is between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Area Agency of Greater Nashua, Inc. (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 144 Canal Street, Nashua, NH 03064.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on April 9, 2014 (item #46), 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 the General Provisions, Paragraph 18 of the Agreement, and Exhibit C-1 Paragraph 3, this Agreement has an option for two (2) one year extensions to be exercised by mutual agreement by the parties, upon availability of funding, acceptable performance of the Statement of Work, and subsequent approval by the Governor and Executive Council; and

WHEREAS, the parties agree to extend the Contract completion date by an additional fifteen (15) months and increase the price limitation; and

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

To amend as follows:

1. Form P-37, General Provisions, Item 1.7, Completion Date, to read:
September 30, 2016
2. Form P-37, General Provision, Item 1.8, Price Limitation to read:
\$2,363,000
3. Form P-37, General Provision, Item 1.9, Contracting Officer for State Agency, to read:
Eric D. Borrin, Director of Contracts and Procurement
4. Form P-37, General Provision, Item 1.10, to read:
(603) 271-9558
5. Exhibit B, Item 5 to read:
Payment for contracted services will be made on cost reimbursement for allowable expenses based on budgets identified as Exhibit B-1 through Exhibit B-8. Each budget is specific to a time period as identified in the budget period at the top of the respective budget form. Allowable costs and expenses shall be determined by the Department in accordance with applicable state and federal laws and regulations.
6. Exhibit B, Item 8 to read:
Notwithstanding paragraph 18 of the General Provisions of this Agreement P-37, an amendment limited to Exhibits B-1 through B-8 budget, to adjust line item amounts

MP
3/6/15



within the budgets and to adjust amounts between State Fiscal Years, within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of Governor and Executive Council.

7. Add Exhibit B-5, Exhibit B-6, Exhibit B-7 and Exhibit B-8.
8. Delete Standard Exhibit C, Special Provisions, and replace with Exhibit C, Special Provisions.
9. Delete Exhibit C-1 Revisions to General Provisions, and replace with Exhibit C-1 Amendment #1 Revisions to General Provisions.
10. Delete Standard Exhibit G, Certification Regarding the Americans with Disabilities Act Compliance, and replace with Exhibit G, 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
Financial Management Services



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,

2/24/15
Date

State of New Hampshire
Department of Health and Human Services

[Signature]
Diane Langley
Director

3/6/15
Date

Area Agency of Greater Nashua, Inc.

[Signature]
NAME
TITLE BOARD CHAIR

Acknowledgement:

State of New Hampshire, County of Hillsborough on March 6, 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

[Signature]
Name and Title of Notary or Justice of the Peace

JO-ANN J. SHEEHAN
Notary Public - New Hampshire
My Commission Expires October 16, 2013

AP
3/6/15




New Hampshire Department of Health and Human Services
Financial Management Services

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

OFFICE OF THE ATTORNEY GENERAL

Date 3/24/15


Name: Megan A. Foddy
Title: Attorney

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

OFFICE OF THE SECRETARY OF STATE

Date _____

Name: _____
Title: _____

*LIP
3/6/15*

Exhibit B-5

**New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD**

Bidder Name: Area Agency of Greater Nashua, Inc

Financial Management Services: NH Family Caregiver
Budget Request for: Program

Budget Period: July 1 2015 through June 30, 2016

1. Total Salary/Wages	\$ 48,737.00	\$ -	\$ 48,737.00
2. Employee Benefits	\$ 11,209.00	\$ -	\$ 11,209.00
3. Consultants	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -
Office	\$ 1,604.00	\$ -	\$ 1,604.00
6. Travel	\$ 96.00	\$ -	\$ 96.00
7. Occupancy	\$ -	\$ 1,604.00	\$ 1,604.00
8. Current Expenses	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -
Postage	\$ 1,604.00	\$ -	\$ 1,604.00
Subscriptions	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -
13. Other: Direct Service Dollars	\$ 510,146.00	\$ -	\$ 510,146.00
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
TOTAL	\$ 573,396.00	\$ 1,604.00	\$ 575,000.00

Indirect As A Percent of Direct

0.3%

Exhibit B-6

**New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD**

Bidder Name: Area Agency of Greater Nashua, Inc.

Financial Management Services: Alzheimer's Disease and
Budget Request for: Related Disorders Program.

Budget Period: July 1, 2015 through June 30, 2016

1. Total Salary/Wages	\$ 27,207.00	\$ -	\$ 27,207.00
2. Employee Benefits	\$ 6,258.00	\$ -	\$ 6,258.00
3. Consultants	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -
Office	\$ 896.00	\$ -	\$ 896.00
6. Travel	\$ 54.00	\$ -	\$ 54.00
7. Occupancy	\$ -	\$ 896.00	\$ 896.00
8. Current Expenses	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -
Postage	\$ 895.00	\$ -	\$ 895.00
Subscriptions	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -
13. Other: Direct Service Dollars	\$ 284,794.00	\$ -	\$ 284,794.00
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
TOTAL	\$ 320,104.00	\$ 896.00	\$ 321,000.00

Indirect As A Percent of Direct

0.3%

Exhibit B-7

**New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD**

Bidder Name: Area Agency of Greater Nashua, Inc

Financial Management Services: NH Family Caregiver
Budget Request for: Program

Budget Period: July 1 2016 through September 30, 2016

1. Total Salary/Wages	\$ 12,185.00	\$ -	\$ 12,185.00
2. Employee Benefits	\$ 2,801.00	\$ -	\$ 2,801.00
3. Consultants	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -
Office	\$ 401.00	\$ -	\$ 401.00
6. Travel	\$ 24.00	\$ -	\$ 24.00
7. Occupancy	\$ -	\$ 401.00	\$ 401.00
8. Current Expenses	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -
Postage	\$ 401.00	\$ -	\$ 401.00
Subscriptions	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -
13. Other: Direct Service Dollars	\$ 127,537.00	\$ -	\$ 127,537.00
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
TOTAL	\$ 143,349.00	\$ 401.00	\$ 143,750.00

Indirect As A Percent of Direct

0.3%

Exhibit B-8

**New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD**

Bidder Name: Area Agency of Greater Nashua, Inc.

**Financial Management Services: Alzheimer's Disease and
Budget Request for: Related Disorders Program.**
(Name of RFP)

Budget Period: July 1, 2016 through September 30, 2016

1. Total Salary/Wages	\$ 6,801.00	\$ -	\$ 6,801.00
2. Employee Benefits	\$ 1,565.00	\$ -	\$ 1,565.00
3. Consultants	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -
Office	\$ 224.00	\$ -	\$ 224.00
6. Travel	\$ 14.00	\$ -	\$ 14.00
7. Occupancy	\$ -	\$ 224.00	\$ 224.00
8. Current Expenses	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -
Postage	\$ 224.00	\$ -	\$ 224.00
Subscriptions	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -
13. Other: Direct Service Dollars	\$ 71,198.00	\$ -	\$ 71,198.00
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
TOTAL	\$ 80,026.00	\$ 224.00	\$ 80,250.00

Indirect As A Percent of Direct

0.3%



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

DIP

3/6/15



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



more employees, it will maintain a current 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. The Department reserves the right to extend the completion date of the contract for up to fifteen months to be exercised by mutual agreements by the parties, upon availability of funding, acceptable performance of the Statement of Work, and subsequent approval by the Governor and Executive Council.
4. 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 insurance 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 \$3,000,000.



**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:

3/6/15
Date

[Signature]
Name:
Title: BOARD CHAIR



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN
SERVICES

DIVISION OF COMMUNITY BASED CARE SERVICES

Nicholas A. Toumpas
Commissioner

Diane Langley, Director
Sheri Rockburn, Director

BUREAU OF ELDERLY & ADULT SERVICES

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9203 1-800-351-1888

Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

46 Beards

March 20, 2014

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

51% Federal
47% General

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Elderly and Adult Services to enter into an Agreement with Area Agency of Greater Nashua, Inc. (vendor # #155784), 144 Canal Street, Nashua, New Hampshire, to provide Financial Management Services by making payments and accounting for expenditures on behalf of the caregiver before and while receiving respite services and supports to care for their care recipient at home as long as possible, with a price limitation of \$1,243,000 to be effective on the date of Governor and Council approval through June 30, 2015.

Funds to support this request are available in the following accounts in State Fiscal Years 2014 and 2015, with authority to adjust encumbrances between State Fiscal Years, and to adjust line amounts in the budgets, within the price limitation and amend the related terms of the contract without further approval from Governor and Executive Council.

05-95-48-481010-7872 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANTS

Class/Object	Class Title	Fiscal Year	Amounts
570-500928	Family Caregiver	2014	\$250,000
570-500928	Family Caregiver	2015	\$575,000
		Subtotal	\$825,000

05-95-48-481010-8943 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANT-ADRD

Class/Object	Class Title	Fiscal Year	Amounts
502-500891	Payments to Providers	2014	\$97,000
502-500891	Payments to Providers	2015	\$321,000
		Subtotal	\$418,000
		Grand Total	\$1,243,000

EXPLANATION

The Contractor provides Financial Management Services to manage the payments for these supports and respite services that caregivers receive under the Alzheimer's Disease and Related Disorders and Family Caregiver programs.

The Alzheimer's Disease and Related Disorders program provides respite services to family caregivers who provide home care for adults diagnosed with Alzheimer's disease or a similar irreversible dementia.

The Family Caregiver Program is for supports and services for family caregivers who provide home care for aging family members and for grandparents/relative caregivers ages 55 and over who are raising grandchildren. Caregiver support services include, but are not limited to, respite care, educational materials, and emergency and outreach services.

The Contractor pays for caregivers expenses and serves as the "Employer of Record" for individuals the family caregivers choose to hire as respite providers (who are not employees of an agency), known as "family managed employees." Providing services as the "employer of record" relieves the family caregiver of the additional responsibility of managing payroll, workers' compensation liability, unemployment insurance and tax related issues, yet preserves their control over choosing and managing their respite providers in a person-centered service model.

Performance Measures

The FMS contractor shall provide FMS services that support the following outcomes so that caregivers and their care recipients will:

- experience a seamless process of having invoices paid against their approved budgets in a timely manner.
- have access to accurate and timely information regarding expenditures against their approved budgets.
- have easy access to the FMS contractor during normal business hours to get answers to questions and concerns regarding their FMS services in a way that they can understand.
- learn how to assume and manage the role of a co-employer with training and support from the FMS contractor.

Should Governor and Executive Council decide not to authorize this request, New Hampshire citizens who provide care to their family members in their homes will not have access to supports that help them to persevere in this role. The AARP has found that 80 percent of the care provided to frail elderly people is by family members, not through paid caregivers. Most of these individuals are committed to keeping their family members at home. The AARP has also found that providing low cost services such as respite and emergency services to family caregivers can prevent or delay more expensive nursing home care when caregiver families "burn out" from the unremitting stress of caring for people who need a high level of assistance. When families spend down their assets to qualify for Medicaid nursing home care, the cost to taxpayers will be considerably more than the \$2000 these programs allocate to families each year. The average annual Medicaid nursing home cost in 2013 was \$56,600.

This Agreement was competitively bid. A Request for proposals was released on the Department's website on December 6, 2013 through January 22, 2014. Area Agency of Greater Nashua, Inc. was the only bidder submitting a proposal. The proposal was evaluated and scored using a consensus model. Three Department staff evaluated the proposal's technical response on its approach to meeting the goals and requirements of the scope of work, understanding the population to be served and qualifications and experience. Two Department staff evaluated the proposal's cost. The proposal scored 83 out of a total 100 possible points. The team recommended this bidder for contract. The review team included Michelle Harlan, Community Mental Health Program Administrator, Ken Lindberg Program Planning and Review Specialist, and Tracey Tarr, Supervisor, all from the Department's Division of Community Based Care Services and at least over 10 years of combined experience with managing person centered programs and quality assurance. Additionally, the finance team included Ann Driscoll, CPA and Constance Manus from the Departments finance teams with over 20 years experience in auditing and finance.

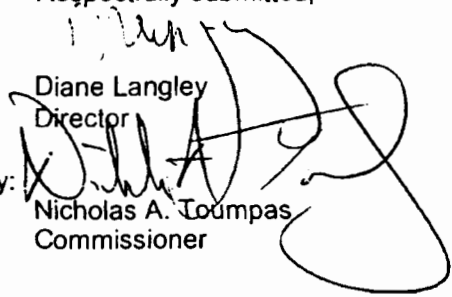
The proposal and subsequently the contracts include an option for two (2) one year extensions to be exercised by mutual agreement by the parties, upon availability of funding, acceptable performance of the Statement of work, and subsequent approval by the Governor and Executive Council.

Area Served: Statewide

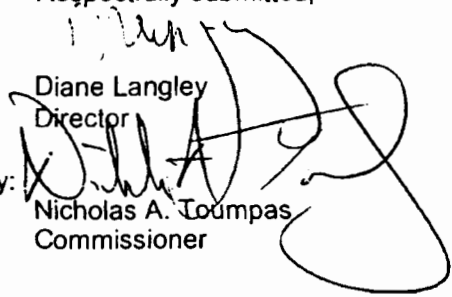
Source of Funds: 51% Federal Funds and 49% General Funds

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

Respectfully submitted,


Diane Langley
Director

Approved by:


Nicholas A. Toumpas
Commissioner

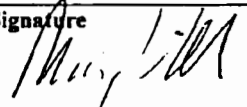
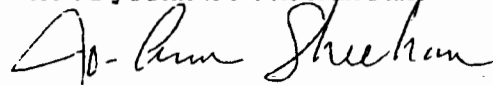
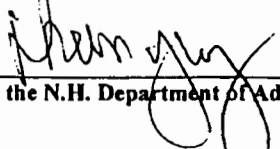
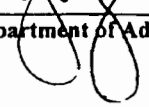
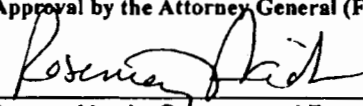
Subject: Financial Management Services

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Area Agency of Greater Nashua, Inc.		1.4 Contractor Address 144 Canal Street Nashua, NH 03064	
1.5 Contractor Phone Number 603-459-2701	1.6 Account Number 05-95-48-481010-7872-570-500928; 05-95-48-481010-8943-502-500891	1.7 Completion Date June 30, 2015	1.8 Price Limitation \$1,243,000.
1.9 Contracting Officer for State Agency Mary Maggioncalda, Administrator		1.10 State Agency Telephone Number (603) 271-9096	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Richard J. Piermalle Board Chairman	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Hillsborough</u> On <u>3/19/14</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] 		JO-ANN J. SHEEHAN Notary Public - New Hampshire My Commission Expires October 16, 2017 <u>10/16/18</u>	
1.13.2 Name and Title of Notary or Justice of the Peace Jo-Ann Sheehan, Notary Public			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Diane Langley, Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By:  Director, On:			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  On: <u>3-24-14</u>			
1.18 Approval by the Governor and Executive Council By: On:			

ASP
3/19/14

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.

ASD
7/15/14

8. EVENT OF DEFAULT/REMEDIES.

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

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

- 8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
- 8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
- 8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
- 8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

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

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

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

14. INSURANCE.

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

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

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

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

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

Contractor Initials: AP
Date: 5/19/14

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

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

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

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

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

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



Scope of Services

1. Purpose:

The Contractor shall provide Financial Management Services (FMS) statewide to the population served by this Agreement by managing the funds, making payments and accounting for expenditures made on behalf of family caregivers before and while receiving respite and supplemental services and supports to care for their care recipient at home as long as possible.

2. Population:

The contractor shall serve family caregivers who are determined eligible by the New Hampshire ServiceLink contractors to receive respite or supplemental services under the NH Family Caregiver Support Program or the Alzheimer's Disease and Related Disorders Program (ADRD) on the basis of a budget authorized by ServiceLink contractors.

3. Participant Enrollment:

The FMS contractor shall accept all caregiver referrals made by New Hampshire ServiceLink contractors. The referral date is defined as the date the budget intake packet is received from the NH ServiceLink contractors. The FMS contractor shall, upon receiving the caregiver referral from ServiceLink contractor:

- 3.1. establish a file and an account for each caregiver that includes caregiver and care recipient contact information; the authorized budgeted amount for the caregiver, and the start and end dates during which budgeted services may be provided;
- 3.2. identify and record the type of the caregiver's authorized respite and/ or supplemental services and the names of the designated providers of respite or supplemental services
- 3.3. provide a release form to the caregiver in order for the FMS contractor and the New Hampshire ServiceLink contractors to communicate and share information.

4. Definitions:

- 4.1. Family Managed Employee: A family managed employee is an individual the caregiver hires as a respite provider and who is not an employee of an agency. These individuals must be hired by the FMS contractor, which serves as the employer of record.
- 4.2. Vendor: A vendor means:
 - 4.2.1. An employee of an agency who provides respite or supplemental services to the caregiver or care recipient.
 - 4.2.2. An independent contractor as defined by the Internal Revenue Service. An example is someone who provides services like snow plowing or minor home modifications. They are not hired by the FMS contractor.

[Handwritten Signature]

3/19/14



5. Financial Management Services:

Based on the referral from the New Hampshire ServiceLink contractors, the FMS contractor shall provide one or both of the following services to the caregiver:

- a) processing and paying invoices; or
- b) providing employer of record services.

6. Processing and Paying Invoices: The FMS contractor shall pay agencies that provided respite and supplemental services to the caregiver/care recipient.

6.1. The FMS contractor shall pay invoices submitted and approved (signed and dated) by the caregiver for actual expenses incurred by the individual or agency that provided the respite or supplemental services to the caregiver in accordance with his/her approved budget. The FMS contractor may accept a verbal approval from a caregiver to prevent untimely payment. The FMS contractor shall keep a photocopy of the invoice or timesheet with the date and time of the verbal authorization. The original invoice or timesheet will be sent back to the caregiver to obtain the signature and date and returned to the FMS contractor.

- 6.1.1. Prior to paying invoices, the contractor shall review the approved budget for authorized services against the invoices for services presented by the caregiver and verify that the actual expense for services is an authorized expense and shall verify that there is an available balance in the caregiver's budget to pay the invoice.
- 6.1.2. The FMS contractor shall flag any invoices submitted by the caregiver that are not authorized as part of the approved budget and shall notify the authorizing ServiceLink contractor.
- 6.1.3. The FMS contractor shall make payment directly to the individual or agency that provided the actual respite and supplemental services.
 - 6.1.3.1. The FMS contractor shall make payment in ten (10) business days or less from the date of receipt of the approved vendor invoice. The FMS contractor will follow the payment cycle: Payment for vendor invoices received by the FMS contractor on Mondays are paid on that Friday of the same week, Payments received on Tuesdays through Friday are paid the following Friday.
- 6.1.4. The FMS contractor shall make immediate payment available to caregivers or vendors when there is proof of services in an emergency and approved by the ServiceLink contractors.

6.2. Employer of Record services: The FMS Contractor shall provide employer of record services for family managed employees.

- 6.2.1. A family managed employee is an individual the caregiver hires as a respite provider and who is not an employee of an agency.
- 6.2.2. The FMS contractor and the caregiver function as co-employers of the family managed employee.
 - 6.2.2.1. The FMS contractor and the caregiver work together to recruit, hire, supervise and discharge the family managed employee.



Exhibit A

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- 6.2.2.2. The caregiver acts as the managing supervisor of the family managed employee and trains him/her in how to provide care to and perform the assigned tasks with the care recipient
 - 6.2.2.3. The FMS contractor hires the family managed employee and is responsible for human resource functions, liability, payroll and taxes.
 - 6.2.3. The FMS contractor shall contact the caregiver within two (2) business days of receiving the referral for FMS services from the New Hampshire ServiceLink contractors.
 - 6.2.4. The FMS contractor shall schedule a home visit with the caregiver and their prospective family-managed employee. The FMS contractor will explain the requirements for employing a family managed employee, provide supervising training for the caregiver, and explain the roles and responsibilities of the caregiver as the managing supervisor. The FMS contractor shall be sensitive to the fact that this may be an entirely new process to the caregiver and shall ensure that the caregiver is not overwhelmed and understands the steps, roles and responsibilities so that the caregiver can successfully supervise the family managed employee.
 - 6.2.5. The FMS contractor will train caregivers with their managing supervisor duties and provide additional guidance or assistance, when requested by the caregiver, in the tasks and functions relating to the managing supervisor duties such as:
 - a) developing a job description for the prospective family managed employee(s).
 - b) interviewing and recruiting
 - c) conducting reference checks
 - d) familiarization with Gateways guidelines for:
 - 1. health and safety
 - 2. human rights
 - 3. HIPAA – confidentiality
 - 4. field employee – policies and procedures
 - 5. benefits, if applicable
 - 6. timekeeping
 - e) developing workers' performance evaluations and performance plan such as with praising, coaching, corrective action, and firing
 - f) developing workers schedules
 - g) developing backup plans
 - h) developing specific worker training as it relates to the duties in their job description, home care environment, and participant preferences.
 - 6.2.6. Within the FMS contractor's guidelines, the FMS contractor will allow the caregiver to decide the rate of pay for their family managed employee.
 - 6.2.7. The family managed employee is subject to the FMS contractor's standard hiring process, application, and applicable background checks.
 - 6.2.8. The FMS Contractor shall support the caregiver's personal goals by encouraging the caregiver to hire whomever they like. The FMS



Exhibit A

- contractor makes the final decision whether or not to hire the family managed employee. The family managed employee must meet the hiring criteria of the FMS contractor that includes, but is not limited to:
- 6.2.8.1. the person is over the age of 18, passes the background checks, is not the spouse, the legal guardian, or the surrogate and the person does not live with the care recipient.
 - 6.2.9. The family managed employee must be successfully employed by the FMS contractor prior to providing services to the caregiver's care recipient.
 - 6.2.10. The FMS contractor shall review and explain with the caregiver and family managed employee, the following items:
 - a) the job application and description
 - b) managing supervisor agreement
 - c) releases for all necessary background checks
 - d) W4 and I9 forms that include verification of identification of documents like driver's license, social security card, birth certificate and vehicle insurance if applicable.
 - e) emergency notification forms
 - f) training on HIPAA and blood borne pathogens allowing for the completion and immediate collection of policy acknowledgement forms for employment, processing (no drive personal vehicle use policy acknowledgment, human rights policy,- record of receipt, confidentiality agreement (HIPAA), universal precautions (blood borne pathogens), agreement to abide by the FMS contractors policies and procedures.)
 - g) the FMS contractor shall provide the caregiver and family managed employee with a timesheet and guidance on how to complete, authorize, and submit the timesheet.
 - h) overtime rules and the impact on the caregiver's budget design.
 - 6.2.11. Preparing and distributing payroll, in accordance with Federal, state and local employment taxes, workers' compensation insurance rules and other requirements that apply when the caregiver functions as the co-employer of his/her workers;
 - 6.2.12. Processing and distributing payroll for the family managed employee(s).
 - 6.2.12.1. The FMS contractor receives times sheets signed by the caregiver for the actual hours the family managed employee provided respite or other services for the caregiver's care recipient.
 - 6.2.12.2. Prior to processing payroll, the contractor shall review the approved budget for authorized services against the timesheets presented by the caregiver and verify that the actual expense for services is an authorized expense and shall verify that there is an available balance in the caregiver's budget to pay the invoice. If a discrepancy is found in the timesheet or if there is not enough funding in the caregiver's budget, then the FMS contractor shall contact the caregiver and/or the respective New Hampshire ServiceLink contractor.



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- 6.2.12.3. The FMS contractor shall calculate the dollar amount of: pay to the family managed employee and the employer's share of social security taxes, unemployment insurance and associated payroll taxes
 - 6.2.12.4. The FMS Contractor shall collect timesheets by Monday and distribute payroll on a bi-weekly basis, with Friday pay date and ensure the paychecks are available to employees on the Friday of pay date.
 - 6.2.13. The FMS contractor shall file tax documents and pay taxes by the date and as required by the Internal Revenue Services.
 - 6.2.14. The FMS contractor is responsible for providing workers' compensation liability, unemployment insurance, disability and benefit insurances, and also for verifying citizenship or legal alien status.
 - 6.2.15. The FMS contractor shall comply with Internal Revenue Service's laws, rules, and regulations and policies governing the activities of the Employer of Record and for payroll taxes.
 - 6.2.16. The FMS contractor shall comply with all applicable federal and state laws, rules, and regulations as the employer of record.
 - 6.2.17. Background and Criminal Record Checks: At a minimum, the FMS contractor's background checks should include:
 - a) Criminal background checks if a potential applicant for employment or volunteer funded under this contract, may have client contact. The checks will be conducted through the county, state and national level for the past seven years;
 - b) Sex offender registry
 - c) Contractors which are licensed, certified or funded by the DHHS shall meet the requirements of RSA 161-F: 49 Registry, VII, which requires the submission of the name of a prospective employee who may have client contact, for review against the BEAS State Registry.
7. Authorized Caregiver Budgets
- 7.1. The authorized budget under NH Family Caregiver Program for each caregiver is a maximum of \$2000 per fiscal year. Funds may be used to purchase respite services including in-home respite, adult day program services, or a short stay in a facility. Approved supplemental services purchases may include emergency response systems, transportation, assistive devices and other similar items that complement the care the caregiver is providing and that are essential to preventing or delaying nursing home placement.
 - 7.1.1. Supplemental services are goods and/or services that support the care that family caregivers provide and assist the caregiver in maintaining the care recipient at home. Services can include: chore-related services such as heavy housework, yard work, snowplowing; health related consumable supplies; e.g., incontinence supplies; home safety repairs or modifications that help a family caregiver to provide care., Supplemental services also include mobility aids; transportation to health care or community services,



Exhibit A

- adaptive or assistive equipment; e.g., devices or equipment to maintain or improve functional capacities; or emergency response systems.
- 7.2. The authorized caregiver budget under the ADRD program is a maximum of \$1500 per fiscal year. Funds may be used to purchase respite services such as in-home respite, adult day program services, or a short respite stay in a facility. Funding for supplemental services is not included in the ADRD Program.
8. The FMS contractor shall work with the New Hampshire ServiceLink contractors to accept and process changes in the caregivers' budgets and update the caregivers' accounts accordingly.
9. Payments in excess of the caregiver authorized budgets: The FMS contractor shall not make payments to an agency or the family managed employee that exceeds the amount authorized in the caregiver's budgets. The FMS contractor shall make payments up to the amount in the caregiver's authorized budget. Should the FMS contractor make payments that exceed the authorized budgets, the FMS contractor will do so at its own expense.
10. Payments for services not in the authorized budgets. The FMS contractor shall not make payments to providers or the family managed employee for respite or supplemental services that are not documented in the authorized budgets.
11. The FMS contractor shall maintain a monthly cash flow sufficient to pay all invoices and payroll requests.
12. The FMS contractor shall keep an accounting of each caregiver's budgets by recording beginning balances, tracking expenditures, and calculating available balances. Accounts will be kept up to date with real time information.
13. Preventing caregiver from overspending their authorized budgets: The FMS contractor shall have polices and processes in place to prevent the caregiver from overspending. At a minimum, the FMS contractor will notify the caregiver of their balances at least on a monthly basis with monthly statements. The FMS contractor shall maintain regular and timely updating of caregiver accounts and be available to the caregiver to provide up to date account balances and expenses that would alert the caregivers when paid expenses are close to maximizing the amount of the budgets.
14. Customer Service
- 14.1. The FMS contractor shall provide customer service to stakeholders in accordance with the following requirements:
- 14.2. Stakeholders may include, but are not limited to: family caregivers, workers, vendors, representatives, guardians, family members, and ServiceLink contractors.
- 14.3. The FMS contractor shall demonstrate understanding, willingness and patience to work with participants with varying levels of knowledge of financial services.



Exhibit A

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- 14.4. The FMS contractor shall respond within two (2) business days of participants' requests for information, billing-related questions and account reconciliation.
- Answers and instruction shall be provided to the satisfaction of the participant.
 - 14.5. Customer service requirements include:
 - 14.6. Provision and publication of a toll free number that provides access to customer services and assistance
 - 14.7. Communication in a variety of accessible formats (e.g., mail, fax, and email)
 - 14.8. Specific and published customer service hours of operation
 - 14.9. The FMS contractor shall be accessible to the caregiver and the ServiceLink contractors during normal business hours.
 - 14.10. Responsiveness to inquiries such as: status of payment requests, current balance, process questions, or concerns.
 15. Transition Plan: The Contractor shall have a transition plan for caregivers, ServiceLink contractors and enrolled vendors providing services in the event this Agreement is terminated prior to or at the completion date of the contract.
 - 15.1. The plan shall provide uninterrupted delivery of services to caregivers. The FMS contractor shall develop and submit to the Department for approval a transition plan that includes, but not limited to:
 - a) A close out date for expenditures;
 - b) A plan to transfer all records of approved budgets for family caregivers, of expenditures, and of units of services;
 - 15.2. The FMS contractor shall transfer the records to the party identified by and in accordance with the directions provided by the Department.
 - 15.3. Management of the Transition: The FMS contractor shall designate a person responsible for coordinating the transition plan and will assign staff as is necessary to assist in the transition. Status meetings including staff from all parties involved in the transition will be held as frequently as the Department determines is necessary.
 - 15.4. Continuation of Services: In the event that the contract will expire or a new vendor will be contracted, there will be an overlap of at least one month's time to facilitate the transition of records to the newly contracted agency. The current contractor shall continue operating as the FMS contractor under this contract until all caregivers and their records have been successfully transitioned to the new contractor. The FMS contractor remains responsible for providing the FMS services, and all terms and conditions of the contract will apply during this period.
 - 15.5. Obligations of Contracting Parties: The FMS contractor shall develop and submit to the Department for approval, the format for notifying all stakeholders of the date of termination and process by which the stakeholders continue to receive services;
 - 15.6. Contractor's Responsibilities:
 - 15.7. Contractor will utilize the format approved by the Department for notification and shall be responsible for duplication, mailing and postage expenses related to said notification to participants and those employed by current contractor on behalf of the participants. A staff member shall be available to address questions about the transition to the stakeholders.



15.8. **Transfer of Information:** The current Contractor shall promptly supply all information necessary for the reimbursement of any outstanding expense claims submitted by program participants.

16. **Data Reporting Requirements:** The FMS contractor shall collect data and provide monthly reports to caregivers, New Hampshire ServiceLink contractors, and the Department. The FMS contractor shall provide reports also when requested by the Department. The following outlines the minimum reporting requirements to:

16.1. **The Caregivers:** The FMS contractor shall facilitate the caregivers' ability to monitor and manage their budgets. By program/funding source, the FMS contractor shall provide monthly statements to each caregiver no later than the 15th of the month for prior month's activities. The statement at a minimum shall include:

- 16.1.1. Begin and end date of the authorized services;
- 16.1.2. Total authorized budget amount by caregiver;
- 16.1.3. Number of care recipients served by each caregiver;
- 16.1.4. List and type of services provided by category: respite and/or supplemental services, for the month and year to date;
- 16.1.5. Amount of the expenditures by service type for the month and year to date; and,
- 16.1.6. The available balance year to date.

16.2. **New Hampshire ServiceLink Contractors:** The FMS contractor shall:

16.2.1. assist the New Hampshire ServiceLink contractors in:

- 16.2.1.1. monitoring the caregiver budgets such as caregivers who may be approaching the authorized limit of their budgets or who may be underutilizing their budgets.
- 16.2.1.2. monitoring the amount of the allocated direct service dollars (for each ServiceLink contractor) by the Department, the amount of authorized dollars and amount of expenditures to inform the ServiceLink contractor and the Department when allocations are approaching authorized limits or underutilization.

16.2.2. The FMS contractor shall provide monthly reports to each New Hampshire ServiceLink contractor, on the expenditures and program utilization of the caregivers located in the ServiceLink contractor's respective service area no later than the 20th day of the month for prior month's activities. The report shall include at a minimum:

- 16.2.2.1. Copies of the statements provided to each caregiver, outlined in section 16.1 above, serviced by each ServiceLink site;
- 16.2.2.2. A monthly and year to date summary of the expenditures for all caregivers serviced by each ServiceLink site;
- 16.2.2.3. Total Amount allocated to the ServiceLink contractor
- 16.2.2.4. Total authorized budget amounts;
- 16.2.2.5. Amount of expenditures by program and type for:
 - ADRD respite
 - Title III E respite
 - Title III E supplemental services



Exhibit A

- 16.2.2.6. Amount of the remaining available balances;
- 16.2.2.7. Total number of caregivers by each respective ServiceLink contractor; and,
- 16.2.2.8. Total number of caregiver's care recipients by each respective ServiceLink contractor.

16.3. BEAS: These reports assist BEAS in monitoring the program on a statewide level and provide information needed for the annual report to the Administration for Community Living on service utilization as well as provide information to the Governor and State Legislators upon request. The FMS contractor shall submit by the last business day of the month for prior month's activities. The reports shall include at a minimum:

- 16.3.1. All the information in Section 16.1 and 16.2
- 16.3.2. A monthly and year to date summary of the caregivers':
 - a) total authorized budget amounts,
 - b) amount of expenditures by program; type: respite and/or supplemental services; and, funding source,
 - c) amount of the available balances remaining to pay for services, and
 - d) total number of care recipients by caregiver.

16.4. BEAS: These reports assist BEAS in the monitoring of the FMS contractor and the administrative costs associated with providing the FMS services. The FMS contractor shall submit these reports by the last business day of the month for the prior month's activities. The data will be reported by program/funding source and by monthly and year to date totals, statewide program summary totals and ServiceLink contractor specific summary program totals. The reports should include at a minimum the following data elements:

- 16.4.1. the number of caregivers by New Hampshire ServiceLink contractor
- 16.4.2. the number of care recipients by New Hampshire ServiceLink contractor
- 16.4.3. the number of invoices processed and paid to vendors that provide the respite or supplemental services
- 16.4.4. the number of payrolls processed and paid to family managed employees
- 16.4.5. The number of FMS contractor hours required to:
 - a) process and pay invoices
 - b) process and distribute payroll
 - c) work with the caregiver to establish the employer of record service
 - d) assist caregivers with questions and problems
 - e) to assist New Hampshire ServiceLink contractors, family managed employees, and vendors with questions and problems
- 16.4.6. the number of caregivers enrolled with the employer of record service
- 16.4.7. the number of caregivers enrolled with the just the service of processing and paying invoices
- 16.4.8. the number of caregivers enrolled with both employer of record services and processing and paying vendor invoices



- 16.4.9. the number of family managed employees
- 16.4.10. the number of vendors by agencies and independent contractors

16.5. Waitlists: The contractor shall collect data from the New Hampshire ServiceLink contractors regarding the waitlists for the Family Caregiver and ADRD programs. The contractor shall report to the Department each month the monthly and year to date totals for the following:

- 16.5.1. the number of caregivers and care recipients on a waitlist by program and by each ServiceLink contractor
- 16.5.2. the reason(s) why a caregiver and care recipient are on a waitlist.

16.6. The FMS contractor shall provide an explanation in writing when of any of the above data elements results fluctuates above or below 10% from the prior month's results.

17. Performance Measures: The FMS contractor shall provide FMS services that support the following outcomes so that caregivers and their care recipients will:
- 17.1. experience a seamless process of having invoices paid against their approved budgets in a timely manner.
 - 17.2. have access to accurate and timely information regarding expenditures against their approved budgets.
 - 17.3. have easy access to the FMS contractor during normal business hours to get answers to questions and concerns regarding their FMS services in a way that they can understand.
 - 17.4. learn how to assume and manage the role of a co-employer with training and support from the FMS contractor.
 - 17.5. The FMS contractor shall demonstrate compliance with the above performance outcomes by providing:
 - 17.5.1. good customer service defined as timely and accurate responses to questions and issues;
 - 17.5.2. ease of accessibility (by phone, email, etc.) to the FMS contractor; and
 - 17.5.3. quality financial functions. Quality service shall be defined by the number of invoices and payroll paid on a timely basis, the availability of accurate and real time information to caregivers about their budgets, accurate and timely processing and paying of invoices and payroll, and timely resolution of billing problems.
 - 17.5.4. The FMS contractor shall measure the above by reporting and/or consumer feedback by using customer surveys approved by the Department. The FMS contractor shall survey the caregivers at the end of their authorization service period.

18. Staffing: The contractor shall:

- 18.1. Provide sufficient staff to perform all tasks specified in this agreement. The contractor shall maintain a level of staffing necessary to perform and carry out all of the functions, requirements, roles, and duties in a timely fashion for the number of clients and geographic area to be served.



-
- 18.2. The contractor shall ensure that all staffs have appropriate training, education, experience, and orientation to fulfill the requirements of the positions they hold and shall verify and document that it has met this requirement. This includes keeping up-to-date records and documentation of all individuals requiring licenses and/or certifications and such records shall be available for DHHS on-site review.
 - 18.3. The bidder shall develop a staffing contingency plan after receiving the contract award, including but not limited to:
 - 18.3.1. the process for replacement of personnel in the event of loss of key personnel or other personnel before or after signing of the Agreement;
 - 18.3.2. allocation of additional resources to the Agreement in the event of inability to meet any performance standard;
 - 18.3.3. discussion of time frames necessary for obtaining replacements;
 - 18.3.4. bidder's capabilities to provide, in a timely manner, replacements/additions with comparable experience; and
 - 18.3.5. the method of bringing replacements/additions up-to-date regarding this Agreement.
 - 18.3.6. FMS contractor's positions will not be funded during periods of vacancy. Any funds paid for positions while vacant shall be recovered during the agreement period.

19. Cultural Considerations

DHHS recognizes that culture and language have considerable impact on how consumers access and respond to DHHS' programs and services. Culturally and linguistically diverse populations experience barriers in efforts to access services. To ensure equal access to quality health and long term care services, DHHS expects that the Contractor will provide culturally and linguistically appropriate services according to the following guidelines:

- 19.1. Assess the ethnic/cultural needs, resources and assets of their community.
- 19.2. Promote the knowledge and skills necessary for staff to work effectively with consumers with respect to their culturally and linguistically diverse environment.
- 19.3. When necessary, provide clients of minimal English skills with interpretation services.
- 19.4. Offer consumers a forum through which clients have the opportunity to provide feedback to the Contractor regarding cultural and linguistic issues that may deserve response.
- 19.5. When feasible and appropriate, identify communication access needs for clients who may be deaf and hard of hearing, or have vision or speech impairment and develop an individual communication plan for recipients to receive services identified in Section 3 Statement of Work.



20. Privacy and Security of Participant Information

DHHS is the designated owner of all data and shall approve all access to that data. The Contractor shall not have ownership of State data at any time. The Contractor shall be in compliance with privacy policies established by governmental agencies or by state or federal law. Privacy policy statements may be developed and amended from time to time by the State and will be appropriately displayed on the State portal. The Contractor shall provide sufficient security to protect the State and DHHS data in network, transit, storage and cache.

21. E Studio

All BEAS contractors are required to use BEAS' E-Studio electronic information system. E-Studio is BEAS' primary vehicle for uploading important information concerning time-sensitive announcements, policy releases, administrative rule adoptions, and other critical information. The Contractor is strongly encouraged to identify all of the key agency personnel who need to have E-Studio accounts to ensure that information from BEAS can be shared with the necessary agency staff. There is no cost to the organization for BEAS to create an E-Studio account and no limit on the number of staff an agency identifies to have access to E-Studio.

BJD

3/19/14



Exhibit B

Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, of the General Provisions of this Agreement for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. Services are funded with funds from the New Hampshire General Funds and with federal funds made available under:

Grant #	CFDA #	Federal Agency	Grant Description
14AANHT3FC	93.052	Administration for Community Living	Family Caregiver Support Program Title III E
na	na	State of New Hampshire General Funds	Alzheimer's Disease and Related Disorders

3. Payment for said services shall be made as follows:
The Contractor will submit an invoice by the the last business day of each month, which identifies and requests reimbursement for authorized expenses, by funding source, incurred in the prior month. The Department will supply the invoice template to the contractor; format of the invoice template will be similar to that of the contractor's approved budget (s). The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.

The invoice must be submitted to:
Financial Manager
Bureau of Elderly and Adult Services
Department of Health and Human Services
129 Pleasant Street, Brown Building
Concord, NH 03301

4. Authorized expenses include:
 - 4.1. The actual administrative costs defined as the direct and indirect costs incurred by the FMS contractor to provide the Financial Management Services, by funding source; and
 - 4.2. The direct service dollars defined as the amount of funding to pay for costs of the authorized respite and supplemental services actually received by the caregivers and/or their care recipients and actually paid to the vendor or the family managed employee, by funding source.
5. Payment for contracted services will be made on a line item actual cost reimbursement for allowable expenses based on budgets identified as Exhibit B-1 through B-4. Each budget is specific to a time period as identified in the budget period at the top of the respective budget form. Allowable costs and expenses shall be determined by DHHS in accordance with applicable state and federal laws and regulations.
6. The Contractor shall submit to the Department the subcontractor's budget for review and approval. The Contractor shall submit to the Department copies of their invoices and the subcontractor's invoices for actual expenses that support the requests for reimbursement.
7. Contractor will have forty-five (45) days from the end of the contract period to submit to the Department final invoices for payment. Any adjustments made to a prior invoice will need to be accompanied by supporting documentation.



Exhibit B

8. Notwithstanding paragraph 18 of the General Provisions of this Agreement P-37, an amendment limited to Exhibits B-1 through B-4 budgets, to adjust line item amounts within the budgets and to adjust amounts between State Fiscal Years, within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of Governor and Executive Council.
9. Financial Reporting Requirements: The Contractor shall submit Monthly Financial Reports to the Department and when requested by the Department.
10. Review of the State Disallowance of Costs: At any time during the performance of the Services, and upon receipt of the Monthly Reports, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date. Upon such review the State shall disallow any items of expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specify the disallowed expenditures, and 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.
11. The Department will not advance funds before the services are delivered.

Exhibit B-1

New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD

Bidder/Program Name: Area Agency of Greater Nashua, Inc.

Financial Management Services:
Administrative Costs - NH Family Caregiver
Budget Request for: Program

(Name of RFP)

Effective Date of Contractor through June 30,
Budget Period: 2014

Line Item	Direct Incremental	Indirect Fixed	Total	Allocation Method for Indirect/Fixed Cost
1. Total Salary/Wages	\$ 20,914	\$ -	\$ 20,914	
2. Employee Benefits	\$ 4,811	\$ -	\$ 4,811	
3. Consultants	\$ -	\$ -	\$ -	
4. Equipment:	\$ -	\$ -	\$ -	
Rental	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	
Office	\$ 831	\$ -	\$ 831	
6. Travel	\$ 113	\$ -	\$ 113	
7. Occupancy	\$ -	\$ 1,058	\$ 1,058	
8. Current Expenses	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	
Postage	\$ 831	\$ -	\$ 831	
Subscriptions	\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ -	\$ -	
Board Expenses	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ -	\$ -	\$ -	
11. Staff Education and Training	\$ -	\$ -	\$ -	
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	
13. Other: Direct Service Dollars:	\$ 221,442	\$ -	\$ 221,442	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
TOTAL	\$ 248,942.00	\$ 1,058.00	\$ 250,000.00	

Indirect As A Percent of Direct

0.4%

Exhibit B-2

New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD

Bidder/Program Name: Area Agency of Greater Nashua, Inc.

Financial Management Services: Alzheimer's
Disease and Related Disorders Program

Budget Request for: (ADDR)

(Name of RFP)

Effective Date of Contractor through June 30,

Budget Period: 2014

Line Item	Direct Incremental	Indirect Fixed	Total	Allocation Method for Indirect/Fixed Cost
1. Total Salary/Wages	8,208	-	8,208	
2. Employee Benefits	1,888	-	1,888	
3. Consultants	-	-	-	
4. Equipment:	-	-	-	
Rental	-	-	-	
Repair and Maintenance	-	-	-	
Purchase/Depreciation	-	-	-	
5. Supplies:	-	-	-	
Educational	-	-	-	
Lab	-	-	-	
Pharmacy	-	-	-	
Medical	-	-	-	
Office	268	-	268	
6. Travel	37	-	37	
7. Occupancy	-	342	342	
8. Current Expenses	-	-	-	
Telephone	-	-	-	
Postage	269	-	269	
Subscriptions	-	-	-	
Audit and Legal	-	-	-	
Insurance	-	-	-	
Board Expenses	-	-	-	
9. Software	-	-	-	
10. Marketing/Communications	-	-	-	
11. Staff Education and Training	-	-	-	
12. Subcontracts/Agreements	-	-	-	
13. Other: Direct Service Dollars:	85,988	-	85,988	
	-	-	-	
	-	-	-	
	-	-	-	
TOTAL	96,658	342	97,000	

Indirect As A Percent of Direct

0.4%

Exhibit B-3

New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD

Bidder/Program Name: Area Agency of Greater Nashua, Inc.

Financial Management Services: NH Family
Budget Request for: Caregiver Program
(Name of RFP)

Budget Period: July 1, 2014 through June 30, 2015

Line Item	Direct Incremental	Indirect Fixed	Total	Allocation Method for Indirect/Fixed Cost
1. Total Salary/Wages	\$ 48,737	\$ -	\$ 48,737	
2. Employee Benefits	\$ 11,209	\$ -	\$ 11,209	
3. Consultants	\$ -	\$ -	\$ -	
4. Equipment:	\$ -	\$ -	\$ -	
Rental	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	
Office	\$ 1,604	\$ -	\$ 1,604	
6. Travel	\$ 96	\$ -	\$ 96	
7. Occupancy	\$ -	\$ 1,604	\$ 1,604	
8. Current Expenses	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	
Postage	\$ 1,604	\$ -	\$ 1,604	
Subscriptions	\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ -	\$ -	
Board Expenses	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ -	\$ -	\$ -	
11. Staff Education and Training	\$ -	\$ -	\$ -	
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	
13. Other: Direct Service Dollars:	\$ 510,146	\$ -	\$ 510,146	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
TOTAL	\$ 573,396	\$ 1,604	\$ 575,000	

Indirect As A Percent of Direct

0.3%

Exhibit B-4

New Hampshire Department of Health and Human Services
 COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD

Bidder/Program Name: Area Agency of Greater Nashua, Inc.

Financial Management Services: Alzheimer's
 Disease and Related Disorders Program

Budget Request for: (ADRD)
 (Name of RFP)

Budget Period: July 1, 2014 through June 30, 2015

Line Item	Direct Incremental	Indirect Fixed	Total	Allocation Method for Indirect/Fixed Cost
1. Total Salary/Wages	\$ 27,207	\$ -	\$ 27,207	
2. Employee Benefits	\$ 6,258	\$ -	\$ 6,258	
3. Consultants	\$ -	\$ -	\$ -	
4. Equipment:	\$ -	\$ -	\$ -	
Rental	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	
Office	\$ 896	\$ -	\$ 896	
6. Travel	\$ 54	\$ -	\$ 54	
7. Occupancy	\$ -	\$ 896	\$ 896	
8. Current Expenses	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	
Postage	\$ 895	\$ -	\$ 895	
Subscriptions	\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ -	\$ -	
Board Expenses	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ -	\$ -	\$ -	
11. Staff Education and Training	\$ -	\$ -	\$ -	
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	
13. Other: Direct Service Dollars:	\$ 284,794	\$ -	\$ 284,794	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
TOTAL	\$ 320,104	\$ 896	\$ 321,000	

Indirect As A Percent of Direct

0.3%



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 fundors 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 fundors, 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.

[Handwritten Signature]

3/19/14



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. **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:

- 16.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 16.2. 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
- 16.3. Monitor the subcontractor's performance on an ongoing basis
- 16.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 16.5. 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.



Exhibit C-1

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. **Contract Extension:** This Agreement has an option for two (2) one year extensions to be exercised by mutual agreements by the parties, upon availability of funding, acceptable performance of the Statement of Work, and subsequent approval by the Governor and Executive Council.



CERTIFICATION REGARDING
THE AMERICANS WITH DISABILITIES ACT COMPLIANCE

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 make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

Contractor Name:

3/19/14

Date

Name: Richard Piermatte

Title: BOARD CHAIRMAN