



Jeffrey A. Meyers
Commissioner

Christine Tappan
Senior Division Director

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF HUMAN SERVICES

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9546 1-800-852-3345 Ext. 9546
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www.dhhs.nh.gov

August 28, 2017

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Human Services, Division of Family Assistance, to enter into **sole source** agreements, with the vendors listed below, for the provision of community based services and anti-poverty programs through the Community Services Block Grant, in an amount not to exceed \$4,105,513, effective upon Governor and Executive Council approval through September 30, 2018. 100% Federal Funds.

05-095-045-450010-71480000-102-500731-45012160. HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: TRANSITIONAL ASSISTANCE, DIV OF FAMILY ASSISTANCE, CSBG

Vendor	Vendor Code	Address	Grant Amount
Community Action Partnership of Strafford County	177200-B004	61 Locust Street, Suite 240, PO Box 160 Dover, NH 03835	\$419,592
Community Action Programs Belknap and Merrimack Counties	177203-B003	2 Industrial Park Drive PO Box 1016 Concord, NH 03301	\$526,361
Southern NH Services	177198-B006	40 Pine Street PO Box 5040 Manchester, NH 03108	\$2,022,848
Southwestern Community Services	177511-R001	63 Community Way PO Box 603 Keene, NH 03431	\$441,025
Tri-County Community Action Program	177195-B009	30 Exchange Street PO Box 367 Berlin, NH 03670	\$695,687
TOTAL:			\$4,105,513

Funds to support this request are available in State Fiscal Years 2018 and 2019, with the ability to adjust encumbrances between state fiscal years through the Budget Office without Governor and Executive Council approval if needed and justified.

Community Action Partnership of Strafford County (Vendor Code 177200-B004)

SFY	Class/Object	Class Title	Activity Code	Amount
2018	102-500731	Contracts for Program Services	45012160	\$324,096
2019	102-500731	Contracts for Program Services	45012160	\$95,496
			Sub-total	\$419,592

Community Action Programs Belknap and Merrimack Counties (Vendor Code 177203-B003)

SFY	Class/Object	Class Title	Activity Code	Amount
2018	102-500731	Contracts for Program Services	45012160	\$412,093
2019	102-500731	Contracts for Program Services	45012160	\$114,268
			Sub-total	\$526,361

Southern NH Services (Vendor Code 177198-B006)

SFY	Class/Object	Class Title	Activity Code	Amount
2018	102-500731	Contracts for Program Services	45012160	\$1,664,500
2019	102-500731	Contracts for Program Services	45012160	\$358,348
			Sub-total	\$2,022,848

Southwestern Community Services (Vendor Code 177511-R001)

SFY	Class/Object	Class Title	Activity Code	Amount
2018	102-500731	Contracts for Program Services	45012160	\$340,650
2019	102-500731	Contracts for Program Services	45012160	\$100,375
			Sub-total	\$441,025

Tri-County Community Action Program (Vendor Code 177195-B009)

SFY	Class/Object	Class Title	Activity Code	Amount
2018	102-500731	Contracts for Program Services	45012160	\$537,347
2019	102-500731	Contracts for Program Services	45012160	\$158,340
			Sub-total	\$695,687
			Grand Total	\$4,105,513

EXPLANATION

These agreements are **sole source** because the five (5) Community Action Agencies are the Community Services Block Grant entities as defined in Public Law 105 – 285–October 27, 1998 – Community Opportunities, Accountability, and Training and Educational Services Act of 1998.

The purpose of this request is to provide funding to community programs at the local level to ensure continuation of services to eligible participants that include, but are not limited to; health, food and financial assistance, employment services, financial planning, and other community-based services. These services allow individuals and families to become involved in their local communities through community involvement opportunities.

The vendors provide services to individuals at the local level that will assist them to become or remain financially and socially independent. Services provided have a major impact on poverty in the community. Activities and services are designed to assist low income participants, including the elderly poor, to secure and retain meaningful employment; attain an adequate education; make better use of available income; obtain and maintain adequate housing and a suitable living environment; obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including health services, food assistance, housing and employment-related assistance. Vendors providing assistance at the local level also encourage individuals to become involved in the affairs of the community and make more effective use of other related programs.

These vendors ensure emergency assistance is available for individuals at the local level to ensure supplies and services are available to counteract conditions of starvation and malnutrition among the poor. The vendors also coordinate and establish linkages between governmental and other social service programs to ensure the effective delivery of such services to low-income individuals.

Some services provided may be 'stop gap' measures that are used in instances when individuals do not financially qualify for government assistance, but are in need of temporary assistance that will help the individual get through a heating season or temporary emergency that would otherwise result in homelessness or another major setback, which could lead to the individual becoming eligible for full government assistance.

These vendors administer a variety of programs including, but not limited to, fuel assistance, electric assistance, Neighbor Helping Neighbor programs, rental assistance, security deposits, Senior Community Service Employment Program, Head Start, Supplemental Foods Women, Infants and Children (WIC), Weatherization, Senior Housing, and other popular programs that are designed to address the local community need.

Funding for these contracts must be used to administer the variety of programs that are available through the vendor agencies. The source of funding specifies that 95% of the Community Service Block Grant is to be used for direct services to the communities. The vendors must submit their budgets to the Department for expense monitoring purposes. Each vendor must notify the Department of any changes to the budgets and provide a justification for changes.

In addition to the services provided to individuals, the vendors must provide an annual community action plan to the Department that describes the agency's delivery system; linkages to fill identified gaps; and coordination with other public and private resources. The vendors also conduct an annual community needs assessment. The Community Services Block Grant is administered by a tripartite board that participates in the development, planning, implantation and evaluation of the agency and its programs...

The 2018 Community Services Block Grant program will operate effective the date of Governor and Executive Council approval through September 30, 2018. The calculation for the purpose of this contract was based upon the 2017 funding level and the Community Services Block Grant State Plan. Should the amount of funding differ from the amounts awarded the Department will recalculate the contract price limitation and bring an amendment forward to the Governor and Executive Council for approval.

The Department allocates the Community Services Block Grant federal funds to the Community Action Program agencies to provide services and activities in accordance with the Public Law 105-285 of October 23, 1998, which is also known as the Community Opportunities Accountability, Training and Educational Act of 1998. The amount of funding provided to each community program is calculated using a formula that is based on poverty demographics available from the US Census Bureau. According to the Community Services Block Grant State Plan, these funds are to be used primarily for

the provision of assistance to individuals and families whose incomes are at or below the 125th percentile of the poverty level.

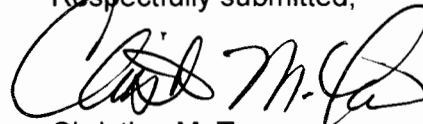
Should the Governor and Executive Council not approve this request, funding to community programs, statewide, may be limited. Limiting funds at the community level will directly, and negatively, impact the citizens of New Hampshire. With heating and food costs rising on a daily basis, the federal funding for community programs is needed in order to deliver the assistance needed to eligible citizens, statewide.

Area served: Statewide

Source of Funds: 100% Federal Funds, Catalog of Federal Domestic Assistance (CFDA) #93.569 Agency: Department of Health and Human Services; Office: Administration for Children and Families; Community Services Block Grant.

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

Respectfully submitted,



Christine M. Tappan
Senior Division Director



Approved by:

Jeffrey A. Meyers
Commissioner

Subject: Community Services Block Grant (CSBG)/SS-2018-DFA-03-COMMU-01

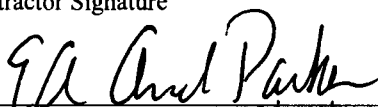
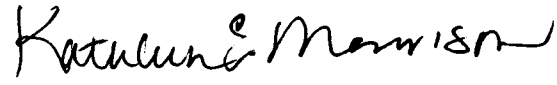
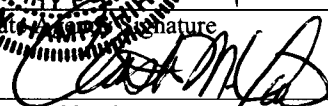
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Community Action Partnership of Strafford County		1.4 Contractor Address 61 Locust Street Suite 240 Dover, NH 03835	
1.5 Contractor Phone Number 603-435-2500	1.6 Account Number 05-095-045-450010-71480000-102-500731-45012160	1.7 Completion Date September 30, 2018	1.8 Price Limitation \$419,592
1.9 Contracting Officer for State Agency Jonathan V. Gallo, Esq., Interim Director		1.10 State Agency Telephone Number 603-271-9246	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Betsey Andrews Parker, CEO	
1.13 Acknowledgement: State of <u>New Hampshire</u> County of <u>Strafford</u> On <u>August 22, 2017</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 Signature of Notary Public or Justice of the Peace 			
1.13.2 Name and Title of Notary or Justice of the Peace Kathleen E. Morrison, Notary			
1.14 Signature 		1.15 Name and Title of State Agency Signatory Christina McLean, Senior Division Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: <u>B. Conway, Attorney</u> On: <u>9/7/17</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Contractor Initials cap
Date 8/22/17

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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

Contractor Initials EAP
Date 8/22/17



Exhibit A

Scope of Services

1. In accordance with the provisions of The Community Services Block Grant Act (42 U.S.C. et seq) as amended by Public Law 105-285 of October 27, 1998, also known as the Community Opportunities Accountability, Training and Educational Act of 1998 or the Coats Human Services Reauthorization Act of 1998; and any amendments thereto, the Contractor agrees to deliver Community Services to low-income individuals at or below 125 percent of the poverty income guidelines.
2. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services, within ten (10) days of the contract effective date.
3. The Contractor shall remain a designated Community Services Block Grant (CSBG) entity by conforming to the requirements of the Acts referred to in Section 1 and any amendments thereto, which includes but is not limited to:
 - 3.1. Providing an annual community action plan, which shall describe:
 - 3.1.1. The service delivery system;
 - 3.1.2. Linkages to fill identified gaps; and
 - 3.1.3. Coordination with other public and private resources, and innovative initiatives.
 - 3.2. Providing of an annual community-needs assessment;
 - 3.3. Providing of an independent annual "Single Audit Act" audit;
 - 3.4. Participating in an annual performance measure system via the Annual Report;
 - 3.5. Participating in the Organizational Performance Standards;
 - 3.6. Administering CSBG through a tripartite board that participates in the development, planning, implementation, and evaluation of the program;
 - 3.7. Ensuring that cost and accounting standards of the Office of Management and Budget are in effect; and
 - 3.8. Informing custodial parents in single-parent families about child support services and refer eligible parents to child support offices.
4. The Contractor shall provide, on an emergency basis, services to counteract conditions of starvation and malnutrition.
5. The Contractor shall coordinate, establish linkages and form partnerships with governmental as well as other social services and antipoverty programs.



Exhibit B

Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Form P-37, General Provisions, Price Limitation, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. This contract is funded with federal funds made available under the Catalog of Federal Domestic Assistance, CFDA #93.569 Community Services Block Grant, Department of Health and Human Services, Administration for Children and Families.
3. Invoices must be submitted monthly within thirty (30) days of the end of the previous month, with in-kind match funds documented. 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.
4. Invoices and reports specified in Exhibit A, Scope of Services, Section 2, Reporting Requirements must be submitted to:

CSBG Coordinator
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
5. A final payment request shall be submitted no later than forty (40) days from the Form P-37, General Provisions, Contract Completion Date, Block 1.7.
6. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
7. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.
8. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.



SPECIAL PROVISIONS

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

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



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

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

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



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

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

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

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

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

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

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



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

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

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

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
- When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis



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

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

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.

EAP
Date 8/2/17



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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



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

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

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

8/22/17
Date

Contractor Name: Community Action Partnership of
Stratford County
9 A And Park
Name: Betsy Andrews Parker
Title: CEO

Contractor Initials Sup
Date 8/22/17



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

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

8/22/17
Date

Contractor Name: Community Action Partnership of
Stratford County
Betsy Andrews Parker
Name: Betsy Andrews Parker
Title: CEO



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

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

INSTRUCTIONS FOR CERTIFICATION

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



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

8/22/17
Date

Contractor Name: Community Action Partnership of
Strafford County
GA And Park
Name: Betsy Andrews Parker
Title: CEO

Contractor Initials EAP
Date 8/22/17



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

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

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

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

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

Exhibit G

Contractor Initials

EAP

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

8/22/17

New Hampshire Department of Health and Human Services
Exhibit G



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

The 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.

8/22/17
Date

Contractor Name: Community Action Partnership of
Strafford County
E. G. d. Park
Name: Betsy Andrews Parker
Title: CEO

Exhibit G

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

Contractor Initials

CA

Date 8/22/17



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Community Action Partnership of
Strafford County

8/22/17
Date

GA Carl Park
Name: Betsy Andrews Parker
Title: CEO



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) **Definitions.**

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

Eop

8/22/17



Exhibit I

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

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

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

EOP



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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

JAP

Date 8/22/17



Exhibit I

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

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



Exhibit I

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

(4) Obligations of Covered Entity

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

(5) Termination for Cause

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

(6) Miscellaneous

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



Exhibit I

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

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

Department of Health and Human Services
 The State
Christie M. Tappin
 Signature of Authorized Representative
Christie M. Tappin
 Name of Authorized Representative
Senior Division Director
 Title of Authorized Representative
8-28-17
 Date

Community Action Partnership of
 Name of the Contractor Strafford County
9A Carl Park
 Signature of Authorized Representative
Betsy Andrews Parker
 Name of Authorized Representative
CEO
 Title of Authorized Representative
8/22/17
 Date



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

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

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

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

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

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

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

Contractor Name: Community Action Partnership of
Strafford County

Name: 9th Ave Park
Betsey Andrews Parker
Title: CEO

Date 8/22/17

Contractor Initials EAP
Date 8/22/17



FORM A

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

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

NO YES

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

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

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

NO YES

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

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

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

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



DHHS INFORMATION SECURITY REQUIREMENTS

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this RFP, the Department's Confidential information includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.
2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:
 - 2.1. Maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
 - 2.2. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
 - 2.3. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.
 - 2.4. Ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
 - 2.5. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information
 - 2.6. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
 - 2.6.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
Breach notifications will be sent to the following email addresses:
 - 2.6.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov
 - 2.6.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov
 - 2.7. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the vendor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure

New Hampshire Department of Health and Human Services
Exhibit K



deletion, or otherwise physically destroying the media (for example, degaussing). The vendor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and vendor prior to destruction.

- 2.8. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the vendor, including breach notification requirements.
3. The vendor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the vendor and any applicable sub-contractors prior to system access being authorized.
4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the appropriate authorized data owner or leadership member within the Department.

Jap

8/22/17

State of New Hampshire

Department of State

CERTIFICATE

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

Business ID: 65583



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 5th day of April A.D. 2017.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of Community Action Partnership of Strafford County.
(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 October 19, 2016:
(Date)

RESOLVED: That the Betsey Andrews Parker
(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 22nd day of August, 2017.
(Date Contract Signed)

4. Betsey Andrews Parker is the duly elected Chief Executive Officer
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Jean L. Miccolo
(Signature of the Elected Officer)

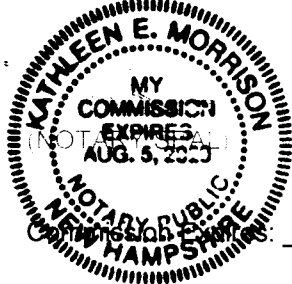
STATE OF NEW HAMPSHIRE

County of Strafford

The forgoing instrument was acknowledged before me this 22 day of August, 2017.

By Jean Miccolo
(Name of Elected Officer of the Agency)

Kathleen E. Morrison
(Notary Public/Justice of the Peace)



Commission Expires: August 5, 2020



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/18/2017

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 CGI Insurance 171 Londonderry Turnpike Hooksett NH 03106		CONTACT NAME: Teri Davis PHONE (A/C No., Ext): (603) 232-9398 FAX (A/C, No): (603) 622-4618 E-MAIL ADDRESS: tdavis@cgibusinessinsurance.com	
INSURED Community Action Partnership of Strafford PO Box 160 Dover NH 03821-1060		INSURER(S) AFFORDING COVERAGE INSURER A: Hanover Insurance Company INSURER B: New York Marine & General Ins INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 22292	

COVERAGES **CERTIFICATE NUMBER:** 16-17 Master **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL/SUBR/INSD	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			ZHVA192135	12/31/2016	12/31/2017	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ Included Professional Liability \$ 1,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			AWVA156930	12/31/2016	12/31/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist combined \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0			UEVA192136	12/31/2016	12/31/2017	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	3A State: NH WC20160007962	12/31/2016	12/31/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Business Property			ZHVA192135	12/31/2016	12/31/2017	Blanket Limit 900,150

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

CERTIFICATE HOLDER NH Department of Health and Human Service 129 Pleasant St Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Mark Harvie/TERI
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MISSION

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



VISION

Working to eliminate poverty in
Strafford County

Financial Statements

COMMUNITY ACTION PARTNERSHIP OF
STRAFFORD COUNTY

FOR THE YEARS ENDED
DECEMBER 31, 2015 AND 2014
AND
INDEPENDENT AUDITORS' REPORTS

Leone,
McDonnell
& Roberts
PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

DECEMBER 31, 2015 AND 2014

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

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of cash flows, and notes to the financial statements for the years then ended, and the related statements of activities and functional expenses for the year ended December 31, 2015.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Action Partnership of Strafford County as of December 31, 2015 and 2014, and its cash flows for the years then ended, and the changes in its net assets for the year ended December 31, 2015 in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Community Action Partnership of Strafford County's 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 10, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2016, on our consideration of Community Action Partnership of Strafford County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Partnership of Strafford County's internal control over financial reporting and compliance.

*Leone McDowell Roberts,
Professional Association*

June 1, 2016
Wolfeboro, New Hampshire

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 713,900	\$ 744,514
Accounts receivable	714,329	770,066
Inventory	8,724	8,754
Prepaid expenses	<u>1,300</u>	<u>11,586</u>
Total current assets	<u>1,438,253</u>	<u>1,534,920</u>
NONCURRENT ASSETS		
Security deposits	24,667	19,201
Property, net of accumulated depreciation	478,424	435,446
Other noncurrent assets	<u>12,500</u>	<u>12,500</u>
Total noncurrent assets	<u>515,591</u>	<u>467,147</u>
TOTAL ASSETS	<u>\$ 1,953,844</u>	<u>\$ 2,002,067</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Demand note payable	\$ 73,401	\$ 80,735
Accounts payable	82,925	126,063
Accrued payroll and related taxes	121,014	120,172
Accrued compensated absences	81,878	78,154
Refundable advances	467,356	491,134
Other current liabilities	<u>24,399</u>	<u>137</u>
Total liabilities	<u>850,973</u>	<u>896,395</u>
NET ASSETS		
Unrestricted		
Undesignated	686,961	669,373
Board designated	<u>307,315</u>	<u>307,002</u>
Total unrestricted	994,276	976,375
Temporarily restricted	<u>108,595</u>	<u>129,297</u>
Total net assets	<u>1,102,871</u>	<u>1,105,672</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,953,844</u>	<u>\$ 2,002,067</u>

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2015 Total</u>	<u>2014 Total</u>
CHANGE IN NET ASSETS				
REVENUES AND OTHER SUPPORT				
Grant revenue	\$ 7,098,408	\$ -	\$ 7,098,408	\$ 7,545,723
Fees for service	334,257	-	334,257	424,089
Rent revenue	11,005	-	11,005	24,353
Public support	150,971	60,838	211,809	432,328
In-kind donations	649,898	-	649,898	439,830
Interest	128	-	128	301
Fundraising	<u>56,979</u>	<u>-</u>	<u>56,979</u>	<u>31,299</u>
Total revenues and support	<u>8,301,646</u>	<u>60,838</u>	<u>8,362,484</u>	<u>8,897,923</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>81,540</u>	<u>(81,540)</u>	<u>-</u>	<u>-</u>
Total revenues, support, and net assets released from restrictions	<u>8,383,186</u>	<u>(20,702)</u>	<u>8,362,484</u>	<u>8,897,923</u>
EXPENSES				
Program services				
Child services	3,693,205	-	3,693,205	3,374,862
Community services	712,557	-	712,557	831,155
Energy assistance	2,120,534	-	2,120,534	2,975,261
Housing	347,367	-	347,367	189,080
Weatherization	286,121	-	286,121	133,564
Workforce development	<u>264,408</u>	<u>-</u>	<u>264,408</u>	<u>258,219</u>
Total program services	7,424,192	-	7,424,192	7,762,141
Supporting activities				
Management and general	846,980	-	846,980	1,031,611
Fundraising	<u>57,682</u>	<u>-</u>	<u>57,682</u>	<u>23,644</u>
Total expenses	<u>8,328,854</u>	<u>-</u>	<u>8,328,854</u>	<u>8,817,396</u>
CHANGE IN NET ASSETS BEFORE LOSS ON SALE OF ASSETS	54,332	(20,702)	33,630	80,527
LOSS ON SALE OF ASSETS	<u>(36,431)</u>	<u>-</u>	<u>(36,431)</u>	<u>(110,559)</u>
CHANGE IN NET ASSETS	17,901	(20,702)	(2,801)	(30,032)
NET ASSETS, BEGINNING OF YEAR	<u>976,375</u>	<u>129,297</u>	<u>1,105,672</u>	<u>1,135,704</u>
NET ASSETS, END OF YEAR	<u>\$ 994,276</u>	<u>\$ 108,595</u>	<u>\$ 1,102,871</u>	<u>\$ 1,105,672</u>

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (2,801)	\$ (30,032)
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	43,903	69,333
Loss on sale of assets	36,431	110,559
(Increase) decrease in assets:		
Accounts receivable	55,737	(113,132)
Inventory	30	6,553
Prepaid expenses	10,286	67,697
Security deposits	(5,466)	(60)
Other noncurrent assets	-	(2,500)
Increase (decrease) in liabilities:		
Accounts payable	(43,138)	58,278
Accrued payroll and related taxes	842	27,498
Accrued compensated absences	3,724	(2,438)
Refundable advances	(23,778)	(51,760)
Other current liabilities	<u>24,262</u>	<u>(55,781)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>100,032</u>	<u>84,215</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(130,646)	(77,022)
Proceeds from sale of property and equipment	<u>7,334</u>	<u>129,471</u>
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	<u>(123,312)</u>	<u>52,449</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of demand note payable	<u>(7,334)</u>	<u>(6,443)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(7,334)</u>	<u>(6,443)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(30,614)	130,221
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>744,514</u>	<u>614,293</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 713,900</u>	<u>\$ 744,514</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 3,448</u>	<u>\$ 3,252</u>

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Child Services	Community Services	Energy Assistance	Housing	Weatherization	Workforce Development	Total Program Services	Management And General	Fundraising	2015 Total	2014 Total
Payroll	\$ 2,058,413	\$ 183,228	\$ 255,149	\$ 87,134	\$ 37,282	\$ 170,757	\$ 2,771,973	\$ 502,520	\$ 17,761	\$ 3,292,254	\$ 3,310,098
Payroll taxes	203,101	16,442	22,878	6,690	3,049	15,950	267,910	43,943	1,974	313,827	340,843
Fringe benefits	189,204	24,301	39,584	6,395	3,610	14,098	277,192	36,615	22	313,829	323,866
Weatherization material, fuel and client assistance	57,805	57,194	1,716,873	168,334	188,690	9,231	2,196,097	1,035	-	2,197,132	2,873,617
In-kind expenses	423,518	170,874	-	14,619	38,361	-	645,473	-	4,425	649,898	438,831
Consumable supplies	161,558	27,392	6,837	2,279	615	1,920	200,602	6,825	32	207,459	196,360
Indirect costs	-	-	-	-	-	-	-	133,274	-	133,274	190,950
Insurance	124,132	5,503	2,822	4,998	3,660	4,728	146,844	8,013	134	152,981	168,846
Equipment and computer	38,785	(14,261)	7,786	1,256	770	2,279	36,615	11,221	123	47,859	157,109
Rent	78,726	10,143	16,024	1,819	1,885	27,895	137,494	13,769	890	152,153	148,437
Utilities	91,455	7,489	11,555	16,454	2,822	4,808	134,673	12,662	567	147,902	129,280
Consultants and contract labor	142,393	31,972	6,209	54,168	624	1,009	236,375	34,776	7,069	278,220	104,984
Repairs and maintenance	79,871	14,505	20,893	11,871	1,107	2,727	130,874	15,877	7,219	154,070	101,120
Travel	55,543	6,268	1,868	1,009	3,268	4,987	72,843	22,441	148	95,533	90,152
Meetings, events and training	68,465	3,947	1,821	281	2,083	783	77,460	14,678	569	92,707	93,647
Depreciation	18,895	18,020	-	3,733	1,135	2,320	43,903	-	-	43,903	69,373
Copying & postage	14,877	2,333	6,580	201	965	322	25,286	8,953	346	34,585	31,013
Retirement	9,395	831	409	74	185	503	11,998	1,776	72	13,047	16,997
Property taxes	-	493	-	2,412	-	-	2,905	-	-	2,905	3,516
Interest expense	-	3,448	-	-	-	-	3,448	-	-	3,448	3,252
Other program support	(120,735)	141,563	398	(16,340)	-	-	4,826	(19,398)	16,330	1,758	15,078
Total expenses	\$ 3,663,206	\$ 712,557	\$ 2,120,534	\$ 347,367	\$ 286,121	\$ 264,408	\$ 7,424,192	\$ 848,980	\$ 57,682	\$ 8,328,854	\$ 8,817,396

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

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

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

Basis of Accounting

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

Financial Statement Presentation

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

and permanently restricted net assets. The classes of net assets are determined by the presence or absence of donor restrictions.

Unrestricted: Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted: Net assets whose use is limited by donor imposed stipulations that will either expire with the passage of time or be fulfilled or removed by actions of the Agency.

Permanently Restricted: Net assets reflecting the historical cost of gifts (and in certain circumstances, the earnings from those gifts), subject to donor-imposed stipulations, which require the corpus to be invested in perpetuity to produce income for general or specific purposes.

At December 31, 2015 and 2014 the Agency had unrestricted and temporarily restricted net assets.

Refundable Advances

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

Contributions

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

Contributed Services

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

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

Fair Value of Financial Instruments

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

Inventory

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

Property and Depreciation

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

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

Depreciation expense aggregated \$43,903 and \$69,333 for the years ended December 31, 2015 and 2014, respectively.

Accrued Earned Time

The Agency has accrued a liability of \$81,878 and \$78,154 at December 31, 2015 and 2014, respectively, for future compensated leave time that its employees have earned and which is vested with the employee.

Income Taxes

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

Accounting Standard Codification No. 740, "Accounting for Income Taxes", establishes the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. Management has analyzed the Agency's tax position taken on its information returns for the years (2012 through 2015), for the purposes of implementation, and has concluded that no additional provision for income taxes is necessary in the Agency's financial statements.

Cash and Cash Equivalents

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

Use of Estimates

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

Advertising Expenses

The Agency expenses advertising costs as they are incurred. Total advertising costs for the years ended December 31, 2015 and 2014 amounted to \$15,799 and \$12,641, respectively.

In-kind Donations

The Agency pays below-market rent for the use of certain facilities. In accordance with generally accepted accounting principles, the difference between amounts paid for the use of the facilities and the fair market value of the rental space has been recorded as an in-kind donation and as an in-kind expense in the accompanying financial statements. The estimated fair value of the donation was determined to be \$268,238 and \$199,684 for the years ended December 31, 2015 and 2014, respectively.

The Agency also receives contributed professional services that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these services was determined to be \$131,488 and \$82,809 for the years ended December 31, 2015 and 2014, respectively.

The Agency also receives contributed food commodities and other goods that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these food commodities and goods was determined to be \$136,081 and \$96,644, respectively, for the year ended December 31, 2015. For the year ended December 31, 2014, the estimated fair value of these food commodities and goods was determined to be \$132,268 and \$25,070, respectively.

Functional Allocation of Expenses

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

Subsequent Events

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through June 1, 2016, the date the December 31, 2015 financial statements were available for issuance.

NOTE 2. PROPERTY

As of December 31, 2015 and 2014, property consisted of the following:

	<u>2015</u>	<u>2014</u>
Land, buildings and improvements	\$ 430,128	\$ 416,435
Furniture, equipment and machinery	522,213	507,304
Vehicles	<u>249,779</u>	<u>302,466</u>
Total	1,202,120	1,226,205
Less accumulated depreciation	<u>723,696</u>	<u>790,759</u>
Net property	<u>\$ 478,424</u>	<u>\$ 435,446</u>

NOTE 3. ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at December 31, 2015 and 2014. The Agency has no policy for charging interest on overdue accounts.

NOTE 4. PLEGDED ASSETS

As described in Note 5, all assets of the Agency are pledged as collateral under the Agency's demand note payable agreement.

NOTE 5. DEMAND NOTE PAYABLE

The Agency has available a revolving line of credit with a bank in the amount of \$250,000. The note is payable upon demand, but in the absence of demand, is due on November 30, 2016. Interest is stated at the prime rate plus 1% which result in an interest rate of 4.50% and 4.25% at December 31, 2015 and 2014, respectively. The note is collateralized by all the assets of the Agency.

NOTE 6. TEMPORARILY RESTRICTED NET ASSETS

At December 31, 2015 and 2014, the Agency had \$108,595 and \$129,297 in net assets temporarily restricted by donor-imposed use restrictions, respectively.

NOTE 7. LEASE COMMITMENTS

Facilities occupied by the Agency for its community service programs are rented under the terms of various operating leases. For the years ended December 31, 2015 and 2014, the annual lease/rent expense for the leased facilities was \$169,849 and \$163,615, respectively. Certain equipment is leased by the Agency under the terms of various operating leases.

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

<u>Year Ended December 31</u>	<u>Amount</u>
2016	\$ 120,523
2017	34,071
2018	8,730
2019	2,022
2020	<u>204</u>
Total	<u>\$ 165,550</u>

NOTE 8. RETIREMENT PLAN

The Agency maintains a 403(b) Plan and Trust (the Plan) covering substantially all employees. Employee contributions to the Plan are made at predetermined rates elected by employees. Additionally the Agency provides a matching contribution equal to 25% of the first 5% of an employee's contribution. Effective April 1, 2016, the Agency instituted an auto enrollment feature mandating a minimum 1% employee contribution; however employees reserve the right to decline the auto enrollment. Employer matching contributions for the years ended December 31, 2015 and 2014 totaled \$13,047 and \$15,988, respectively.

NOTE 9. CONCENTRATION OF RISK

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

NOTE 10. CONCENTRATION OF CREDIT RISK

The Agency maintains its cash balances at several financial institutions in New Hampshire. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Agency maintains an agreement with its primary financial institution to collateralize the balances in excess of \$250,000. At December 31, 2015, the Agency had uninsured cash balances of approximately \$51,000. At December 31, 2014, there were no uninsured cash balances.

NOTE 11. CONTINGENCIES

The Agency receives grant funding from various sources. Under the terms of these agreements, the Agency is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Agency might be required to repay the funds. No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed as of December 31, 2015 and 2014.

SUPPLEMENTARY INFORMATION

(See Independent Auditors' Report)

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURE
U.S. Department of Agriculture				
Child and Adult Care Food Program	10 558	State of New Hampshire Department of Education	4300-222	\$ 137,773
Summer Food Service Program for Children	10 559	State of New Hampshire Department of Education	4300-222	61,971
Emergency Food Assistance Program (Food Commodities)	10 569	Bainkap Merrimack Community Action Partnership	Unknown	136,081
Total U.S. Department of Agriculture				<u>\$ 335,825</u>
U.S. Department of Housing and Urban Development				
Supportive Housing for the Elderly	14 157	New Hampshire Housing Authority	Unknown	\$ 29,336
Community Development Block Grants / Entitlement Grants	14 218	City of Dover, New Hampshire	Unknown	4,115
Community Development Block Grants / Entitlement Grants	14 218	City of Rochester, New Hampshire	Unknown	47,878
Emergency Solutions Grant Program	14 231	State of New Hampshire Department of Health and Human Services	102-500731	163,145
Supportive Housing Program	14 235	State of New Hampshire Department of Health and Human Services	010-092-7176-102-0415	43,037
Supportive Housing Program	14 235	Community Partners / Behavioral Health / Services	Unknown	24,843
Total U.S. Department of Housing and Urban Development				<u>\$ 307,154</u>
U.S. Department of Labor				
WIA Cluster				
WIA Adult Program	17 258	Southern New Hampshire Services, Inc	1018853	\$ 79,376
WIA Dislocated Worker Formula Grants	17 278	Southern New Hampshire Services, Inc	1018853	73,226
Total U.S. Department of Labor/WIA Cluster				<u>\$ 152,602</u>
U.S. Department of Transportation				
Enhanced Mobility of Seniors and Individuals with Disabilities	20 513	State of New Hampshire Department of Transportation	512-500352	\$ 42,613
Total U.S. Department of Treasury				<u>\$ 42,613</u>
U.S. Department of Energy				
Weatherization Assistance for Low-Income Persons	81 042	State of New Hampshire Governor's Office of Energy & Community Services	01-02-02-024010-7706-074-500587	\$ 159,298
Total U.S. Department of Energy				<u>\$ 159,298</u>
U.S. Department of Education				
Twenty-First Century Community Learning Centers	84 287	State of New Hampshire Department of Education	Unknown	\$ 127,160
Total U.S. Department of Education				<u>\$ 127,160</u>
U.S. Department of Health & Human Services				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93 044	State of New Hampshire Division of Elderly and Adult services	010-048-7872-512-0352	\$ 2,520
Drug-Free Communities Support Program Grants	93 276	N/A		9,900
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93 505	State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section	05-95-90-802010-5896	158,863
Promoting Safe and Stable Families	93 556	State of New Hampshire, DHHS, Division for Children, Youth and Families	102-500734	18,618
Temporary Assistance for Needy Families	93 558	State of New Hampshire, DHHS, Division for Children, Youth and Families	502-500891	32,839
Temporary Assistance for Needy Families	93 558	Southern New Hampshire Services, Inc	010-045-6146-090-0415, 1024239	134,955
Low-Income Home Energy Assistance	93 568	State of New Hampshire Governor's Office of Energy & Planning	01-02-02-024010-77050000-074-500567	2,027,009
Community Services Block Grant	93 569	State of New Hampshire, DHHS, DFA	010-045-7148-093-0415	439,170
Head Start	93 600	N/A		2,852,699
Stephanie Tubbs Jones Child Welfare Program	93 645	State of New Hampshire, DHHS, Division for Children, Youth and Families	102-500734	737
Social Services Block Grant	93 667	State of New Hampshire, DHHS, Division for Children, Youth and Families	102-500734	69,830
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	83 757	State of New Hampshire, Keene State College, DHHS, Center for Disease Control & Prevention, NH Division of Public Health Services	Unknown	3,000
Maternal and Child Health Services Block Grant to the States	93 994	State of New Hampshire, DHHS, Division for Children, Youth and Families	102-500731	4,965
Total U.S. Department of Health & Human Services				<u>\$ 5,755,093</u>
TOTAL				<u>\$ 6,879,745</u>

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal grant activity of Community Action Partnership of Strafford County under programs of the federal government for the year ended December 31, 2015. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Community Action Partnership of Strafford County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available. Community Action Partnership of Strafford County as elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 FOOD DONATION

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

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE ELECTRICAL ASSISTANCE PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2015**

Revenues	\$ 174,932
Expenditures	
Payroll	\$ 95,079
Payroll taxes	8,443
Fringe benefits	15,323
Weatherization material, fuel and client assistance	61
Consumable supplies	2,831
Indirect costs	25,332
Insurance	1,056
Equipment and computer	4,487
Rent	6,156
Utilities	3,985
Consultants and contract labor	513
Repairs and maintenance	9,080
Travel	302
Meetings, events and training	295
Copying & postage	1,817
Retirement	172
	<u>\$ 174,932</u>

Note:

For the year ended December 31, 2015, the Electric Assistance Program, which is funded through the New Hampshire Public Utilities Commission with funds from the utility companies operating in the State of New Hampshire, was tested for compliance with the requirements of laws and regulations applicable to the contract with the Public Utilities Commission. In our opinion, Community Action Partnership of Strafford County complied, in all material respects, with the requirements outlined in the contract for the year ended December 31, 2015.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of cash flows for the years then ended, and the related notes to the financial statements, and the related statements of activities and functional expenses for the year ended December 31, 2015 and have issued our report thereon dated June 1, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

*Leone, McDonnell & Roberts,
Professional Association*

June 1, 2016
Wolfeboro, New Hampshire

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

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

Report on Compliance for Each Major Federal Program

We have audited Community Action Partnership of Strafford County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Action Partnership of Strafford County's major federal programs for the year ended December 31, 2015. Community Action Partnership of Strafford County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Community Action Partnership of Strafford County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Report on Internal Control Over Compliance

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

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

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

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

June 1, 2016
Wolfeboro, New Hampshire

*Leane, McDonnell & Roberts,
Professional Association*

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

A. SUMMARY OF AUDITORS' RESULTS

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

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

None

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

None

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014**

There were no findings or questioned costs that were required to be reported in the Schedule of Findings and Questioned Costs for the year ended December 31, 2014.

Community Action Partnership of Strafford County Board of Directors

Name	Sector	Term Expires	Length of Service	Committee
Carrie DiGeorge Chair	Private - Envoy Mortgage	2018 2 nd term	5 years	Development Executive Capital Campaign
Becky Sherburne, RN Vice Chair	Private- Healthcare	2017 1 st term	3 years	Executive Finance
Alan Brown Treasurer	Kennebunk Savings Bank - Finance	2019 1 st term	1	Executive Finance
Jean Miccolo Secretary	Elected/ Appointed Official Strafford County Commissioners Office	2017 1 st term	3 years	Executive Development
Dorothea (Dot) Hooper	Elected/ Appointed Official – City of Dover NH	2017 1 nd term	3 years	Governance Advocacy
Chris Lawrence	Private – Education	2018 1 st term	2 years	Governance
Penney Mabey	Private - Vendor	2019 1 st term	1 year	Development
Hope Morrow Flynn	Private – Legal	2018 1 st term	2 years	Governance
Dave Terlemezzian	Elected/Appointed Official-Capitan Dover Police Dept.	2017 2 nd term	6years	Investment Audit
Jason Shute	Early Childhood Education Expert	2017 1 nd term	3 years	Audit Governance

Community Action Partnership of Strafford County Board of Directors

Marci Theriault	Consumer	2018 1 st term	2 years	
Alison Dorow	Elected- Tom Velardi, County Attorney	2019 1 st term	1 year	
Robin Goode	Policy Council Liaison	2019 1 st term	1 year	Policy Council Liaison
Bridget Goerss	Consumer	2019	0	Development
Megan MacDonald	Consumer	2019	0	
Christina Radie	Consumer	2019	0	

M. KATHLEEN CROMPTON

RESUME' OF EXPERIENCE

PROFESSIONAL POSITIONS:

Director of Program Operations; *Strafford County Community Action Program, Dover, New Hampshire*

Responsible for the operational success of the agency by ensuring seamless team management and development, program delivery, and quality control and evaluation. Implement strategies that maximize the interactions and collaborations among program areas. Supervise program managers working to implement a 2 Gen approach to service delivery. Provide consistent, objective program performance standards of accountability.

Responsible for special projects and strategic initiatives, delivering project management, strategic planning and implementation support for organizational initiatives as assigned by the Executive Director. Work in conjunction with senior management to pursue and achieve tactical or strategic objectives, working on long term strategic goals and short term initiatives as well. Long-term initiatives include the development of a care coordination system that assesses the needs of clients and works with them to set measurable goals that address issues impeding them from achieving their highest level of self-sufficiency.

Provide support to the Executive Director by convening meetings, providing research, tracking trends and preparing presentations as requested. Program management includes all activities needed to align projects with the agencies mission, procedures and practices. (2013 to present)

Community Health Lead; *Strafford County Community Action Program, Dover, New Hampshire*

Responsibilities: Identify and develop working relationships with key agencies and organizations within the community to facilitate the education and enrollment of consumers into Qualified Health Plans. Conduct group presentations and organize meetings to promote positive relationships among all groups working with the Affordable Care Act. Working with Cognosante, CMS and other partners identify and arrange for locations throughout the County where In-person assisters can be located to support consumers seeking help with the Marketplace web-based service. Develop news articles, PSAs and other promotional materials to and promote activities in local newspapers and media. Complete certification course for navigators and attend training required or suggested by CMS. (2013 to 2014)

Executive Director; *SeaCare Health Services, Exeter, New Hampshire*

Responsible for all operations of a non-profit agency providing health care access to uninsured residents in twenty-one towns in Rockingham County. SeaCare's mission was devoted to ensuring that all underserved members of the community had access to optimal health care and care coordination to address the wide variety of health care needs encountered by individuals and families as they grew and changed in the life cycle. Through a volunteer network of over 350 health professionals, pro bono or low cost medical and mental health services were available. The program built a comprehensive range of preventive and social services, with an emphasis on respectful care coordination, multifaceted health education, home-based education and parenting activities for families of children referred by local pediatricians. The program generated over \$3,500,000 in donated medical care and services for uninsured adults and children.

Worked closely with the SeaCare Board of Trustees to ensure compliance with the agency Mission Statement; sound fiscal practices; secure funding; program planning and compliance; program development; grant writing and management; budget preparation; staff supervision; liaison with health professionals, community members, other agencies and policy makers; public relations; database management and community outreach. (1994 to 2013)

Nutritionist and Health Education; *Portsmouth Prenatal Clinic, Portsmouth, New Hampshire*

Member of a multi-disciplinary team, serving low-income pregnant women. Coordinated with physicians, nurses, social workers and nurse practitioners to develop individualized care plans. Served as the coordinator and instructor of the American Lung Association Smoking Cessation in Pregnancy Program administered through the Clinic. Served as a

contributing writer for the Clinic's Families First Program newsletter. Responsible for nutrition education for families in the Families First Program. Provided assistance to clients in obtaining related services. (1989 to 1994)

Nutrition Instructor; *The Family Center*, Exeter Hospital, Exeter, New Hampshire

Conducted nutrition education programs during the Early Pregnancy Series offered to all women and their partners delivering at Exeter Hospital. (1993 to 1994)

Consulting Nutritionist; Rockingham County Community Action Program, *Women, Infants and Children Program*, Exeter, New Hampshire (1982 to 1989)

Assisted in the development of an innovative breastfeeding support program for participants in the RCCAP WIC Program. Developed and conducted outreach and support activities designed to encourage the initiation of breastfeeding and to expand the duration of breastfeeding among low-income women.

Served as a consulting nutritionist to the Program, which encompassed several communities in southeastern New Hampshire. Duties included nutrition education and certification for women, infants and children.

Director; *Women, Infants and Children Program*, Greater Lawrence Community Action Council, Lawrence, Massachusetts.

Served as the administrator of an urban nutrition education and supplemental food program. (1980 to 1982).

Nutritionist; South Carolina Head Start Training Office, *Humanics Associates*, Columbia, SC . (1977 – 1980)

Nutritionist; Lawrence Housing Authority, *Greater Lawrence Community Action Council*, Lawrence, MA. (1975 to 1977)

Volunteer Activities

Board of Directors; Healthy New Hampshire Foundation, Concord, New Hampshire (2013 to present)

Community Assister Task Force; NH Voices for Health, Concord, New Hampshire (2013 to present)

Board of Directors; Squamscott Community Commons, Exeter, NH (2013 to present)

Board of Directors; *United Way of the Greater Seacoast*, Portsmouth, NH (2001 to 2005)

NH District Health Council; *Governor Councilor's Ruth Griffin, District 1*, Portsmouth, NH (2000 to 2003)

Alliance for Community Health; *Greater Seacoast health care collaborative*, Portsmouth, NH (1998 to 2013)

New Hampshire Health Care System: Guidelines for Change; *State Initiative*, Concord NH (1999)

Women Helping Women; *Greater Seacoast Breast and Cervical Cancer Screening Initiative*, Portsmouth,(1995 to 1998)

Board of Directors; *Seacoast Area Visiting Nurses Association*, North Hampton, New Hampshire.
Board President, 1990 - 1991. (1988 to 1991)

Education

University of New Hampshire, Durham, New Hampshire.
Bachelor of Science with concentration in Nutrition. (1975)

ERIC D. BORRIN

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY November 2016- Present

Housing Development Manager

- Responsible for the development, program and fiscal management of agency's elderly and family housing programs
- Develop, implement, and oversee compliance and regulatory activities in accordance with federal, state and local regulations
- Real Estate and Economic Development in coordination with the agency's housing Program Development

NEW HAMPSHIRE DEPARTMENT OF HEALTH AND HUMAN SERVICES March 2008- November 2016

Director, Contracts and Procurement Unit

- Manage and coordinate all aspects of the procurement process across 700-850 contracts each year with an annual spend of between \$1.6-2.2 billion (based upon budget cycle)
- Personally lead negotiations and establishment of final contract language for all contracts over \$500,000 in value
- Created a client-centric database for all active contracts and procurements to allow staff statewide to access the status of their contracts, 24/7
- Maintain a reputation for consistently working to leverage all spending to the benefit of the Department and those it serves

Administrator, Contracts and Procurement Unit

- Recommended and executed changes in internal contract process that led to tightening of compliance controls within new contracts, resulting in better accountability and fewer complaints from stakeholders
- Hired, trained, managed and provided oversight to 12 direct reports. Helped monitor production levels and output quality by performing weekly reviews and final approvals for all contracts while maintaining my own case load of high priority, high visibility contracts

Bureau Chief, Juvenile Probation/Parole Services

- Handled all budgetary forecasting, trend reporting, and contract compliance issues related to statewide provision of services
- Provided management direction for Bureau wide initiatives including service delivery and cost containment across 18 offices and 105 staff
- Directed statewide provision of probation/parole services to youth under 18

Quality Improvement & Professional Development Manager

- Managed and coordinated procurement of training resources for the Division
- Facilitated GSA property and equipment transfers to support needs of Juvenile Probation and Parole officers
- Developed, implemented and/or coordinated all in-service and specialized training programs for the Division
- Was the individual in charge of planning and management of the Council of Juvenile Corrections Administrators (CJCA) Performance Based Standards (PbS) process

CITY OF DOVER, NH POLICE DEPARTMENT

Commander- Professional Standards Bureau (2002-2008)

- Managed all aspects of the contracting process for the Departments purchase of firearms, ammunition, clothing, ballistic protection, GSA property transfers, and facility related upgrades
- Developed Department policy and procedure at direction of Chief of Police
- Created and managed the Departments first computerized directive system
- Created and implemented a court defensible firearms and use of force training program
- Ensured all line staff received properly developed in-service and specialized agency training program
- Developed, managed and implemented the recruitment, selection and hiring processes for police officers
- Provided planning and management oversight of the CALEA accreditation process
- Successfully guided the Department through two CALEA accreditation cycles as the Accreditation Manager

CITY OF DOVER, NH & TOWNS OF MOULTONBORO, TUFTONBORO, AND WOLFEBORO

Police Officer (1990-2002)

- Full-time patrol officer

Education

Master of Arts in Management Communication and Public Relations
Emerson College, Boston, Massachusetts; 1990-1992

Bachelor of Science in Management and Organizational Communication
Emerson College, Boston, Massachusetts; 1987-1990

Kristen M. Welch, CFRE

Professional Profile

A results-oriented, strategic leader with over ten years of experience in non-profit management. Experienced in philanthropy, relationship building, grant writing, community outreach, public relations, strategic communications, marketing/social media marketing, event planning, and strategic planning. Proven record of developing innovative fundraising initiatives to increase and diversify revenue. Excellent written and verbal communication skills. Detail-oriented with strong organizational skills and ability to manage multiple tasks. Experienced and effective public speaker. Highly collaborative individual who can work independently and as a team player.

Experience

7/16 to Present Community Action Partnership of Strafford County Dover, NH

Director of Advancement

Senior leadership team member and an active participant in making strategic decisions affecting CAPSC. Responsible for developing, implementing, and managing a comprehensive multi-channel fundraising program that supports the philanthropic priorities of CAPSC. Responsible for all communication, marketing, and development activities, and the cultivation and stewardship of new and existing relationships to build CAPSC's visibility, impact, and financial resources. Design and implement a comprehensive plan for developing key external alliances by cultivating individual and philanthropic support. Establish and implement the infrastructure needed to grow a \$9.5M budget through the solicitation of major gifts, annual fund, federal and state grants, special events, and corporate and foundation support. Expand and diversify CAPSC's donor base/pipeline and work in partnership with other team members to secure funding for new initiatives. Support the Board of Directors and provide leadership as they develop an active role in fundraising. Systematically and effectively strengthen the organization's overall development capacity.

7/09 to 7/16 Genesis Behavioral Health Laconia, NH

Director of Development & Communications

Collaborate with senior management team and the Board of Directors to develop and implement strategies and initiatives to diversify revenue and ensure sustainability of a non-profit health care organization. Increased annual fund revenue by over 400% within two years. Cultivate and steward donor relationships and manage a portfolio of 200+ donors. Developed two successful signature annual fundraising events (online auction and an educational newspaper insert). Research, write, and manage grants that align with strategic plan and agency mission. Lead author for a four-year, \$1.6 million federal grant to integrate primary and behavioral health care. Increased revenue from appropriations from twenty-four municipalities and two counties for unfunded programs by 138% over seven years. Develop and implement strategic communications initiatives to engage individual and corporate donors and the community, including a monthly newspaper column, newspaper ads, annual community forums, and community outreach events. Design and prepare all marketing and communications collateral, including annual report, press releases, brochures, direct mail, and presentations. Designated agency spokesperson to the media and crisis communication liaison. Manage all public relations and respond as needed. Responsible for marketing general services and programs that increase and diversify revenue. Monitor and update website content, manage all social media activities, create e-newsletters, and write copy for monthly radio ad campaigns. Plan and coordinate all agency events. Liaison to Board of Directors and member of development, governance, facilities, and advocacy committees. Facilitate biannual strategic planning process and monitor/update plan.

Kristen M. Welch, CFRE

1/05 to 8/09

Community Partners

Dover, NH

Grant Writer & Development Coordinator

Authored over \$3.5 million in grant proposals to develop new and innovative programs to improve patient outcomes and expand revenue. Worked with senior management to determine funding needs and implemented strategies to meet the identified needs. Represented the organization in all outreach and coalition building efforts. Prepared all communications and marketing materials. Facilitated strategic planning process.

11/01 to 1/05

Community Partners

Dover, NH

Case Manager

Managed and coordinated care for over thirty individuals with developmental disabilities and their families. Caseload included a high percentage of individuals with a dual diagnosis of mental illness and developmental disability.

9/99 to 11/01

Community Partners

Dover, NH

Day Program Coordinator

Managed a community-based day program for twenty-four adults with developmental disabilities. Supervised over fifteen direct support professionals. Planned daily activities in accordance with individual service plans focused on community integration. Implemented therapeutic arts programming.

9/98 to 9/99

Strafford County Head Start

Rochester, NH

AmeriCorps VISTA

Managed Traveling Tales, a mobile literacy program for low-income children and their families. Wrote grants and sought funding to support the program and other initiatives of Head Start. Assisted with marketing and communications efforts, including extensive community outreach.

5/98 to 9/98

Measured Progress

Dover, NH

Reader

Evaluated and scored student responses to writing section of primary and secondary standardized tests.

Kristen M. Welch, CFRE

Education

1994 to 1998

University of New Hampshire

Durham, NH

Bachelor of Arts, English (Minor in Linguistics)

- Phi Beta Kappa
- Graduated Magna Cum Laude
- Achieved University Honors in Major for 4 years
- Member of Alpha Phi Omega

Professional & Volunteer Activities

- Achieved Certified Fund Raising Executive (CFRE) Designation in November 2016
- Association of Fundraising Professionals – Northern New England, Board Member and Member
- Rochester Rotary Club, Member
- Laconia Rotary Club, 2010-2016 (Board Member Since 2012)
- Laconia Rotary Club, President 2015-2016
- Laconia Rotary Club, President-Elect, 2014-2015
- Laconia Rotary Club, Vice-President, 2013-2014
- Laconia Rotary Club, Board of Directors, 2012-2016
- Graduate of The Grantsmanship Center, 2006
- Leadership Lakes Region, Class of 2011

Community Action Partnership of Strafford County
Community Services Block Grant (CSBG)

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Kathleen Crompton	Strategic Initiatives & Special Projects	66,187.00	100%	66,187.00
Eric Borrin	Housing Development Manager	44,490.00	100%	44,490.00
Kristen Welch	Director of Advancement	66,997.00	33%	22,102.00

Subject: Community Services Block Grant (CSBG)/SS-2018-DFA-03-COMMU-02



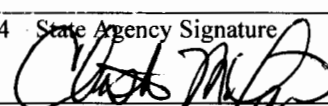
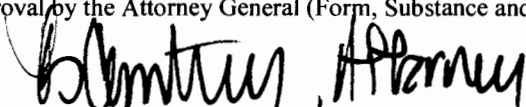
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Community Action Programs Belknap and Merrimack Counties		1.4 Contractor Address 2 Industrial Drive PO Box 1016 Concord, NH 03301	
1.5 Contractor Phone Number 603-225-3295	1.6 Account Number 05-095-045-450010-71480000-102-500731-45012160	1.7 Completion Date September 30, 2018	1.8 Price Limitation \$526,361
1.9 Contracting Officer for State Agency Jonathan V. Gallo, Esq., Interim Director		1.10 State Agency Telephone Number 603-271-9246	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Ralph Littlefield, Executive Director	
1.13 Acknowledgement: State of New Hampshire, County of Merrimack On 8/21/2017, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace KATHY L. HOWARD Notary Public, New Hampshire My Commission Expires October 16, 2018			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Christopher M. Lagan, Senior Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Date: 8/28/17 Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  Attorney On: 9/7/17			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

Contractor Initials HR
Date 8/21/17

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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

Contractor Initials
Date



Exhibit A

Scope of Services

1. In accordance with the provisions of The Community Services Block Grant Act (42 U.S.C. et seq) as amended by Public Law 105-285 of October 27, 1998, also known as the Community Opportunities Accountability, Training and Educational Act of 1998 or the Coats Human Services Reauthorization Act of 1998; and any amendments thereto, the Contractor agrees to deliver Community Services to low-income individuals at or below 125 percent of the poverty income guidelines.
2. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services, within ten (10) days of the contract effective date.
3. The Contractor shall remain a designated Community Services Block Grant (CSBG) entity by conforming to the requirements of the Acts referred to in Section 1 and any amendments thereto, which includes but is not limited to:
 - 3.1. Providing an annual community action plan, which shall describe:
 - 3.1.1. The service delivery system;
 - 3.1.2. Linkages to fill identified gaps; and
 - 3.1.3. Coordination with other public and private resources, and innovative initiatives.
 - 3.2. Providing of an annual community-needs assessment;
 - 3.3. Providing of an independent annual "Single Audit Act" audit;
 - 3.4. Participating in an annual performance measure system via the Annual Report;
 - 3.5. Participating in the Organizational Performance Standards;
 - 3.6. Administering CSBG through a tripartite board that participates in the development, planning, implementation, and evaluation of the program;
 - 3.7. Ensuring that cost and accounting standards of the Office of Management and Budget are in effect; and
 - 3.8. Informing custodial parents in single-parent families about child support services and refer eligible parents to child support offices.
4. The Contractor shall provide, on an emergency basis, services to counteract conditions of starvation and malnutrition.
5. The Contractor shall coordinate, establish linkages and form partnerships with governmental as well as other social services and antipoverty programs.



Exhibit B

Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Form P-37, General Provisions, Price Limitation, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. This contract is funded with federal funds made available under the Catalog of Federal Domestic Assistance, CFDA #93.569 Community Services Block Grant, Department of Health and Human Services, Administration for Children and Families.
3. Invoices must be submitted monthly within thirty (30) days of the end of the previous month, with in-kind match funds documented. 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.
4. Invoices and reports specified in Exhibit A, Scope of Services, Section 2, Reporting Requirements must be submitted to:

CSBG Coordinator
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
5. A final payment request shall be submitted no later than forty (40) days from the Form P-37, General Provisions, Contract Completion Date, Block 1.7.
6. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
7. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.
8. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

[Handwritten Signature]
8/24/17



SPECIAL PROVISIONS

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

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



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

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

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


Date 8/21/17



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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8/21/17



- 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.

[Handwritten Signature]
[Handwritten Date: 8/27/14]



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.

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CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

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8/25/17

New Hampshire Department of Health and Human Services
Exhibit D



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

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

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

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

8/21/2017
Date


Name: Ralph Littlefield
Title: Executive Director



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

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

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

8/21/2017
Date


Name: Ralph Littlefield
Title: Executive Director



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

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

INSTRUCTIONS FOR CERTIFICATION

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

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Date *8/20/17*



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

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

8/21/2017
Date


Name: Ralph Littlefield
Title: Executive Director



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

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

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

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

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

Exhibit G

Contractor Initials

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

Date

New Hampshire Department of Health and Human Services
Exhibit G



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

The 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:
Community Action Program Belknap-Merrimack Counties, Inc.

8/21/2017
Date


Name: Ralph Littlefield
Title: Executive Director

Exhibit G

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

Contractor Initials RL

Date 8/21/17



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

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

8/21/2017
Date


Name: Ralph Littlefield
Title: Executive Director

Contractor Initials RL
Date 8/21/17



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) **Definitions.**

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

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8/21/17



Exhibit I

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

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

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

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Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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

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Exhibit I

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

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

[Handwritten Signature]
8/20/17



Exhibit I

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

(4) Obligations of Covered Entity

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

(5) Termination for Cause

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

(6) Miscellaneous

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

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Exhibit I

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

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

Department of Health and Human Services

The State

[Signature]
Signature of Authorized Representative

Christine M. Yapan
Name of Authorized Representative

Senior Director
Title of Authorized Representative

8-28-17
Date

Community Action Program

Belknap-Merrimack Counties, Inc.

Name of the Contractor

[Signature]
Signature of Authorized Representative

Ralph Littlefield
Name of Authorized Representative

Executive Director
Title of Authorized Representative

8/21/2017
Date



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

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

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

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

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

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

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

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

Name: Ralph Littlefield
Title: Executive Director

8/21/2017
Date

Contractor Initials AL
Date 8/21/17



FORM A

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

1. The DUNS number for your entity is: 07-399-7504

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

X NO _____ YES

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

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

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

_____ NO _____ YES

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

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

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

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

[Handwritten Signature]
[Handwritten Date: 5/21/17]



DHHS INFORMATION SECURITY REQUIREMENTS

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this RFP, the Department's Confidential information includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:
 - 2.1. Maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
 - 2.2. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
 - 2.3. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.
 - 2.4. Ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
 - 2.5. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information
 - 2.6. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
 - 2.6.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
Breach notifications will be sent to the following email addresses:
 - 2.6.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov
 - 2.6.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov
 - 2.7. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the vendor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure

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



deletion, or otherwise physically destroying the media (for example, degaussing). The vendor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and vendor prior to destruction.

- 2.8. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the vendor, including breach notification requirements.
3. The vendor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the vendor and any applicable sub-contractors prior to system access being authorized.
4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the appropriate authorized data owner or leadership member within the Department.

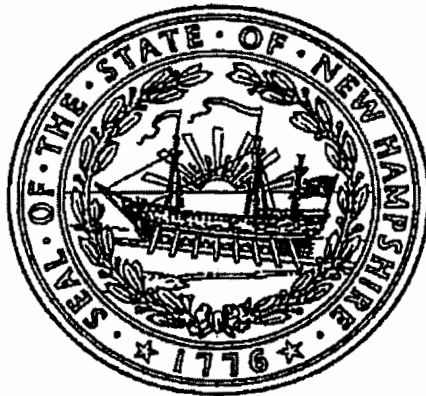
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[Handwritten date: 8/2/17]

State of New Hampshire
Department of State

CERTIFICATE

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

Business ID: 63021



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 4th day of April A.D. 2017.

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

William M. Gardner
Secretary of State

Community Action Program Belknap-Merrimack Counties, Inc.

CERTIFICATE OF VOTE

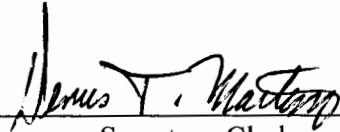
I, Dennis T. Martino, Secretary-Clerk of Community Action Program Belknap-Merrimack Counties, Inc. (hereinafter the "Corporation"), a New Hampshire corporation, hereby certify that: (1) I am the duly elected and acting Secretary-Clerk of the Corporation; (2) I maintain and have custody and am familiar with the minute books of the Corporation; (3) I am duly authorized to issue certificates with respect to the contents of such books; (4) that the Board of Directors of the Corporation have authorized, on 01/12/2017, such authority to be in force and effect until 9/30/2018 (contract termination date). (see attached)

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

Ralph Littlefield, Executive Director

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

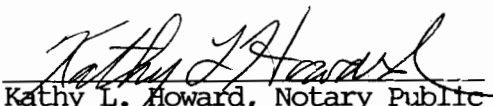
IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the corporation this 21st day of August, 20 17.


Secretary-Clerk

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

On this 21st day of August, 20 17, before me, Kathy L. Howard the undersigned Officer, personally appeared Dennis T. Martino who acknowledged her/himself to be the Secretary-Clerk of Community Action Program Belknap-Merrimack Counties, Inc., a corporation and that she/he as such Secretary-Clerk being authorized to do so, executed the foregoing instrument for the purposes therein contained.

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


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

Commission Expiration Date:

KATHY L. HOWARD Notary Public, New Hampshire
My Commission Expires October 16, 2018

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

CORPORATE RESOLUTION

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

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

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

This Resolution was approved by the Board of Directors of Community Action Program Belknap-Merrimack Counties, Inc. on January 12, 2017, and has not been amended or revoked and remains in effect as of the date listed below.

8/21/2017

Date



Dennis T. Martino
Secretary/Clerk

SEAL



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/19/2017

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		CONTACT NAME: Karen Shaughnessy	
FIAI/Cross Insurance		PHONE (A/C, No, Ext): (603) 669-3218	FAX (A/C, No): (603) 645-4331
1100 Elm Street		E-MAIL ADDRESS: kshaughnessy@crossagency.com	
Manchester NH 03101		INSURER(S) AFFORDING COVERAGE	
		INSURER A: National Union Fire Insurance	NAIC # 19445
INSURED		INSURER B: AmGuard Ins Co	42390
Community Action Programs		INSURER C: Hanover Ins Co.	
Belknap-Merrimack Counties Inc.		INSURER D: Chubb Insurance	
P. O. Box 1016		INSURER E:	
Concord NH 03302		INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 16-17 All/17-18 Crime

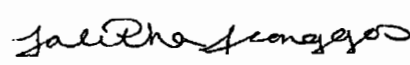
REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY			29-LX-067991165-1	10/1/2016	10/1/2017	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input checked="" type="checkbox"/> Including Professional						MED EXP (Any one person) \$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY \$ 1,000,000
D	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC			82471794	4/1/2017	4/1/2018	GENERAL AGGREGATE \$ 2,000,000
	OTHER:						PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY			29-CA-084608752-1	10/1/2016	10/1/2017	Directors & Officers Liability \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO						COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per person) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS					BODILY INJURY (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			29-UD-016698261	10/1/2016	10/1/2017	PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						Uninsured motorist combined \$ 1,000,000
	DED <input checked="" type="checkbox"/> RETENTIONS \$ 10,000						EACH OCCURRENCE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			COWC858270 (3a.) NH All officers included	6/17/2017	6/17/2018	AGGREGATE \$ 5,000,000
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	N/A				<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. EACH ACCIDENT \$ 500,000
							E.L. DISEASE - EA EMPLOYEE \$ 500,000
C	Blanket Crime			BDV1945863	3/27/2017	3/27/2018	Limit 500,000
A	Professional			29-LX-067991165-1	10/1/2016	10/1/2017	Limit 1,000,000

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

CERTIFICATE HOLDER**CANCELLATION**

State of New Hampshire Department of Health & Human Services 129 Pleasant Street Concord, NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE T Franggos/JSC 

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Community Action Program Belknap–Merrimack Counties, Inc.



P.O. Box 1016 ♦ 2 Industrial Park Drive ♦ Concord, NH 03302-1016
Phone (603) 225-3295 ♦ Toll Free (800) 856-5525 ♦ Fax (603) 228-1898 ♦ Web www.bm-cap.org

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.

(Approved by Agency Board of Directors on 02/24/05
as part of the Agency Bylaws.)

STATEMENT OF PURPOSE

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

CAPBMCI Statement of Purpose

ALTON
Senior Center 875-7102
Prospect View Housing 875-3111

BELMONT
Senior Center 387-6987
Heritage Terr. Housing 387-8891

BRADFORD
Senior Center 938-3104

CONCORD
Area Center 225-6880
Head Start 224-6482
Early Head Start..... 224-6482
Concord Area
Wheels-on-Wheels..... 225-9882
Concord Area Transit..... 225-1988
Horseshoe Pond Place..... 228-8886
WCC/BFP 225-3880
Workplace Success..... 223-2306

EPSOM
Meadow Brook Housing ... 736-4250

FRANKLIN
Area Center 534-3444
Head Start 534-2181
Early Head Start..... 534-2181
Senior Center..... 534-0181
Riverside Housing..... 534-8348

KEARSARGE VALLEY
Area Center 486-2207
Head Start 486-2206
North Ridge Housing 486-3388

LACONIA
Area Center 534-5512
Head Start 528-5334
Early Head Start..... 528-5334
Senior Center..... 534-7889
Family Planning 534-5483
Prenatal 534-5483
Winipisaukee Transit..... 528-3486
Workplace Success..... 534-4387

MEREDITH
Area Center 279-4886

NEWBURY
Newbury Commons
Housing 783-6380

OSSIPEE
Family Planning 538-7882
Prenatal 538-7582

PEMBROKE
Village of Pembroke Farms
Housing 486-1842

PITTSFIELD
Senior Center 436-8882
Head Start 436-8818
Early Head Start..... 436-8811

SUNCOOK
Area Center 486-7824
Senior Center 486-4284

TILTON
Senior Center 527-8291

Financial Statements

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

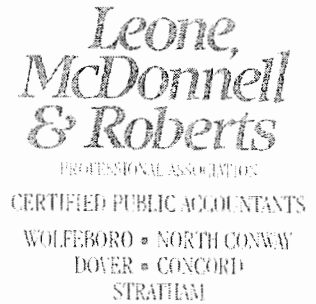
**FOR THE YEARS ENDED
FEBRUARY 29, 2016 AND FEBRUARY 28, 2015
AND
INDEPENDENT AUDITORS' REPORTS**

COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.

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

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Community Action Program Belknap-Merrimack Counties, Inc. (a nonprofit organization), which comprise the statements of financial position as of February 29, 2016 and February 28, 2015, and the related statements of cash flows for the years then ended and the statements of activities and functional expenses and the related notes to the financial statements for the year ended February 29, 2016.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Action Program Belknap-Merrimack Counties, Inc. as of February 29, 2016 and February 28, 2015, and its cash flows for the years then ended, and the changes in its net assets for the year ended February 29, 2016 in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Community Action Program Belknap-Merrimack Counties, Inc.'s 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 2, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended February 28, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2016, on our consideration of Community Action Program Belknap-Merrimack Counties, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Program Belknap-Merrimack Counties, Inc.'s internal control over financial reporting and compliance.

Leane McDonnell & Roberts
Professional Association

Concord, New Hampshire
October 25, 2016

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**STATEMENTS OF FINANCIAL POSITION
FEBRUARY 29, 2016 AND FEBRUARY 28, 2015**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 1,123,997	\$ 663,946
Accounts receivable	2,643,755	2,905,020
Inventory	29,923	33,442
Prepaid expenses	<u>100,924</u>	<u>188,546</u>
Total current assets	<u>3,898,599</u>	<u>3,790,954</u>
PROPERTY		
Land, buildings and improvements	4,618,289	4,618,289
Equipment, furniture and vehicles	<u>5,942,708</u>	<u>5,912,869</u>
Total property	10,560,997	10,531,158
Less accumulated depreciation	<u>(6,824,303)</u>	<u>(6,515,032)</u>
Property, net	<u>3,736,694</u>	<u>4,016,126</u>
OTHER ASSETS		
Investments	72,306	70,897
Due from related party	<u>139,441</u>	<u>139,441</u>
Total other assets	<u>211,747</u>	<u>210,338</u>
TOTAL ASSETS	<u>\$ 7,847,040</u>	<u>\$ 8,017,418</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Current portion of notes payable	\$ 154,380	\$ 145,551
Accounts payable	1,182,814	1,629,667
Accrued expenses	973,674	993,053
Refundable advances	<u>1,122,035</u>	<u>916,503</u>
Total current liabilities	3,432,903	3,684,774
LONG TERM LIABILITIES		
Notes payable, less current portion shown above	<u>1,312,780</u>	<u>1,465,279</u>
Total liabilities	<u>4,745,683</u>	<u>5,150,053</u>
NET ASSETS		
Unrestricted	2,485,093	2,317,222
Temporarily restricted	<u>616,264</u>	<u>550,143</u>
Total net assets	<u>3,101,357</u>	<u>2,867,365</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 7,847,040</u>	<u>\$ 8,017,418</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED FEBRUARY 29, 2016
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED FEBRUARY 28, 2015**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2016 Total</u>	<u>2015 Total</u>
REVENUES AND OTHER SUPPORT				
Grant awards	\$ 16,076,420		\$ 16,076,420	\$ 16,673,978
Other funds	2,297,902	\$ 2,524,604	4,822,506	5,752,912
In-kind	906,423		906,423	848,954
United Way	33,840		33,840	94,850
Total revenues and other support	19,314,585	2,524,604	21,839,189	23,370,694
NET ASSETS RELEASED FROM RESTRICTIONS	2,458,483	(2,458,483)		
Total	21,773,068	66,121	21,839,189	23,370,694
EXPENSES				
Salaries and wages	8,035,121		8,035,121	8,177,739
Payroll taxes and benefits	2,120,907		2,120,907	2,186,454
Travel	289,250		289,250	295,726
Occupancy	1,162,923		1,162,923	1,297,227
Program services	7,324,464		7,324,464	8,923,081
Other costs	1,452,092		1,452,092	1,530,175
Depreciation	314,017		314,017	415,224
In-kind	906,423		906,423	848,954
Total expenses	21,605,197		21,605,197	23,674,580
CHANGE IN NET ASSETS	167,871	66,121	233,992	(303,886)
NET ASSETS, BEGINNING OF YEAR	2,317,222	550,143	2,867,365	3,171,251
NET ASSETS, END OF YEAR	\$ 2,485,093	\$ 616,264	\$ 3,101,357	\$ 2,867,365

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED FEBRUARY 29, 2016 AND FEBRUARY 28, 2015**

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 233,992	\$ (303,886)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	314,017	415,224
(Gain) loss on sale of property	164	(22,350)
Loss on investment	-	32,335
(Increase) decrease in current assets:		
Accounts receivable	261,265	(269,302)
Prepaid expenses	87,622	11,059
Inventory	3,519	-
Increase (decrease) in current liabilities:		
Accounts payable	(446,853)	50,908
Accrued expenses	(19,379)	(127,249)
Refundable advances	<u>205,532</u>	<u>3,655</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>639,879</u>	<u>(209,606)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property	(34,749)	(60,450)
Investment in partnership	(1,409)	(8,793)
Proceeds from sale of property	<u>-</u>	<u>29,764</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(36,158)</u>	<u>(39,479)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term debt	<u>(143,670)</u>	<u>(135,360)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(143,670)</u>	<u>(135,360)</u>
NET INCREASE IN CASH	460,051	(384,445)
CASH BALANCE, BEGINNING OF YEAR	<u>663,946</u>	<u>1,048,391</u>
CASH BALANCE, END OF YEAR	<u>\$ 1,123,997</u>	<u>\$ 663,946</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u>\$ 121,170</u>	<u>\$ 139,724</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED FEBRUARY 29, 2016
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED FEBRUARY 28, 2015**

	<u>Program</u>	<u>Management</u>	<u>2016 Total</u>	<u>2015 Total</u>
Salaries and wages	\$ 7,658,987	\$ 376,134	\$ 8,035,121	\$ 8,177,739
Payroll taxes and benefits	1,955,497	165,410	2,120,907	2,186,454
Travel	285,650	3,600	289,250	295,726
Occupancy	1,058,001	104,922	1,162,923	1,297,227
Program Services	7,324,464	-	7,324,464	8,923,081
Other costs:				
Accounting fees	9,875	37,275	47,150	49,086
Legal fees	17,000	957	17,957	2,362
Supplies	234,077	25,544	259,621	247,832
Postage and shipping	57,119	1,153	58,272	60,580
Equipment rental and maintenance	3,455	70	3,525	4,282
Printing and publications	2,711	46	2,757	5,021
Conferences, conventions and meetings	20,726	10,206	30,932	12,834
Interest	114,722	6,448	121,170	139,724
Insurance	179,133	14,761	193,894	236,109
Membership fees	11,264	19,241	30,505	12,317
Utility and maintenance	109	51,455	51,564	58,556
Other	610,199	24,546	634,745	701,472
Depreciation	313,047	970	314,017	415,224
In kind	906,423	-	906,423	848,954
Total functional expenses	<u>\$ 20,762,459</u>	<u>\$ 842,738</u>	<u>\$ 21,605,197</u>	<u>\$ 23,674,580</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED FEBRUARY 29, 2016**

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

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

Basis of Accounting

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

Financial Statement Presentation

Financial statement presentation follows the recommendations of the FASB in its Accounting Standard Codification No. 958 *Financial Statements of Not-For-Profit Organizations*. Under FASB ASC No. 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The classes of net assets are determined by the presence or absence of donor restrictions. As of February 29, 2016 the Organization had no permanently restricted net assets and had temporarily restricted net assets of \$616,264.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended February 28, 2015, from which the summarized information was derived.

Income Taxes

Community Action Program Belknap – Merrimack Counties, Inc. is organized as a nonprofit corporation and is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Internal Revenue Service has determined them to be other than a private foundation.

Community Action Program Belknap – Merrimack Counties, Inc. files information returns in the United States and the State of New Hampshire. Community Action Program Belknap – Merrimack Counties, Inc. is no longer subject to examinations by tax authorities for years before 2012.

Accounting Standard Codification No. 740 (ASC 740), *Accounting for Income Taxes*, established the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. The Organization has analyzed

its tax position taken on its information returns for the years (2012 through 2015), and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

Property

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

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

Use of Estimates

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

Cash and Cash Equivalents

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

Contributions

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

Contributed Services

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

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

In-Kind Donations / Noncash Transactions

Donated facilities, services and supplies are reflected as revenue and expense in the accompanying financial statements, if the criteria for recognition is met. This represents the estimated fair value for the service, supplies and space that the Organization might incur under normal operating activities. The Organization received \$906,423 in donated facilities, services and supplies for the year ended February 29, 2016 as follows:

The Organization receives contributed professional services that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these services was determined to be \$511,159 for the year ended February 29, 2016.

The Organization also receives contributed food commodities and other goods that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these food commodities and goods was determined to be \$390,584 for the year ended February 29, 2016.

The Agency pays below-market rent for the use of certain facilities. In accordance with generally accepted accounting principles, the difference between amounts paid for the use of the facilities and the fair market value of the rental space has been recorded as an in-kind donation and as an in-kind expense in the accompanying financial statements. The estimated fair value of the donation was determined to be \$4,680 for the year ended February 29, 2016.

Advertising

The Organization expenses advertising costs as they are incurred. Total advertising costs for the year ended February 29, 2016 amounted to \$24,277.

2. ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at February 29, 2016. The Organization has no policy for charging interest on overdue accounts.

3. REFUNDABLE ADVANCES

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or incurred. Funds received in advance of grantor conditions being met aggregated \$1,122,035 as of February 29, 2016.

4. RETIREMENT PLAN

The Organization has a qualified contributory pension plan which covers substantially all employees. The cost of the plan is charged to programs administered by the Organization. The expense of the plan for the year ended February 29, 2016 totaled \$258,117.

5. LEASED FACILITIES

Facilities occupied by the Organization for its community service programs are leased under various operating leases. The lease terms range from month to month to every two years. For the year ended February 29, 2016, the annual lease expense for the leased facilities was \$455,024.

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

<u>Year Ended February 28</u>	<u>Amount</u>
2017	\$33,355
2018	16,631
2019	<u>4,923</u>
Total	<u>\$54,909</u>

6. **ACCRUED EARNED TIME**

The Organization has accrued a liability for future annual leave time that its employees have earned and vested with the employees in the amount of \$401,279 at February 29, 2016.

7. **BANK LINE OF CREDIT**

The Organization has a \$200,000 revolving line of credit agreement (the line) with a bank that is due on demand. The line calls for monthly variable interest payments based on the Wall Street Journal Prime Rate (3.25% for the year ended February 29, 2016) plus 1%, but not less than 6% per annum. The line is secured by all the Organization's assets. There was no outstanding balance on the line at February 29, 2016.

8. **LONG TERM DEBT**

Long term debt consisted of the following as of February 29, 2016:

5.75% note payable to a financial institution in monthly installments for principal and interest of \$12,373 through July, 2023. The note is secured by property of the Organization for Lakes Region Family Center. \$ 1,002,930

Note payable to a bank in monthly installments for principal and interest of \$4,842 through May, 2023. Interest is stated at 1% above the prime rate as published by the Wall Street Journal, which resulted in an interest rate of 4.25% at February 29, 2016. The note is secured by a first real estate mortgage and assignment of rents and leases on property located in Concord, New Hampshire for Early Head Start. 359,440

3% note payable to the City of Concord for leasehold improvements in monthly installments for principal and interest of \$747 through May, 2027. The note is secured by property of the Organization for the agency administrative building renovations. 85,472

4.75% note payable to Rural Development in monthly installments for principal and interest of \$148 per month through June, 2031. The note is secured by property of the Organization for the Franklin Community Services building.	<u>19,318</u>
Total	1,467,160
Less amounts due within one year	<u>154,380</u>
Long term portion	<u>\$ 1,312,780</u>

The scheduled maturities of long term debt as of February 29, 2016 were as follows:

<u>Year Ending February 28</u>	<u>Amount</u>
2017	\$ 154,380
2018	163,753
2019	173,709
2020	184,280
2021	195,505
Thereafter	<u>595,533</u>
	<u>\$ 1,467,160</u>

9. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of February 29, 2016:

Land	\$ 168,676
Building and improvements	4,449,613
Equipment and vehicles	<u>5,942,708</u>
	10,560,997
Less accumulated depreciation	<u>(6,824,303)</u>
Property and equipment, net	<u>\$ 3,736,694</u>

Depreciation expense for the year ended February 29, 2016 was \$314,017.

10. CONTINGENCIES

The Organization receives grant funding from various sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Organization might be required to repay the funds. No provisions have been made for this

contingency because specific amounts, if any, have not been determined or assessed as of February 29, 2016. Monitoring has not indicated any discrepancies.

11. CONCENTRATION OF RISK

For the year ended February 29, 2016, approximately \$10,100,000 (46%) of the Organization's total revenue was received from the Department of Health and Human Services. The future scale and nature of the Organization is dependent upon continued support from this department.

The Organization maintains its cash accounts in several financial institutions in southern New Hampshire. At February 29, 2016, the balances were insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Effective July 1, 2010, one of the financial institutions agreed to collateralize all deposits with them in excess of the FDIC limit. Another financial institution agreed to collateralize the Organization's sweep repurchase account up to 110% of the account balance with US Government Agencies. At February 29, 2016, there were no deposits in excess of the uninsured limits.

12. TEMPORARILY RESTRICTED NET ASSETS

At February 29, 2016, temporarily restricted net assets consisted of the following unexpended, purpose restricted donations:

Restricted Purpose

Senior Center	\$ 126,276
Elder Services	264,748
NH Rotary Food Challenge	5,071
Common Pantry	6,535
Community Crisis	3,578
Caring Fund	18,517
Agency-FAP	26,458
Agency-H/S	163,386
FGP/SCP Assoc. Region 1	1,032
Other Programs	<u>663</u>
	<u>\$ 616,264</u>

13. RELATED PARTY TRANSACTIONS

Community Action Program Belknap – Merrimack Counties, Inc. is related to the following corporation as a result of common management:

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

There was \$139,441 due from CAPBMC Development Corporation at February 29, 2016.

Community Action Program Belknap - Merrimack Counties, Inc. serves as the management agent for the following organizations:

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

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

The total amount due from the related parties (collectively) at February 29, 2016 was \$173,854.

14. RECLASSIFICATION

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

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Community Action Program Belknap-Merrimack Counties, Inc. has also invested money relating to its Fix-it program in certain mutual funds. The fair value of the mutual funds totaled \$72,306 at February 29, 2016.

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

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

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

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

At February 29, 2016, the Organization's investments were classified as Level 1 and were based on fair value.

Fair Value Measurements using Significant Observable Inputs (Level 1)

Beginning balance – mutual funds	\$ 70,897
Total gains (losses) - realized /unrealized	(2,153)
Purchases	<u>3,562</u>
 Ending Balance – mutual funds	 <u>\$ 72,306</u>

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

16. FISCAL AGENT

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

17. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before the financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through October 25, 2016, the date the financial statements were available to be issued.

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED FEBRUARY 28, 2016**

FEDERAL GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS THROUGH GRANTOR NUMBER	EXPENDITURES
<u>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Head Start	93.600	N/A	\$ 3,673,177
Through State of New Hampshire			
Weatherization-HRRP	93.568		78,525
Fuel Assistance	93.568	611001	3,299,050
Community Services Block Grant	93.569	610155	475,127
Community Services Block Grant - Discretionary	93.570	610155	47,385
Title XX - Block Grant	93.667	410338	275,567
Family Planning	93.217	610237	94,137
Family Planning	93.558	610237	36,500
Family Planning	93.940	610237	5,594
Home Visiting	93.505	Unknown	71,559
Prenatal	93.994	520243	24,533
Merrimack County Service Link Program	93.324	Unknown	20,656
Merrimack County Service Link Program	93.052	Unknown	3,841
Merrimack County Service Link Program	93.667	Unknown	84,676
Merrimack County Service Link Program	93.048	Unknown	95,859
Merrimack County Service Link Program	93.517	Unknown	37,217
Merrimack County Service Link Program	93.778	Unknown	710
Aging Cluster			
Elder Services/NSIP	93.053	410338	223,926
Fuel Assistance-SEAS	93.044	611001	7,533
Title III Part C	93.045	410338	589,857
Title III Part B Rural Transportation	93.044	410338	101,096
Total Aging Cluster			<u>922,412</u>
Child Care and Development Fund Cluster			
Head Start - Child Care	93.596	Unknown	414,808
Head Start - Child Care	93.575	Unknown	142,742
Total Child Care and Development Fund Cluster			<u>557,550</u>
Through Southern New Hampshire Services			
Workplace Success	93.558	Unknown	<u>231,336</u>
Through Lakes Region Partnership for Public Health			
Marketplace Assister Services	93.525	Unknown	<u>35,886</u>
Through Gateways Community Services			
Veterans Independent Program	93.778	Unknown	<u>308</u>
Through Easter Seals NH, Inc.			
Veterans Partnership	93.778	Unknown	<u>12,468</u>
			<u>10,084,073</u>
<u>US DEPARTMENT OF AGRICULTURE</u>			
Through State of New Hampshire			
WIC	10.557	611080	782,975
Senior Farmers Market	10.576	Unknown	84,172
CACF Head Start/USDA	10.558	Unknown	219,409
Summer Food-USDA	10.559	Unknown	152,364
Food Distribution Cluster			
CSFP	10.565	611080	770,857
Surplus Food-TEFAP/Admin	10.568	Unknown	179,457
Surplus Food-TEFAP	10.569	Unknown	1,479,922
Total Food Distribution Cluster			<u>2,430,236</u>
Through Rural Development			
Housing Preservation	10.433	Unknown	<u>19,558</u>
			<u>3,688,714</u>
<u>CORPORATION FOR NATIONAL SERVICES</u>			
Senior Companion	94.016	N/A	<u>311,683</u>

US DEPARTMENT OF TRANSPORTATION

Through State of New Hampshire

Concord Area Transit	20.509	Unknown	544,280
Winnepesaukee Transit System	20.509	68022	<u>55,764</u>
			600,044

Transportation Cluster

Concord Area Transit-New Freedom	20.521	Unknown	8,399
Concord Area Transit	20.513	Unknown	20,054
Winnepesaukee Transit System	20.521	Unknown	<u>3,687</u>
Total Transportation Cluster			<u>32,140</u>

Through County of Merrimack

Rural Transportation	20.513	Unknown	36,327
Volunteer Driver Program	20.513	Unknown	<u>76,982</u>
			113,309

745,493

US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Through State of New Hampshire

Outreach Program	14.235	Unknown	85,078
Homeless Prevention	14.235	Unknown	17,433
Supportive Housing Services	14.235	Unknown	<u>71,399</u>
			173,910

Through National Center for Healthy Housing

Radon Program	14.906	Unknown	<u>2,645</u>
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176,555

US DEPARTMENT OF ENERGY

Through State of New Hampshire

Weatherization	81.042	551896	<u>207,222</u>
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US DEPARTMENT OF LABOR

Through State of New Hampshire

Senior Community Service Employment	17.235	610063	<u>420,038</u>
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Through Southern New Hampshire Services

WIA Cluster

WIA-Adult Program	17.258	Unknown	95,082
WIA-Dislocated Worker Program	17.260	Unknown	<u>103,788</u>
Total WIA Cluster			<u>198,870</u>

618,908

TOTAL AWARDS EXPENDED

\$ 15,832,648

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED FEBRUARY 29, 2016

NOTE 1 **BASIS OF PRESENTATION**

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal grant activity of Community Action Program Belknap-Merrimack Counties, Inc. under programs of the federal government for the year ended February 29, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Community Action Program Belknap-Merrimack Counties, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 **INDIRECT COST RATE**

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

NOTE 4 **FOOD COMMODITIES**

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

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Action Program Belknap-Merrimack Counties, Inc. (a nonprofit organization), which comprise the statement of financial position as of February 29, 2016, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 25, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Leone McDonnell & Roberts
Professional Association

Concord, New Hampshire
October 25, 2016

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.

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

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

Report on Compliance for Each Major Federal Program

We have audited Community Action Program Belknap-Merrimack Counties, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Action Program Belknap-Merrimack Counties, Inc.'s major federal programs for the year ended February 29, 2016. Community Action Program Belknap-Merrimack Counties, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Community Action Program Belknap-Merrimack Counties, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended February 29, 2016.

Report on Internal Control Over Compliance

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

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

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

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

Leon McDonnell & Roberts
Professional Association

Concord, New Hampshire
October 25, 2016

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED FEBRUARY 29, 2016**

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the financial statements of Community Action Program Belknap-Merrimack Counties, Inc. were prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Community Action Program Belknap-Merrimack Counties, Inc., were disclosed during the audit.
4. No significant deficiencies to the audit of the major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and On Internal Control Over Compliance Required by the Uniform Guidance*.
5. The auditors' report on compliance for the major federal award programs for Community Action Program Belknap-Merrimack Counties, Inc. expresses an unmodified opinion on all major programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs include:
 - 93.568 Low-Income Home Energy Assistance
 - 93.044 Special Programs for the Aging - Title III, Part B - Grant for Supportive Services and Senior Citizens
 - 93.045 Special Programs for the Aging - Title III, Part C - Nutrition Services
 - 93.053 Nutrition Services Incentive Program
 - Enhanced Mobility of Seniors and Individuals With Disabilities
 - 93.569 Community Services Block Grant
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Community Action Program Belknap-Merrimack Counties, Inc. was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS AUDIT

None

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF REVENUES AND EXPENSES
FOR THE LOW INCOME HOME ENERGY ASSISTANCE PROGRAM - CFDA 93.568
FOR THE YEAR ENDED FEBRUARY 29, 2016**

	<u>Grant Period</u> <u>10/1/14-9/30/15</u>	<u>Grant Period</u> <u>10/1/15-9/30/16</u>	<u>Total</u>
Revenues			
Division of Human Resources	\$ 739,855	\$ 2,559,195	\$ 3,299,050
Other	<u>130,850</u>	<u>-</u>	<u>130,850</u>
	<u>\$ 870,705</u>	<u>\$ 2,559,195</u>	<u>\$ 3,429,900</u>
Expenditures			
Personnel	\$ 210,966	\$ 184,298	\$ 395,264
Fringe benefits	31,155	29,580	60,735
Travel	3,697	1,939	5,636
Occupancy	28,234	20,344	48,578
Direct program costs	563,961	2,294,023	2,857,984
Other costs	<u>32,692</u>	<u>29,011</u>	<u>61,703</u>
	<u>\$ 870,705</u>	<u>\$ 2,559,195</u>	<u>\$ 3,429,900</u>

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF REVENUES AND EXPENSES
FOR THE SENIOR COMPANION PROGRAM - CFDA 94.016
FOR THE YEAR ENDED FEBRUARY 29, 2016**

	<u>Grant Period</u> <u>7/1/14 - 6/30/15</u>	<u>Grant Period</u> <u>7/1/15 - 6/30/16</u>	<u>Total</u>
Revenues			
Corporation for National Services	<u>\$ 90,892</u>	<u>\$ 220,791</u>	<u>\$ 311,683</u>
Expenditures			
Personnel	\$ 93,539	\$ 158,882	\$ 252,421
Fringe benefits	(15,937)	13,461	(2,476)
Travel	11,480	43,730	55,210
Other costs	<u>1,810</u>	<u>4,718</u>	<u>6,528</u>
	<u>\$ 90,892</u>	<u>\$ 220,791</u>	<u>\$ 311,683</u>

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF REVENUES AND EXPENSES
FOR THE HEAD START PROGRAM - CFDA 93.600
FOR THE YEAR ENDED FEBRUARY 29, 2016**

	<u>Grant Period</u> <u>1/1/15-12/31/15</u>	<u>Grant Period</u> <u>1/1/16-12/31/16</u>	<u>Total</u>
Revenues			
U.S. Department of Health and Human Services	\$ 3,011,938	\$ 661,239	\$ 3,673,177
In-Kind	1,066,491	165,870	1,232,361
Other	<u>221,312</u>	<u>-</u>	<u>221,312</u>
	<u>\$ 4,299,741</u>	<u>\$ 827,109</u>	<u>\$ 5,126,850</u>
Expenditures			
Personnel	\$ 2,073,046	\$ 446,964	\$ 2,520,010
Fringe benefits	368,202	60,564	428,766
Travel	38,481	6,335	44,816
In-Kind	1,066,491	165,870	1,232,361
Other costs	<u>753,197</u>	<u>147,376</u>	<u>900,573</u>
	<u>\$ 4,299,417</u>	<u>\$ 827,109</u>	<u>\$ 5,126,526</u>

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF REVENUES AND EXPENSES
FOR THE NUTRITION AND ELDER SERVICES PROGRAM -
CFDA 93.045, 93.667 and 93.053
FOR THE YEAR ENDED FEBRUARY 29, 2016**

	<u>Grant Period</u> <u>7/1/14 - 6/30/15</u>	<u>Grant Period</u> <u>7/1/15 - 6/30/16</u>	<u>Total</u>
Revenues			
NH Department of Health and Human Services			
Title XX	\$ 149,609	\$ 344,025	\$ 493,634
Title III Part C	324,937	674,266	999,203
NH Department of Health and Human Services	127,461	96,465	223,926
Other	<u>193,086</u>	<u>466,090</u>	<u>659,176</u>
	<u>\$ 795,093</u>	<u>\$ 1,580,846</u>	<u>\$ 2,375,939</u>
Expenditures			
Personnel	\$ 360,629	\$ 697,342	\$ 1,057,971
Fringe benefits	55,105	89,978	145,083
Occupancy	51,312	100,772	152,084
Travel	43,660	83,198	126,858
Other costs	<u>284,060</u>	<u>541,996</u>	<u>826,056</u>
	<u>\$ 794,766</u>	<u>\$ 1,513,286</u>	<u>\$ 2,308,052</u>

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF REVENUES AND EXPENSES
FOR THE ELECTRIC ASSISTANCE PROGRAM
FOR THE YEAR ENDED FEBRUARY 29, 2016**

	<u>Grant Period</u> <u>10/1/14-9/30/15</u>	<u>Grant Period</u> <u>10/1/15-9/30/16</u>	<u>Total</u>
Revenues	<u>\$ 895,090</u>	<u>\$ 1,073,095</u>	<u>\$ 1,968,185</u>
Expenditures			
Personnel	\$ 161,645	\$ 124,688	\$ 286,333
Fringe benefits	28,892	21,246	50,138
Travel	3,723	1,825	5,548
Occupancy	5,923	6,266	12,189
Other costs	<u>694,756</u>	<u>919,419</u>	<u>1,614,175</u>
	<u>\$ 894,939</u>	<u>\$ 1,073,444</u>	<u>\$ 1,968,383</u>

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF REVENUES AND EXPENSES - BY PROGRAM
FOR THE YEAR ENDED FEBRUARY 29, 2016**

	<u>Revenues</u>	<u>Expenditures</u>
Twin River Community Corp (055 & 056)	58,571	43,224
Cottage Hotel (066 & 067)	22,115	10,859
Sandy Ledge (095 & 096)	9,815	24,291
Ozanam (106 & 107)	20,461	17,685
Food Pantry (131)	20,997	3,134
Senior Center Program (138)	21,625	15,841
Franklin Intergenerational (186 & 187)	195	40
Senior Companion Program - Non Federal (225 & 226)	87,265	58,348
Senior Companion Program - State (235 & 236)	32,974	32,974
Franklin Community Services (295 & 296)	47,710	21,512
Head Start - Childcare (355 & 356)	283,120	179,107
Lakes Region Family Center (385 & 386)	159,631	159,631
REIP (402)	-	781
NH Modular Ramp (434 & 435)	29,455	21,102
New Hampshire Housing Guarantee Program (495 & 496)	210,288	210,288
Core Program (505 & 506)	652,244	580,799
Common Pantry (555 & 556)	101	171
Software Program - FAP/EAP (583)	-	581
Oral Health WIC (600)	15,644	2,496
Epsom Elderly Housing (645 & 646)	74,917	74,917

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

SCHEDULE OF REVENUES AND EXPENSES - BY PROGRAM
FOR THE YEAR ENDED FEBRUARY 29, 2016

	<u>Revenues</u>	<u>Expenditures</u>
Belmont Housing (655 & 656)	\$ 70,769	\$ 70,769
Alton Housing (665 & 666)	57,322	57,322
Kearsarge Housing (675 & 676)	64,306	64,306
Riverside Housing (685 & 686)	65,802	65,802
Pembroke Housing (700 & 701)	66,100	66,663
Homeless Revolving Loan (728)	3,300	3,300
Area Centers (765 & 766)	114,584	248,410
THE FIXIT Program (835 & 836)	-	3,410
Loan Guarantee Program (847)	48,250	48,250
MC Loan Guarantee Program (848)	2,205	2,205
The Caring Fund (865 & 866)	7,971	2,144
FGP/SCP Association Region 1 (875)	825	976
Agency WIC/CSFP (883)	-	12,465
Newbury Elderly Housing (884 & 885)	48,484	31,875
Agency Account (911 & 980)	89,212	-
Agency Account FAP (922)	112,345	98,057
Agency Account SCP (934 & 935)	1,024	4,585
H/S Agency (945 & 946)	30,028	22,838
Agency FP/PN (963)	-	8,774
Fundraising (976)	107	107
Agency Development Fund (981)	-	82,833
Agency Horseshoe Pond Place (996)	847	847

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

SCHEDULE OF REFUNDABLE ADVANCES
FOR THE YEAR ENDED FEBRUARY 29, 2016

<u>FUND #</u>	<u>FUND NAME</u>	<u>HHS PROGRAM CFDA#</u>	<u>AMOUNT</u>
127	EAP - Lead Agency		18,204
147	Merrimack County Service Link	93.778	63,916
158	Merrimack County Service Link	93.778 (deferred amount is not federal)	1,847
166	Elder Services	93.045,93.667,93.053 (deferred amount is not federal)	1,613
197	Electric Assistance Program		49,915
346	Head Start - USDA		1,977
496	NH Housing Guarantee Program		130,213
546	Summer Feeding		48,373
576	Fuel Assistance Program	93.568 (\$2,990 of deferred amount is not federal)	240,112
595	Homeless Prevention		236,375
716	Concord Area Transit		69,327
728	Homeless Revolving Loan Fund - Belknap County		36,316
729	Homeless Revolving Loan Fund - Merrimack County		8,179
766	Area Center Program		1,476
836	Fixit Program		72,879
847	Loan Guarantee Program		30
857	New Start Program		68,160
883	Agency Account - WIC/CSFP		208
907	Community Services Block Grant	93.569	72,913
922	Agency Account - FAP		<u>2</u>
		TOTAL	<u>\$ 1,122,035</u>

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

BOARD OF DIRECTORS

Sara A. Lewko, *President*

Susan Koerber

Vice President - Vacant

Bill Johnson

Dennis Martino, *Secretary-Clerk*

David Siff

Kathy Goode, *Treasurer*

Christine Averill

Heather Brown

Donna Barnett

Nicolette Clark

Safiya Wazir

Theresa M. Cromwell

RALPH LITTLEFIELD

EDUCATION

High School – Winnacunnet High School, Graduated June 1966
College – Keene State College, Keene, NH, Graduated May 1971
Degree – Bachelor of Education

EMPLOYMENT

January 1980 – Present

Community Action Program Belknap-Merrimack Counties, Inc.
Executive Director

Responsible for the general administration of the agency which is comprised of 85 major programs and has an annual budget in excess of \$24 million dollars and a staff of 350 employees.

June 1978 – January 1980

Southwestern Community Services, Inc., Keene, New Hampshire
Deputy Director

1976 – June 1978

Southwestern Community Services, Inc., Keene, New Hampshire
Head Start Director

1974 – 1975

Southwestern Community Services, Inc., Keene, New Hampshire
Program Coordinator-Food Stamp Program, Green Thumb Project,
Nutrition West

1974 – Head Counselor, Summer Neighborhood Youth Corps

1972 – Assistant Head Start Director, Cheshire County Head Start
Claremont, New Hampshire

June 1971 – General Services Director

KATHRYN R. LAVIGNE

WORK EXPERIENCE

- July 1993-Present **CHIEF ACCOUNTANT**
Community Action Program Belknap-Merrimack Counties, Inc.
P.O. Box 1016, Concord, New Hampshire 03302-1016
- November 1992-
June 1993 **SENIOR ACCOUNTANT**
John Killion & Co., Concord, New Hampshire
Responsible for compilations and reviews of commercial accounts, preparation of financial statements and tax returns. Auditing at junior level for nonprofit organizations. Preparation of weekly payrolls, quarterly payroll tax returns and year-end W-2's for service bureau accounts. Installation of accounting software. Set-up of clients chart of accounts and trial balance. Software used: Real World, Word Perfect, Cougar Mountain, Accountants Trial Balance, Fixed Assets Management and Tax Machine.
- January 1989-
November 1992 **OFFICE MANAGER**
Rudolph Electrical Co., Inc., Concord, New Hampshire
Supervise staff of three. Responsible for implementing computerized accounting system. Handle all aspects of accounting, i.e. accounts receivable, accounts payable, payroll, general ledger and job cost. Responsible for preparation of weekly payroll, monthly financial statements and quarterly payroll tax returns. Collect overdue accounts.
- October 1979-
September 1988 Rivco, Penacook, New Hampshire
- June 1986-
September 1988 **ACCOUNTING MANAGER**
Supervise staff of seven. Responsible for hiring, assigning, appraising performance and directing department personnel, including recommending compensation changes and promotions. Participant in audit preparation. Administrator of profit sharing plan and trip promotion program.
- August 1984-
September 1988 **CREDIT MANAGER**
Monitor all accounts and collect overdue accounts. Determine credit rating of prospective customers. Open accounts. Consult with lawyers, salesmen and sales manager. Represent company in court. Handle customer correspondence and telephone calls. Train and supervise credit personnel.
- October 1979-
August 1984 **ACCOUNTS RECEIVABLE CLERK**
Handle all aspects of accounts receivable and billing. Reconcile accounts. Prepare monthly sales reports and aged trial balance by customer and by salesmen.

EDUCATION

- 1982-1989 Franklin Pierce College, Concord, New Hampshire
Bachelor's Degree in Accounting and Business Management
May 1989, Graduated Magna Cum Laude
- 1963-1967 Franklin High School, Franklin, New Hampshire
Business-Secretarial, Graduated with high honors

REFERENCES

Available upon request.

STEVEN E. GREGOIRE

PROFESSIONAL EXPERIENCE:

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.

Budget Analyst June 2012 - Current

Certifier-Fuel Assistance/Electrical Assistance Programs, Aug 2011 – April 2012

THE BEAN GROUP, Portsmouth, NH

Licensed Realtor, Sept 2010 – April 2011

MEREDITH VILLAGE SAVINGS BANK, Meredith NH

VP Finance & VP Compliance & Bank Secrecy Act Officer, Sept 2007 – Dec 2008

VP Finance, & VP Compliance Officer, April 2002 – Sept 2007

Assistant Treasurer & Compliance Officer, Sept 1998 – April 2002

Assistant Treasurer, June 1998 – Sept 1998

NH STATE BANKING DEPARTMENT, Concord, NH

Bank Examiner III, March 1995 - June 1998

Bank Examiner II, April 1994 – March 1995

Bank Examiner I, March 1992 – April 1994

STEVE'S MAINTENANCE SERVICE, Meredith & Bow NH

Owner / Operator, March 1988 – June 2012

MEREDITH LUMBER INC., Meredith NH

Vice President, Sept 1983 – February 1988

EDUCATION

Bentley College, Waltham, MA

Bachelor of Science Degree in Management May 1983

Associates of Science Degree in Accountancy May 1983

Community Action Program Belknap-Merrimack Counties, Inc.

**NH Department of Health and Human Services
Division of Family Assistance**

Community Services Block Grant (CSBG) 10/01/17 – 9/30/18

Key Personnel Salaries and Allocation

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Ralph Littlefield	Executive Director	\$ 140,639	85%	\$ 119,543.15
Kathryn R. Lavigne	Chief Accountant	\$ 70,941	0%	\$ 0.00
Steven E. Gregoire	Budget Analyst	\$ 45,825	0%	\$ 0.00

Subject: Community Services Block Grant (CSBG)/SS-2018-DFA-03-COMMU-03

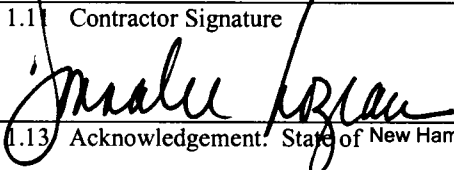

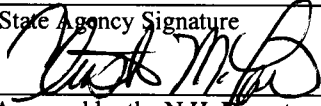
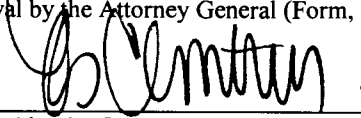
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Southern NH Services		1.4 Contractor Address 40 Pine Street PO Box 5040 Manchester, NH 03103	
1.5 Contractor Phone Number 603-668-8010	1.6 Account Number 05-095-045-450010-71480000-102-500731-45012160	1.7 Completion Date September 30, 2018	1.8 Price Limitation \$2,022,848
1.9 Contracting Officer for State Agency Jonathan V. Gallo, Esq., Interim Director		1.10 State Agency Telephone Number 603-271-9246	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Donnalee Lozeau, Executive Director	
1.13 Acknowledgement: State of New Hampshire, County of Hillsborough On <u>Aug. 21, 2017</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]  DEBRA D. STOHRER Notary Public - New Hampshire My Commission Expires November 18, 2020			
1.13.2 Name and Title of Notary or Justice of the Peace Debra Stohrer, Executive Assistant			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Christine M. Tappan, Senior Division Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  , Attorney: _____ 9/7/17			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

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

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 (“Equal Employment Opportunity”), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor’s books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Contractor Initials DL
Date 8/21/17

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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



Exhibit A

Scope of Services

1. In accordance with the provisions of The Community Services Block Grant Act (42 U.S.C. et seq) as amended by Public Law 105-285 of October 27, 1998, also known as the Community Opportunities Accountability, Training and Educational Act of 1998 or the Coats Human Services Reauthorization Act of 1998; and any amendments thereto, the Contractor agrees to deliver Community Services to low-income individuals at or below 125 percent of the poverty income guidelines.
2. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services, within ten (10) days of the contract effective date.
3. The Contractor shall remain a designated Community Services Block Grant (CSBG) entity by conforming to the requirements of the Acts referred to in Section 1 and any amendments thereto, which includes but is not limited to:
 - 3.1. Providing an annual community action plan, which shall describe:
 - 3.1.1. The service delivery system;
 - 3.1.2. Linkages to fill identified gaps; and
 - 3.1.3. Coordination with other public and private resources, and innovative initiatives.
 - 3.2. Providing of an annual community-needs assessment;
 - 3.3. Providing of an independent annual "Single Audit Act" audit;
 - 3.4. Participating in an annual performance measure system via the Annual Report;
 - 3.5. Participating in the Organizational Performance Standards;
 - 3.6. Administering CSBG through a tripartite board that participates in the development, planning, implementation, and evaluation of the program;
 - 3.7. Ensuring that cost and accounting standards of the Office of Management and Budget are in effect; and
 - 3.8. Informing custodial parents in single-parent families about child support services and refer eligible parents to child support offices.
4. The Contractor shall provide, on an emergency basis, services to counteract conditions of starvation and malnutrition.
5. The Contractor shall coordinate, establish linkages and form partnerships with governmental as well as other social services and antipoverty programs.

bc

8/21/17



Exhibit B

Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Form P-37, General Provisions, Price Limitation, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. This contract is funded with federal funds made available under the Catalog of Federal Domestic Assistance, CFDA #93.569 Community Services Block Grant, Department of Health and Human Services, Administration for Children and Families.
3. Invoices must be submitted monthly within thirty (30) days of the end of the previous month, with in-kind match funds documented. 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.
4. Invoices and reports specified in Exhibit A, Scope of Services, Section 2, Reporting Requirements must be submitted to:
CSBG Coordinator
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
5. A final payment request shall be submitted no later than forty (40) days from the Form P-37, General Provisions, Contract Completion Date, Block 1.7.
6. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
7. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.
8. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

[Handwritten Signature]
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SPECIAL PROVISIONS

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

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

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

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

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



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

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



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

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

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

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

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

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

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

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

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



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

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

DEFINITIONS

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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



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.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

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

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

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

Contractor Name: Southern New Hampshire Services

August 21-2017
Date


Name: Donnalee Lozeau
Title: Executive Director



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name: Southern New Hampshire Services

August 21, 2017
Date


Name: Donnalee Lozeau
Title: Executive Director



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

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

INSTRUCTIONS FOR CERTIFICATION

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

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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

Contractor Name: Southern New Hampshire Services

August 21-2017
Date

DonnaLee Lozeau
Name: DonnaLee Lozeau
Title: Executive Director



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

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

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

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

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

Exhibit G

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

Contractor Initials

DC

Date

8/31/17



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

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

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

Contractor Name: Southern New Hampshire Services

August 21-2017
Date

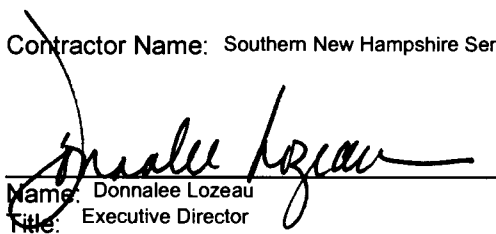

Name: Donnalee Lozeau
Title: Executive Director

Exhibit G

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

Contractor Initials DL

Date 8/21/17



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Southern New Hampshire Services

August 21, 2017
Date

Donnalee Lozeau
Name: Donnalee Lozeau
Title: Executive Director

Contractor Initials DL
Date 8/21/17



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) Definitions.

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

DL

8/21/17



Exhibit I

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

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

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

DL

8/21/17



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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



Exhibit I

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

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



Exhibit I

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

(4) Obligations of Covered Entity

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

(5) Termination for Cause

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

(6) Miscellaneous

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



Exhibit I

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

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

Department of Health and Human Services

The State

Signature of Authorized Representative

Name of Authorized Representative

Title of Authorized Representative

Date

Southern New Hampshire Services

Name of the Contractor

Signature of Authorized Representative

Donnalee Lozeau

Name of Authorized Representative

Executive Director

Title of Authorized Representative

Date

DL
8/21/17



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

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

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

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

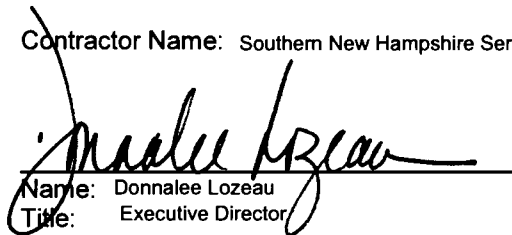
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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

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

Contractor Name: Southern New Hampshire Services

August 21-2017
Date


Name: Donnalee Lozeau
Title: Executive Director



FORM A

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

1. The DUNS number for your entity is: 088584065
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

 NO X YES

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

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

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

 NO X YES

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

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

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

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



DHHS INFORMATION SECURITY REQUIREMENTS

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this RFP, the Department's Confidential information includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.
2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:
 - 2.1. Maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
 - 2.2. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
 - 2.3. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.
 - 2.4. Ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
 - 2.5. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information
 - 2.6. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
 - 2.6.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

Breach notifications will be sent to the following email addresses:

 - 2.6.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov
 - 2.6.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov
 - 2.7. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the vendor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure

[Handwritten Signature]
Date 8/21/17

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



deletion, or otherwise physically destroying the media (for example, degaussing). The vendor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and vendor prior to destruction.

- 2.8. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the vendor, including breach notification requirements.
3. The vendor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the vendor and any applicable sub-contractors prior to system access being authorized.
4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the appropriate authorized data owner or leadership member within the Department.

JK

8/21/17

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 SOUTHERN NEW HAMPSHIRE SERVICES INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 28, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 65506



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 3rd day of April A.D. 2017.

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

William M. Gardner
Secretary of State

WITHOUT SEAL

CERTIFICATE OF VOTE

I, Orville Kerr, of Southern New Hampshire Services, Inc., do hereby certify that:

1. I am the duly elected Secretary of Southern New Hampshire Services, Inc.;
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the corporation, duly held on June 13, 2017;

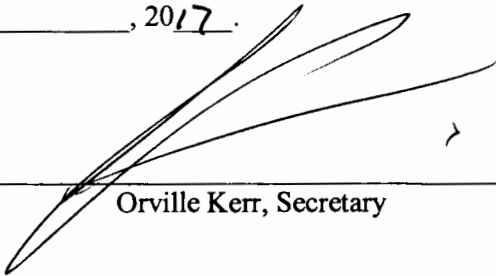
RESOLVED: That this corporation enters into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, Division of Public Health Services.

RESOLVED: That the Executive Director is hereby authorized on behalf of this corporation to enter into 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.

Donna Lee Lozeau is the duly elected Executive Director of the corporation.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of August 21, 2017.

IN WITNESS WHEREOF, I have hereunto set my hand as the Secretary of the corporation this 21st day of August, 2017.



Orville Kerr, Secretary

STATE OF NEW HAMPSHIRE
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this 21st day of August, 2017 by Orville Kerr.



Notary Public
My Commission Expires:

DEBRA D. STOHRER
Notary Public - New Hampshire
My Commission Expires November 18, 2020



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/2/2017

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 CGI Insurance 171 Londonderry Turnpike Hooksett NH 03106		CONTACT NAME: Teri Davis PHONE (A/C No. Ext): (603) 232-9306 FAX (A/C No.): (603) 622-4618 E-MAIL ADDRESS: tdavis@cgibusinessinsurance.com	
INSURED Southern New Hampshire Services Inc PO Box 5040 Manchester NH 03108		INSURER(S) AFFORDING COVERAGE INSURER A: Cincinnati Insurance Company INSURER B: Great Falls Insurance Company INSURER C: C INSURER D: INSURER E: INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 16-17 Master **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSP	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Employee Benefits <input checked="" type="checkbox"/> Professional Liability GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ETD417257	12/31/2016	12/31/2019	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 \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Employee Benefits \$ 1,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS			EBA0417260	12/31/2016	12/31/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured Motorist (CSL) \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			ETD417257	12/31/2016	12/31/2019	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	3A State: NH & ME WCD0937550016	12/31/2016	12/31/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Crime			BCN-0079876	12/02/2016	12/02/2017	Aggregate 1,000,000

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

CERTIFICATE HOLDER

NH DHHS
 129 Pleasant St
 Concord, NH 03301

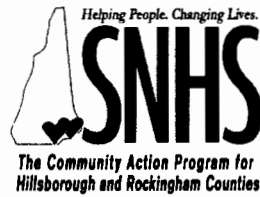
CANCELLATION

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

AUTHORIZED REPRESENTATIVE

Laura Perrin/TERI

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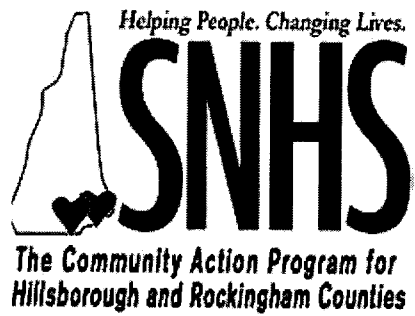
SOUTHERN NEW HAMPSHIRE SERVICES
The Community Action Partnership for Hillsborough and Rockingham Counties
Helping People. Changing Lives.

MISSION STATEMENT

Southern New Hampshire Services, Inc. (SNHS) is a private non-profit corporation chartered in the State of New Hampshire, May 21, 1965 to serve as the Community Action Partnership for Hillsborough County in compliance with the Economic Opportunity Act of 1964. From 1965 through 1969, SNHS was known as the Community Action Agency for Hillsborough County and served the City of Nashua and the twenty-nine towns. In 1969 SNHS became the Community Action Partnership for the City of Manchester as well. In 1974 the agency's name was changed to Southern New Hampshire Services, Inc. In July 2011, Rockingham Community Action (RCA), the Community Action Agency serving Rockingham County, was merged with Southern New Hampshire Services. As a result of this merger, SNHS now provides services to residents of the 65 towns and 3 cities in Hillsborough and Rockingham Counties.

The Economic Opportunity Act of 1964 and subsequent federal legislation establishing the Community Services Block Grant define our basic mission. Under these provisions the fundamental mission of SNHS is:

- A. To provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem.
- B. To provide activities designed to assist low-income participants including homeless individuals and families, migrants, and the elderly poor to:
 - 1. Secure and retain meaningful employment
 - 2. Attain an adequate education
 - 3. Make better use of available income
 - 4. Obtain and maintain adequate housing and a suitable living environment
 - 5. Obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and employment related assistance
 - 6. Remove obstacles and solve problems which block the achievement of self-sufficiency
 - 7. Achieve greater participation in the affairs of the community, and
 - 8. Make more effective use of other programs related to the purposes of the enabling federal legislation.
- C. To provide on an emergency basis for the provision of such supplies and services, nutritious foodstuffs, and related services, as may be necessary to counteract conditions of starvation and malnutrition among the poor.
- D. To coordinate and establish linkages between governmental and other social service programs to assure the effective delivery of such services to low-income individuals.
- E. To encourage the use of entities in the private sector of the community in efforts to ameliorate poverty in the community.



SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SINGLE AUDIT REPORT

YEAR ENDED JULY 31, 2016

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SINGLE AUDIT REPORT

YEAR ENDED JULY 31, 2016

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OUELLETTE & ASSOCIATES, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Keith H. Allen, C.P.A., M.S.T.
Mark R. Carrier, C.P.A.
Michael R. Dunn, C.P.A.
Jonathan A. Hussey, C.P.A., M.S.T.

Steven R. Lamontagne, C.P.A.
Gary W. Soucy, C.P.A.
Gary A. Wigant, C.P.A.
C. Joseph Wolverton, C.P.A.

**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance With *Government Auditing Standards***

To the Board of Directors
Southern New Hampshire Services, Inc. and Affiliate
Manchester, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of Southern New Hampshire Services, Inc. (the Organization) and affiliate, which comprise the combined statement of financial position as of July 31, 2016, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated April 28, 2017.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Ouellette & Associates, P.A.
Certified Public Accountants

April 28, 2017
Lewiston, Maine

OUELLETTE & ASSOCIATES, P.A.
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Keith H. Allen, C.P.A., M.S.T.
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C. Joseph Wolverton, C.P.A.

**Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control over Compliance and Schedule of Expenditures of
Federal Awards Required by The Uniform Guidance**

To the Board of Directors
Southern New Hampshire Services, Inc. and Affiliate
Manchester, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Southern New Hampshire Services, Inc. (the Organization) and affiliate's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southern New Hampshire Services, Inc. and affiliate's major federal programs for the year ended July 31, 2016. Southern New Hampshire Services, Inc. and affiliate's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its federal programs.

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Southern New Hampshire Services, Inc. and affiliate's compliance.

1111 Lisbon Street • Lewiston, Maine 04240 • Telephone: (207) 786-0328 • FAX: (207) 783-9377 • www.oacpas.net

Opinion on Each Major Federal Program

In our opinion, Southern New Hampshire Services, Inc. and affiliate complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended July 31, 2016.

Report on Internal Control over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the combined financial statements of Southern New Hampshire Services, Inc. and affiliate as of and for the year ended July 31, 2016, and have issued our report thereon dated April 28, 2017, which contained an unmodified opinion on those combined financial statements. Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the combined financial statements as a whole.

Ouellette & Associates, P.A.
Certified Public Accountants

April 28, 2017
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JULY 31, 2016

Federal Grantor Pass-Through Grantor Program or Cluster Title	Federal CFDA Number	Pass-Through Identifying Number	Federal Expenditures
<u>U.S. Department of Agriculture:</u>			
<i>Direct Program</i>			
Beginning Farmer and Rancher Development Program	10.311	2012-49400-19601	\$ 6,269
<i>Pass-Through State of New Hampshire Department of Health and Human Services</i>			
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	14144NH703W1003	1,326,092
Commodity Supplemental Food Program	10.565	14144NH703W1003	148,430
<i>Pass-Through State of New Hampshire Department of Education</i>			
Child and Adult Care Food Program	10.558		986,109
Summer Food Service Program for Children	10.559		<u>73,804</u>
Total U.S. Department of Agriculture			<u>\$ 2,540,704</u>
<u>U.S. Department of Housing and Urban Development:</u>			
<i>Direct Program</i>			
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249		\$ 316,202
<i>Pass-Through State of New Hampshire Department of Health and Human Services</i>			
Emergency Solutions Grant Program	14.231	2017-BHHS-RFA-01	75,256
<i>Pass-Through Belknap Merrimack Community Action Program</i>			
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900		14,500
<i>Pass-Through the City of Nashua, NH</i>			
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	NHLB0574-14	<u>37,596</u>
Total U.S. Department of Housing and Urban Development			<u>\$ 443,554</u>
Subtotal			<u>\$ 2,984,258</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JULY 31, 2016

<u>Federal Grantor Pass-Through Grantor Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Identifying Number</u>	<u>Federal Expenditures</u>
Amount Forward			<u>\$ 2,984,258</u>
<u>U.S. Department of Labor:</u>			
<i>Pass-Through State of New Hampshire Department of Resources and Economic Development</i>			
<u>WIA Cluster</u>			
WIA/WIOA Adult Program	17.258	0510-53360000-102-500731	\$ 1,025,370
WIA/WIOA – Dislocated Worker Formula Grants	17.278	0510-53360000-102-500731	<u>1,156,894</u>
Total WIA Cluster			<u>2,182,264</u>
WIA – National Emergency Grants	17.277	0510-53360000-102-500731	<u>1,836,061</u>
Total U.S. Department of Labor			<u>\$ 4,018,325</u>
<u>U.S. Department of Energy:</u>			
<i>Pass-Through State of New Hampshire Governor’s Office of Planning</i>			
Weatherization Assistance for Low-Income Persons	81.042	EE0006169	<u>\$ 450,204</u>
Total U.S. Department of Energy			<u>\$ 450,204</u>
<u>U.S. Department of Education:</u>			
<i>Pass-Through State of New Hampshire Department Of Education</i>			
Adult Education – Basic Grants to States	84.002	67011-ABE 67011-ABE	\$ 49,066 <u>165,300</u>
Total U.S. Department of Education			<u>\$ 214,366</u>
<u>U.S. Department of Homeland Security:</u>			
<i>Pass-Through Regional United Way Agency</i>			
Emergency Food and Shelter National Board Program	97.024		<u>\$ 22,873</u>
Total U.S. Department of Homeland Security			<u>\$ 22,873</u>
Subtotal			<u>\$ 7,690,026</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JULY 31, 2016

<u>Federal Grantor Pass-Through Grantor Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Identifying Number</u>	<u>Federal Expenditures</u>
Amount Forward			<u>\$ 7,690,026</u>
<u>U.S. Department of Health and Human Services:</u>			
<i>Direct Program</i>			
Head Start	93.600	01CH2057/01	\$ 6,116,070
<i>Pass-Through State of New Hampshire Office of Energy and Planning</i>			
Low-Income Home Energy Assistance	93.568	G-14B1NHLIEA	8,382,131
Special Programs for the Aging Title III Part B Grants for Supportive Services and Senior Centers	93.044	15AANHT3SS	14,514
<i>Pass-Through State of New Hampshire Department Of Health and Human Services</i>			
Temporary Assistance for Needy Families	93.558	05-95-45-450010-61270000	2,887,378
Community Services Block Grant	93.569	05-95-45-450010-7148	1,647,086
Community Services Block Grant – Discretionary Awards	93.570		96,109
<u>CCDF Cluster</u>			
Child Care and Development Block Grant	93.575	05-95-42-421110-2978000	872,398
Child Care Mandatory and Matching Funds of The Child Care and Development Fund	93.596		866,830
Total CCDF Cluster			<u>1,739,228</u>
<i>Pass-Through Manchester Community Health</i>			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		<u>53,476</u>
Total U.S. Department of Health and Human Services			<u>\$20,935,992</u>
<u>Corporation for National and Community Services:</u>			
<i>Direct Program</i>			
Retired and Senior Volunteer Program	94.002	14SRANH003	<u>\$ 105,000</u>
Total Corporation for National and Community Services			<u>\$ 105,000</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$28,731,018</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JULY 31, 2016

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Southern New Hampshire Services, Inc. and affiliate under programs of the federal government for the year ended July 31, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Southern New Hampshire Services, Inc. and affiliate, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Southern New Hampshire Services, Inc. and affiliate.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Pass-through entity identifying numbers are presented where available.

NOTE 3: SUBRECIPIENTS

Of the federal expenditures presented in the schedule of expenditures of federal awards Southern New Hampshire Services, Inc. and affiliate provided subrecipients with federal awards under the following programs:

<u>Title</u>	<u>CFDA Number</u>	<u>Subrecipient Award</u>
WIA Adult Program	17.258	\$225,805
WIA – Dislocated Worker Formula Grants	17.278	250,540
WIA – National Emergency Grants	17.277	328,278
Temporary Assistance for Needy Families	93.558	996,512

NOTE 4: HEAD START PROGRAMS CFDA #93.600

In accordance with terms of the grant award, the Organization has met its matching requirements during the year ended July 31, 2016.

NOTE 5: INDIRECT COST RATE

Southern New Hampshire Services, Inc. and affiliate has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JULY 31, 2016

Section I Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:
 Material weakness(es) identified? _____ Yes _____ No

Significant deficiency(ies) identified? _____ Yes _____ None reported

Noncompliance material to financial statements noted? _____ Yes _____ No

Federal Awards

Internal control over major programs:
 Material weakness(es) identified? _____ Yes _____ No

Significant deficiency(ies) identified? _____ Yes _____ None reported

Type of auditor's report issued on compliance
 for major programs: Unmodified

Any audit findings disclosed that are required
 to be reported in accordance with CFR Section
 200.156(a) of the Uniform Guidance? _____ Yes _____ No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
WIOA National Dislocated Worker Grants/ WIOA National Emergency Grants	17.277
Weatherization Assistance for Low Income Persons	81.042
Community Services Block Grant	93.569
Head Start	93.600

Dollar threshold used to distinguish between
 Type A and Type B programs: \$861,931

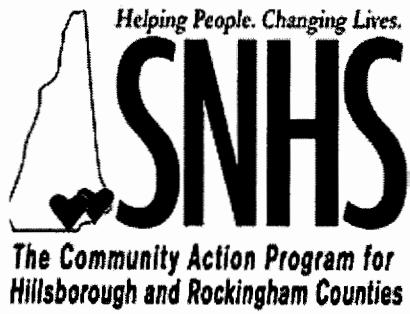
Auditee qualified as low-risk auditee? _____ Yes _____ No

Section II Financial Statement Findings

No matters are reportable.

Section III Federal Award Findings and Questioned Costs

No matters are reportable.



SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**COMBINED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

FOR THE YEARS ENDED JULY 31, 2016 AND 2015

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

FINANCIAL STATEMENTS

JULY 31, 2016 AND 2015

C O N T E N T S

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OUELLETTE & ASSOCIATES, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

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Gary A. Wigant, C.P.A.
C. Joseph Wolverton, C.P.A.

Independent Auditor's Report

To the Board of Directors
Southern New Hampshire Services, Inc.
Manchester, New Hampshire

Report on the Financial Statements

We have audited the accompanying combined financial statements of Southern New Hampshire Services, Inc. (a nonprofit organization) and affiliate, which comprise the combined statements of financial position as of July 31, 2016 and 2015, and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the combined 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 combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

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

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

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Southern New Hampshire Services, Inc. and affiliate, as of July 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in the Reporting Entity

As discussed in Note 1 to the financial statements, the 2015 combined financial statements included certain low-income housing corporations as part of the overall reporting entity that were not included in the 2016 combined financial statements. The 2015 combined financial statements have been retrospectively adjusted to reflect the new reporting entity. Our opinion is not modified with respect to that matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining schedule of financial position and the combining schedule of activities are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated April 28, 2017 on our consideration of Southern New Hampshire Services, Inc. and affiliate's internal control over financial reporting and on our tests on its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of this report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southern New Hampshire Services, Inc. and affiliate's internal control over financial reporting and compliance.

Ouellette & Associates, P.A.
Certified Public Accountants

April 28, 2017
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

COMBINED STATEMENTS OF FINANCIAL POSITION

JULY 31, 2016 AND 2015

<i>ASSETS</i>		
	<u>2016</u>	<u>2015</u>
CURRENT ASSETS		
Cash	\$ 5,837,963	\$ 5,833,648
Investments	6,352,626	6,243,028
Contracts receivable	3,415,218	3,128,742
Accounts receivable	636,656	992,282
Prepaid expenses	108,101	49,985
Under applied overhead	67,158	289,945
Total current assets	<u>16,417,722</u>	<u>16,537,630</u>
FIXED ASSETS		
Land	2,318,782	1,962,462
Buildings and improvements	10,426,659	7,069,925
Vehicles and equipment	1,275,367	1,237,735
Total fixed assets	<u>14,020,808</u>	10,270,122
Less - accumulated depreciation	4,516,633	4,177,685
Net fixed assets	<u>9,504,175</u>	<u>6,092,437</u>
OTHER ASSETS		
Restricted cash	409,331	256,772
Miscellaneous other assets	-	137,555
Total other assets	<u>409,331</u>	<u>394,327</u>
TOTAL ASSETS	<u>\$ 26,331,228</u>	<u>\$ 23,024,394</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long-term debt	\$ 119,080	\$ 262,975
Accounts payable	544,344	421,758
Accrued payroll and payroll taxes	974,989	986,701
Accrued compensated absences	498,403	647,031
Accrued other liabilities	211,737	365,742
Refundable advances	1,316,308	1,364,555
Tenant security deposits	62,654	36,238
Total current liabilities	<u>3,727,515</u>	<u>4,085,000</u>
LONG-TERM LIABILITIES		
Long-term debt, less current portion	<u>2,440,409</u>	1,009,034
TOTAL LIABILITIES	<u>6,167,924</u>	<u>5,094,034</u>
NET ASSETS		
Unrestricted	<u>20,163,304</u>	17,930,360
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 26,331,228</u>	<u>\$ 23,024,394</u>

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

COMBINED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JULY 31, 2016 AND 2015

	<i>2016</i>	<i>2015</i>
REVENUES, GAINS AND OTHER SUPPORT		
Grant and contract revenue	\$ 33,036,202	\$ 33,812,007
Program service fees	977,289	1,443,721
Local funding	337,540	421,481
Rental income	637,038	533,269
Gifts and contributions	1,084,502	251,460
Interest and dividend income	305,297	377,685
Unrealized gain (loss) on investments	(195,356)	24,840
Miscellaneous	772,852	675,384
TOTAL REVENUES, GAINS AND OTHER SUPPORT	36,955,364	37,539,847
EXPENSES		
Program services:		
Child development	7,592,134	7,063,817
Community services	1,584,465	1,373,843
Economic and workforce development	7,490,754	8,383,373
Energy	10,350,805	11,598,625
Hispanic-Latino community services	293,600	397,120
Housing and homeless	183,374	99,728
Nutrition and health	2,400,554	2,383,084
Special projects	1,417,406	1,210,523
Volunteer services	125,312	128,210
SNHS Management Corporation	1,360,675	1,466,123
Total program services	32,799,079	34,104,446
Support services:		
Management and general	1,923,341	1,533,038
TOTAL EXPENSES	34,722,420	35,637,484
CHANGE IN NET ASSETS	2,232,944	1,902,363
NET ASSETS - BEGINNING OF YEAR	17,930,360	16,027,997
NET ASSETS - END OF YEAR	\$ 20,163,304	\$ 17,930,360

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED JULY 31, 2016

	Program Services						
	Child Development	Community Services	Economic Workforce Development	Energy	Hispanic-Lat. Community Services	Housing and Homeless	Nutrition and Health
EXPENSES							
Payroll	\$ 4,393,675	\$ 1,008,896	\$ 2,465,911	\$ 1,495,775	\$ 185,433	\$ 61,599	\$ 911,371
Payroll taxes	457,034	92,208	230,637	152,666	21,425	6,530	94,200
Fringe benefits	1,017,685	142,446	381,606	292,939	8,905	8,215	186,659
Workers comp. insurance	98,563	10,512	7,610	12,840	1,983	201	26,662
Retirement benefits	242,908	88,027	133,881	91,134	6,104	3,364	55,155
Consultant and contractual	77,978	30,527	1,821,388	1,012,459	9,362	244	18,604
Travel and transportation	94,819	27,683	67,837	36,691	712	2,815	47,311
Conferences and meetings	1,800	28,508	468	9,868	-	-	5,831
Occupancy	471,873	50,009	752,749	122,768	16,292	1,018	79,861
Advertising	9,686	85	13,877	100	75	-	925
Supplies	224,072	18,667	32,442	61,730	6,908	824	77,550
Equip. rentals and maintenance	49,560	1,883	14,661	20,747	3,147	-	11,866
Insurance	14,508	32,136	7,139	10,311	-	-	5,898
Telephone	77,510	18,872	53,133	30,636	1,628	654	44,349
Postage	5,672	826	1,956	34,457	98	49	4,103
Printing and publications	5,307	2,541	-	654	815	-	-
Subscriptions	-	1,636	-	60	-	-	-
Program support	-	16,028	-	-	7,913	-	-
Interest	12,879	-	-	-	-	-	-
Depreciation	35,687	2,708	7,442	12,740	5,621	-	2,146
Assistance to clients	11,922	-	1,402,885	6,940,422	1,996	97,713	488,308
Other direct expense	222,179	10,004	94,866	10,187	-	99	332,467
Miscellaneous	66,817	263	266	1,621	15,183	49	7,288
In-kind	2,173,671	-	-	-	-	-	-
SUBTOTAL	\$ 9,765,805	\$ 1,584,465	\$ 7,490,754	\$ 10,350,805	\$ 293,600	\$ 183,374	\$ 2,400,554
Over applied indirect costs	-	-	-	-	-	-	-
Eliminations	(2,173,671)	-	-	-	-	-	-
TOTAL EXPENSES	\$ 7,592,134	\$ 1,584,465	\$ 7,490,754	\$ 10,350,805	\$ 293,600	\$ 183,374	\$ 2,400,554

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES (Continued)
 FOR THE YEAR ENDED JULY 31, 2016

	Program Services				Total Program Services	Support Services		Total Expenses
	Special Projects	Volunteer Services	SNHS			Management and General		
			Management Corporation	General				
EXPENSES								
Payroll	\$ 57,216	\$ 69,159	\$ 294,401	\$ 10,943,436	\$ 1,164,602	\$ 12,108,038		
Payroll taxes	6,332	6,670	28,695	1,096,397	97,248	1,193,645		
Fringe benefits	5,600	14,078	70,574	2,128,707	134,933	2,263,640		
Workers comp. insurance	2,248	218	5,651	166,488	6,100	172,588		
Retirement benefits	3,574	4,322	23,526	651,995	104,995	756,990		
Consultant and contractual	1,291,754	325	113,953	4,376,594	78,564	4,455,158		
Travel and transportation	3,621	2,590	72,154	356,233	14,023	370,256		
Conferences and meetings	1,744	270	42,765	91,254	253	91,507		
Occupancy	13,844	-	229,243	1,737,657	25,306	1,762,963		
Advertising	690	2,463	408	28,309	-	28,309		
Supplies	1,569	4,564	12,679	441,005	41,213	482,218		
Equip. rentals and maintenance	271	292	12,532	114,959	1,578	116,537		
Insurance	-	1,169	19,709	90,870	10,412	101,282		
Telephone	2,887	2,447	10,053	242,169	10,850	253,019		
Postage	62	582	977	48,782	18,062	66,844		
Printing and publications	-	130	466	9,913	-	9,913		
Subscriptions	-	-	40	1,736	-	1,736		
Program support	4,053	-	35,563	63,557	-	63,557		
Interest	-	-	34,555	47,434	-	47,434		
Depreciation	699	-	271,369	338,412	536	338,948		
Assistance to clients	16,920	-	34,988	8,995,154	-	8,995,154		
Other direct expense	3,600	2,282	1,250	676,934	1,102	678,036		
Miscellaneous	722	13,751	34,916	140,876	989	141,865		
In-kind	-	-	-	2,173,671	-	2,173,671		
SUBTOTAL	\$ 1,417,406	\$ 125,312	\$ 1,350,467	\$ 34,962,542	\$ 1,710,766	\$ 36,673,308		
Over applied indirect costs	-	-	10,208	10,208	212,575	222,783		
Eliminations	-	-	-	(2,173,671)	-	(2,173,671)		
TOTAL EXPENSES	\$ 1,417,406	\$ 125,312	\$ 1,360,675	\$ 32,799,079	\$ 1,923,341	\$ 34,722,420		

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED JULY 31, 2015

	Program Services						
	Child Development	Community Services	Economic Workforce Development	Energy	Hispanic-Lat. Community Services	Housing and Homeless	Nutrition and Health
EXPENSES							
Payroll	\$ 4,114,951	\$ 831,743	\$ 2,676,553	\$ 1,510,817	\$ 200,592	\$ 35,045	\$ 945,003
Payroll taxes	423,789	77,346	252,389	153,979	22,142	3,376	95,304
Fringe benefits	912,527	106,910	383,800	268,150	4,656	6,559	173,664
Workers comp. insurance	28,975	5,262	6,102	7,038	656	144	12,033
Retirement benefits	235,776	70,736	131,675	98,247	4,987	2,958	59,905
Consultant and contractual	24,102	28,100	2,111,471	848,165	108,854	93	21,970
Travel and transportation	84,766	24,670	83,512	38,312	1,061	1,228	50,151
Conferences and meetings	1,231	14,939	5,587	5,669	-	50	3,915
Occupancy	535,971	71,166	768,498	122,858	16,561	-	102,295
Advertising	1,809	-	7,120	682	25	-	620
Supplies	271,528	31,737	44,421	68,882	4,155	-	75,149
Equip. rentals and maintenance	29,215	298	28,945	18,352	560	-	13,873
Insurance	15,462	31,626	5,419	9,476	-	-	6,468
Telephone	68,933	22,159	52,504	35,216	1,702	-	48,059
Postage	4,618	1,234	1,834	35,078	214	348	3,783
Printing and publications	6,465	635	-	-	855	-	153
Subscriptions	38	1,837	127	58	-	-	-
Program support	-	29,051	1,123	-	5,820	-	-
Interest	13,734	-	-	-	-	-	-
Depreciation	38,195	2,708	6,533	12,740	5,621	-	2,146
Assistance to clients	12,751	466	1,768,434	8,349,886	3,494	49,920	467,042
Other direct expense	159,023	11,425	44,262	13,957	-	-	297,501
Miscellaneous	79,958	9,796	3,064	1,063	15,165	7	5,800
In-kind	1,759,528	-	-	-	-	-	-
Loss on disposal of assets	-	(1)	-	-	-	-	(1,750)
SUBTOTAL	\$ 8,823,345	\$ 1,373,843	\$ 8,383,373	\$ 11,598,625	\$ 397,120	\$ 99,728	\$ 2,383,084
Over applied indirect costs	-	-	-	-	-	-	-
Eliminations	(1,759,528)	-	-	-	-	-	-
TOTAL EXPENSES	\$ 7,063,817	\$ 1,373,843	\$ 8,383,373	\$ 11,598,625	\$ 397,120	\$ 99,728	\$ 2,383,084

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES (Continued)
 FOR THE YEAR ENDED JULY 31, 2015

	Program Services				Total Program Services	Support Services		Total Expenses
	Special Projects	Volunteer Services	SNHS			Management and General		
			Management Corporation					
EXPENSES								
Payroll	\$ 66,991	\$ 89,887	\$ 354,656	\$ 10,826,238	\$ 1,231,767	\$ 12,058,005		
Payroll taxes	6,864	8,600	28,941	1,072,730	102,617	1,175,347		
Fringe benefits	8,245	14,316	45,902	1,924,729	128,605	2,053,334		
Workers comp. insurance	938	189	3,330	64,667	6,331	70,998		
Retirement benefits	3,366	3,739	22,384	633,773	113,420	747,193		
Consultant and contractual	1,018,086	245	40,364	4,201,450	79,320	4,280,770		
Travel and transportation	3,046	1,529	90,517	378,792	16,409	395,201		
Conferences and meetings	5,207	635	30,907	68,140	2,579	70,719		
Occupancy	12,267	-	203,384	1,833,000	42,180	1,875,180		
Advertising	-	-	-	10,256	525	10,781		
Supplies	697	2,355	5,610	504,534	44,850	549,384		
Equip. rentals and maintenance	118	116	13,403	104,880	5,078	109,958		
Insurance	-	1,053	25,399	94,903	11,006	105,909		
Telephone	2,218	2,406	8,140	241,337	19,597	260,934		
Postage	33	439	1,101	48,682	19,465	68,147		
Printing and publications	-	-	463	8,571	-	8,571		
Subscriptions	-	-	-	2,060	-	2,060		
Program support	18,278	-	228,801	283,073	-	283,073		
Interest	-	-	37,224	50,958	-	50,958		
Depreciation	-	-	261,503	329,446	536	329,982		
Assistance to clients	53,374	-	44,132	10,749,499	-	10,749,499		
Other direct expense	10,011	714	361	537,254	299	537,553		
Miscellaneous	784	1,987	13,662	131,286	1,501	132,787		
In-kind	-	-	-	1,759,528	-	1,759,528		
Loss on disposal of assets	-	-	(1,599)	(3,350)	-	(3,350)		
SUBTOTAL	\$ 1,210,523	\$ 128,210	\$ 1,458,585	\$ 35,856,436	\$ 1,826,085	\$ 37,682,521		
Over applied indirect costs	-	-	7,538	7,538	(293,047)	(285,509)		
Eliminations	-	-	-	(1,759,528)	-	(1,759,528)		
TOTAL EXPENSES	\$ 1,210,523	\$ 128,210	\$ 1,466,123	\$ 34,104,446	\$ 1,533,038	\$ 35,637,484		

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

COMBINED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JULY 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 2,232,944	\$ 1,902,363
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	338,948	329,982
Gain on disposal of assets	-	(3,350)
Donation of low-income housing projects	(833,080)	-
Unrealized (gain) loss on investments	195,356	(24,840)
(Increase) decrease operating assets:		
Contracts receivable (net)	(286,476)	972,251
Accounts receivable (net)	355,656	(100,870)
Prepaid expenses	(50,334)	473
Under applied overhead	222,787	(110,574)
Increase (decrease) in operating liabilities:		
Accounts payable	101,906	24,213
Accrued payroll and payroll taxes	(11,712)	80,194
Accrued comp. absences	(148,628)	24,907
Accrued other liabilities	(161,252)	(490,544)
Refundable advances	(48,247)	(639,481)
Tenant security deposits	(2,396)	9,444
Total adjustments	(327,472)	71,805
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>1,905,472</u>	<u>1,974,168</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,795,586)	(1,240,206)
Proceeds from sale of fixed assets	-	63,882
Purchase of investments	(304,954)	(377,357)
Deposit to restricted cash accounts	(152,559)	(23,065)
Cash received on acquisition of housing projects	452,033	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(1,801,066)</u>	<u>(1,576,746)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long-term debt	(100,091)	(98,058)
CHANGE IN CASH AND CASH EQUIVALENTS	4,315	299,364
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>5,833,648</u>	<u>5,534,284</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 5,837,963</u>	<u>\$ 5,833,648</u>

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
 COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)
 FOR THE YEARS ENDED JULY 31, 2016 AND 2015

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

	<i>2016</i>	<i>2015</i>
Cash paid during the year for interest	\$ 47,434	\$ 50,958
Noncash investing and financing activities:		
Acquisition of low-income housing projects:		
Other current assets	\$ 7,812	\$ -
Property and equipment	1,955,100	-
Current liabilities	(56,739)	-
Notes payable	(1,387,571)	-
Previous equity investment	(137,555)	-
Equity acquired	(833,080)	-
	(452,033)	-
Cash received on acquisition	452,033	-
	\$ -	\$ -

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JULY 31, 2016 AND 2015

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Southern New Hampshire Services, Inc. (SNHS) is an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in New Hampshire's Hillsborough County and Rockingham County. The Organization's programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing and homelessness prevention. The Organization is committed to providing respectful support services and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty. The primary source of revenues is derived from governmental contracts. Services are provided through Southern New Hampshire Services, Inc. and SNHS Management Corporation.

Basis of Accounting and Presentation

The Organization prepares its combined financial statements in accordance with accounting principles generally accepted in the United States of America, which involves the application of accrual accounting; and accordingly reflect all significant receivables, payables, and other liabilities. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets - Unrestricted net assets of the Organization are net assets that are neither permanently restricted nor temporarily restricted by donor-imposed restrictions.

Temporarily restricted net assets - Temporarily restricted net assets are net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

Permanently restricted net assets - Permanently restricted net assets are net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

The Organization has no temporarily restricted or permanently restricted net assets at July 31, 2016 and 2015.

Combined Financial Statements – Change in Reporting Entity

All significant intercompany items and transactions have been eliminated from the basic combined financial statements. The combined financial statements include the accounts of SNHS Management Corporation because Southern New Hampshire Services, Inc. controls more than 50% of the voting power. The previously issued 2015 combined financial statements included certain low-income housing corporations. Management has elected not to combine these entities in the 2016 combined financial statements and retrospectively adjusted the 2015 combined financial statements to reflect the new reporting entity for comparative purposes. The adjustment increased the 2015 change in net assets by \$1,330,881.

Use of Estimates

The preparation of combined financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results may differ from these amounts.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2016 AND 2015

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For the purpose of the combined statements of cash flows, the Organization considers all unrestricted highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Current Vulnerabilities Due to Certain Concentrations

The Organization maintains its cash balances at several financial institutions located in New Hampshire and Maine. The balances are insured by the Federal Deposit Insurance Organization (FDIC) up to \$250,000 per financial institution. In addition, on October 2, 2008, the Organization entered into an agreement with its principal banking partner to collateralize deposits in excess of the FDIC insurance limitation on some accounts. The balances, at times, may exceed amounts covered by the FDIC and collateralization agreements. It is the opinion of management that there is no significant risk with respect to these deposits at this time.

Accounts and Contracts Receivable

All accounts and contracts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Receivables are recorded on the accrual basis of accounting primarily based on reimbursable contracts, grants and agreements. Balances outstanding after management has used reasonable collection efforts are written off through a charge to bad debt expense and a credit to the applicable accounts receivable. Management does not believe an allowance for uncollectible accounts receivable is necessary at July 31, 2016 and 2015.

Revenue Recognition

The Organization's revenue is recognized primarily from federal and state grants and contracts generally structured as reimbursed contracts for services and therefore revenue is recognized based on when their individual allowable budgeted expenditures occur. Federal and state grant revenue comprised approximately 90% of total revenue in the fiscal years ended July 31, 2016 and 2015, respectively.

Contributions and In-Kind Donations

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a 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 combined statements of activities as net assets released from restrictions. In-kind revenues and expenses represent fair market value of volunteer services and non-paid goods which were donated to the Organization during the current fiscal year. All in-kind revenues in the fiscal year 2016 and 2015 were generated through the Head Start and Economic Workforce Development programs.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the combined statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying combined statements of activities.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2016 AND 2015

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed Assets

Fixed assets acquired by the Organization are capitalized at cost if purchased or fair value if donated. It is the Organization's policy to capitalize expenditures for these items in excess of \$5,000. Major additions and renewals are capitalized, while repairs and maintenance are expensed as incurred. Depreciation is calculated using the straight-line basis over the estimated useful lives of the assets, which range from three to forty years. Depreciation expense for July 31, 2016 and 2015 was \$338,948 and \$329,982, respectively.

Fixed assets purchased with grant funds are owned by the Organization while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the fixed assets purchased with grant funds. The disposition of fixed assets, as well as the ownership of any proceeds is subject to funding source regulations.

Advertising

The Organization uses advertising to promote programs among the people it serves. The production costs of advertising are expensed as incurred.

Functional Allocation of Expenses

The costs associated with providing program services and management and general support services are presented by natural classification on the combined statement of functional expenses and have been summarized on a functional basis on the combined statements of activities.

Subsequent Events

Management has made an evaluation of subsequent events through April 28, 2017, which represents the date on which the combined financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of these combined financial statements.

Reclassifications

Certain reclassifications have been made to the 2015 combined financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

NOTE 2: RESTRICTED CASH

The Organization, as stipulated in many of the loan agreements associated with the housing projects included in SNHS Management Corporation, is required to maintain separate accounts and make monthly deposits into certain restricted reserves for the replacement of property and other expenditures. In addition, the Organization is required to maintain separate accounts for tenant security deposits and any surplus cash that may result from annual operations. These accounts are also not available for operating purposes and generally need additional approval from oversight agencies before withdrawal and use of these funds can occur.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2016 AND 2015

NOTE 3: FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The three levels of the fair value hierarchy under Financial Accounting Standards Board Accounting Standards Codification 820, *Fair Value Measurements*, are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs that are unobservable for the asset or liability.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at July 31, 2016 and 2015.

Mutual Funds: Valued at the closing price reported on the active market on which the individual securities are traded.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of July 31, 2016 and 2015:

	<u>2016</u>			
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
Mutual Funds	<u>\$6,352,626</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$6,352,626</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2016 AND 2015

NOTE 3: FAIR VALUE MEASUREMENTS (Continued)

	2015			
	(Level 1)	(Level 2)	(Level 3)	Total
Mutual Funds	\$ <u>6,243,028</u>	\$ <u> -</u>	\$ <u> -</u>	\$ <u>6,243,028</u>

NOTE 4: INVESTMENTS

The following is a summary of investments as of July 31:

	2016			2015		
	Cost	Fair Market Value	Unrealized Gains	Cost	Fair Market Value	Unrealized Gains
Mutual Funds	\$ <u>5,007,298</u>	\$ <u>6,352,626</u>	\$ <u>1,345,328</u>	\$ <u>4,702,343</u>	\$ <u>6,243,028</u>	\$ <u>1,540,685</u>

The activities of the Organization's investment account are summarized as follows:

	2016	2015
Fair Value – Beginning of Year	\$ <u>6,243,028</u>	\$5,840,831
Dividends and Capital Gains	<u>304,954</u>	377,357
Unrealized Gains (Losses)	<u>(195,356)</u>	<u>24,840</u>
Fair Value – End of Year	\$ <u>6,352,626</u>	\$ <u>6,243,028</u>

NOTE 5: LONG-TERM DEBT

The following is a summary of long-term debt as of July 31:

	2016	2015
<u>SNHS, Inc.</u>		
Mortgage payable to City of Manchester, secured by real estate located in Manchester, NH. A balloon payment of \$11,275 was due on June 30, 2010. Interest is at 0.000%. SNHS, Inc. is currently negotiating with the City of Manchester to write off this debt.	\$ 11,275	\$ 11,275
Mortgage payable to bank, secured by real estate located on Temple St., Nashua, NH. payable in fixed monthly principal installments of \$1,833 plus interest through 2020. Interest is at 4.000%.	<u>304,669</u>	<u>326,669</u>
<u>Subtotal</u>	\$ <u>315,944</u>	\$ <u>337,944</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2016 AND 2015

NOTE 5: LONG-TERM DEBT (Continued)

	<u>2016</u>	<u>2015</u>
<u>Subtotal Carried Forward</u>	\$ 315,944	\$ 337,944
<u>SNHS Management Corporation</u>		
Mortgage payable to New Hampshire Housing Authority secured by real estate located in Epping, NH, payable in monthly installments of \$1,084 including interest through 2042. Interest is at 3.500%.	217,571	-
Mortgage payable to City of Nashua secured by real estate located on Vine St., Nashua, NH. Mortgage will be forgiven only if real estate remains low income housing for 30 years. Interest is at 10.000%, forgiven annually.	900,000	-
Note payable to City of Nashua secured by real estate located on Vine St., Nashua, NH. Mortgage will be forgiven only if real estate remains low income housing for 30 years. Interest is at 10.000%, forgiven annually.	20,000	-
Mortgage payable to New Hampshire Community Loan Fund secured by real estate located on, Vine St., Nashua, NH. Mortgage will be forgiven only if real estate remains low income housing for 30 years. Interest is at 10.000%, forgiven annually.	250,000	-
Mortgage payable to bank, secured by real estate located on West Pearl St., Nashua, NH. Mortgage will be forgiven only if real estate remains low income housing for 40 years. Interest is at 0.000%.	170,000	170,000
Mortgage payable to bank secured by real estate located on Silver St., Manchester, NH, payable in monthly installments of \$2,619 including interest through 2019. Interest is at 3.750%.	74,954	102,947
Mortgage payable to bank, secured by real estate located on Allds St., Nashua, NH, payable in fixed monthly principal installments of \$2,613 plus interest through 2021. Interest is at 3.246%.	151,556	182,912
Mortgage payable to MH Parsons and Sons Lumber, secured by real estate located in Derry, NH, payable in monthly installments of \$3.715 including interest through 2031. Interest is at 5.500%.	<u>459,464</u>	<u>478,206</u>
	\$ 2,559,489	\$ 1,272,009
Less: Current Portion	<u>119,080</u>	<u>262,975</u>
Long-term debt, net of current portion	<u>\$ 2,440,409</u>	<u>\$ 1,009,034</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2016 AND 2015

NOTE 5: LONG-TERM DEBT (Continued)

Principal maturities of long-term debt are as follows:

	2017	\$ 119,080
	2018	110,245
	2019	97,103
	2020	82,883
	2021	273,862
	Thereafter	<u>1,876,316</u>
	Total	\$ <u>2,559,489</u>

NOTE 6: OPERATING LEASES

The Organization leases various facilities and equipment under several operating leases. Total lease payments for the years ended July 31, 2016 and 2015 equaled \$741,027 and \$789,051, respectively. The leases expire at various times through January 2018. Some of the leases contain renewal options that are contingent upon federal funding and some contain renewal options subject to renegotiation of lease terms.

The following is a schedule of future minimum lease payments for the operating leases as of July 31, 2016:

	2017	\$ 445,890
	2018	<u>43,552</u>
	Total	\$ <u>489,442</u>

NOTE 7: RETIREMENT BENEFITS

The Organization has an Employer-Sponsored 403(b) plan offering coverage to all of its employees. Participating employees must contribute at least 5% of their wages, while the Organization contributes 10% of their wages. The pension expense for the years ended July 31, 2016 and 2015 was \$756,990 and \$747,193, respectively.

NOTE 8: RISKS AND UNCERTAINTIES

The Organization is operated in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules, and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2016 AND 2015

NOTE 9: CONTINGENCIES AND CONTINGENT LIABILITIES

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

Cotton Mill Square

In 2015, SNHS Management Corporation entered into a contract as part of the Community Development Investment Tax Credit Program with the Community Development Finance Authority (CDFA) and was awarded \$1,000,000 to provide funding for the development and adaptive reuse of an abandoned historic cotton mill in downtown Nashua, NH. Under this program, the Project (Cotton Mill Square) created 109 units of housing and was required to reserve 55 of these units for low to moderate income households.

As stipulated by the contract and after a 20% program fee retained by the CDFA, SNHS Management Corporation entered into a subrecipient agreement with the owners of the Project (Cotton Mill Square LLC) to provide a promissory note and mortgage of the remaining award amount of \$800,000. The 20 year note to Cotton Mill Square LLC is non-interest bearing and the principle is forgivable at a rate of 5% each year the Project maintains the required minimum of 55 low to moderate income household units.

The Cotton Mill Square Project was awarded the certificate of occupancy on August 22, 2014 and remains in full compliance with the required regulations as of July 31, 2016 and 2015. SNHS Management Corporation feels that it is extremely unlikely that the Project will fall into noncompliance in future periods. Therefore, SNHS Management Corporation has not recorded any contingent receivable or liability related to this transaction. The current unforgiven principle amount at July 31, 2016 and 2015 is \$720,000 and \$760,000, respectively. The note repayment is accelerated if the units fall out of compliance.

J. Brown Homestead Property

On July 1, 2011, Rockingham Community Acton (RCA) was acquired by SNHS. As part of this merger, SNHS assumed all the assets, liabilities and obligations of RCA which included the J. Brown Homestead Property.

The J. Brown Homestead Property was conveyed to RCA in 1999 by the Town of Raymond for \$1 and a mortgage lien of \$604,418. The property contains four apartments limited to low-income seniors, office space for the Outreach operations, space for the Food Pantry operation, and a common meeting room for use by Town of Raymond organizations. The Town of Raymond included a requirement that the property be used for a social service center for a period of 20 years, called the benefit period, after which this requirement terminates.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2016 AND 2015

NOTE 9: CONTINGENCIES AND CONTINGENT LIABILITIES (Continued)

J. Brown Homestead Property (Continued)

In the event that SNHS sells or otherwise conveys the property within the benefit period, the remaining lien will be either paid from the proceeds of the sale or remain with the land to any subsequent purchaser for the remaining benefit period.

This mortgage lien has no scheduled principle or interest payments and is forgivable at a rate of 5% each year of the benefit period until it is completely forgiven in year 2019. The value of this lien at July 31, 2016 and 2015 is \$120,884 and \$151,105, respectively. SNHS has no plans to sell or transfer this property. Therefore, the contingent mortgage lien liability has not been included in the financial statements.

NOTE 10: AQUISITIONS OF LOW-INCOME HOUSING PROJECTS

During 2016, SNHS Management Corporation acquired J.B. Milette Limited Partnership (Milette Manor), located in Nashua, NH and Epping Senior Housing Associates Limited Partnership (Whispering Pines), located in Epping, NH. SNHS Management Corporation obtained the project operations and assumed all assets, liabilities, debt and equity for both projects at fair market value. The acquisition and allocation of both projects was as follows:

	<u>Milette Manor</u>	<u>Whispering Pines</u>	<u>Total</u>
Cash	\$ 264,763	\$ 187,270	\$ 452,033
Other Current Assets	-	7,812	7,812
Property and Equipment	1,238,400	716,700	1,955,100
Current Liabilities	(16,148)	(40,591)	(56,739)
Notes Payable	(1,170,000)	(217,571)	(1,387,571)
Previous Equity Investment	-	(137,555)	(137,555)
Equity Acquired (Contribution)	<u>(317,015)</u>	<u>(516,065)</u>	<u>(833,080)</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
 COMBINING SCHEDULE OF FINANCIAL POSITION
 JULY 31, 2016

Schedule A

	SNHS, Inc.	SNHS Management Corporation	Sub-Total	Elimination	Total
ASSETS					
CURRENT ASSETS					
Cash	\$ 72,641	\$ 5,765,322	\$ 5,837,963	\$ -	\$ 5,837,963
Investments	-	6,352,626	6,352,626	-	6,352,626
Contracts receivable	3,126,168	289,050	3,415,218	-	3,415,218
Accounts receivable	-	636,656	636,656	-	636,656
Prepaid expenses	35,397	72,704	108,101	-	108,101
Under applied overhead	67,158	-	67,158	-	67,158
Due from other corporations	2,200,994	(1,436,059)	764,935	(764,935)	-
Total current assets	<u>5,502,358</u>	<u>11,680,299</u>	<u>17,182,657</u>	<u>(764,935)</u>	<u>16,417,722</u>
FIXED ASSETS					
Land	219,849	2,098,933	2,318,782	-	2,318,782
Buildings and improvements	1,570,775	8,855,884	10,426,659	-	10,426,659
Vehicles and equipment	870,445	404,922	1,275,367	-	1,275,367
Total fixed assets	<u>2,661,069</u>	<u>11,359,739</u>	<u>14,020,808</u>	<u>-</u>	<u>14,020,808</u>
Less - accumulated depreciation	1,391,175	3,125,458	4,516,633	-	4,516,633
Net fixed assets	<u>1,269,894</u>	<u>8,234,281</u>	<u>9,504,175</u>	<u>-</u>	<u>9,504,175</u>
OTHER ASSETS					
Restricted cash	22,433	386,898	409,331	-	409,331
Total other assets	<u>22,433</u>	<u>386,898</u>	<u>409,331</u>	<u>-</u>	<u>409,331</u>
TOTAL ASSETS	<u>\$ 6,794,685</u>	<u>\$ 20,301,478</u>	<u>\$ 27,096,163</u>	<u>\$ (764,935)</u>	<u>\$ 26,331,228</u>
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Current portion of long-term debt	\$ 33,275	\$ 85,805	\$ 119,080	\$ -	\$ 119,080
Accounts payable	451,787	92,557	544,344	-	544,344
Accrued payroll and payroll taxes	477,322	497,667	974,989	-	974,989
Accrued compensated absences	-	498,403	498,403	-	498,403
Accrued other liabilities	203,158	8,579	211,737	-	211,737
Refundable advances	1,310,895	5,413	1,316,308	-	1,316,308
Tenant security deposits	22,083	40,571	62,654	-	62,654
Due to other corporations	629,298	135,637	764,935	(764,935)	-
Total current liabilities	<u>3,127,818</u>	<u>1,364,632</u>	<u>4,492,450</u>	<u>(764,935)</u>	<u>3,727,515</u>
LONG-TERM LIABILITIES					
Long-term debt, less current portion	282,669	2,157,740	2,440,409	-	2,440,409
Total long-term liabilities	<u>282,669</u>	<u>2,157,740</u>	<u>2,440,409</u>	<u>-</u>	<u>2,440,409</u>
TOTAL LIABILITIES	<u>3,410,487</u>	<u>3,522,372</u>	<u>6,932,859</u>	<u>(764,935)</u>	<u>6,167,924</u>
NET ASSETS					
Unrestricted	3,384,198	16,779,106	20,163,304	-	20,163,304
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,794,685</u>	<u>\$ 20,301,478</u>	<u>\$ 27,096,163</u>	<u>\$ (764,935)</u>	<u>\$ 26,331,228</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JULY 31, 2016

	SNHS Inc.	SNHS Management Corporation	Sub-Total	Elimination	Total
REVENUES, GAINS AND OTHER SUPPORT					
Grant/contract revenue	\$ 33,036,202	\$ -	\$ 33,036,202	\$ -	\$ 33,036,202
Program service fees	84,333	892,956	977,289	-	977,289
Local funding	37,596	299,944	337,540	-	337,540
Rental income	-	637,038	637,038	-	637,038
Gifts and contributions	242,554	841,948	1,084,502	-	1,084,502
Interest Income	136	305,161	305,297	-	305,297
Unrealized loss on investments	-	(195,356)	(195,356)	-	(195,356)
In-kind	2,173,671	-	2,173,671	(2,173,671)	-
Miscellaneous	390,426	382,426	772,852	-	772,852
TOTAL REVENUES, GAINS AND OTHER SUPPORT	35,964,918	3,164,117	39,129,035	(2,173,671)	36,955,364
EXPENSES					
Program services:					
Child Development	9,765,805	-	9,765,805	(2,173,671)	7,592,134
Community Services	1,584,465	-	1,584,465	-	1,584,465
Economic and Workforce Dev.	7,490,754	-	7,490,754	-	7,490,754
Energy	10,350,805	-	10,350,805	-	10,350,805
Hispanic-Latino Com. Services	293,600	-	293,600	-	293,600
Housing and Homeless	183,374	-	183,374	-	183,374
Nutrition and Health	2,400,554	-	2,400,554	-	2,400,554
Special Projects	1,417,406	-	1,417,406	-	1,417,406
Volunteer Services	125,312	-	125,312	-	125,312
SNHS Management Corporation	-	1,360,675	1,360,675	-	1,360,675
Total program services	33,612,075	1,360,675	34,972,750	(2,173,671)	32,799,079
Support services:					
Management and general	1,923,341	-	1,923,341	-	1,923,341
TOTAL EXPENSES	35,535,416	1,360,675	36,896,091	(2,173,671)	34,722,420
CHANGE IN NET ASSETS	429,502	1,803,442	2,232,944	-	2,232,944
NET ASSETS - BEGINNING OF YEAR	2,954,696	14,975,664	17,930,360	-	17,930,360
NET ASSETS - END OF YEAR	\$ 3,384,198	\$ 16,779,106	\$ 20,163,304	\$ -	\$ 20,163,304

OUELLETTE & ASSOCIATES, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

Keith H. Allen, C.P.A., M.S.T.
Mark R. Carrier, C.P.A.
Michael R. Dunn, C.P.A.
Jonathan A. Hussey, C.P.A., M.S.T.

Steven R. Lamontagne, C.P.A.
Gary W. Soucy, C.P.A.
Gary A. Wigant, C.P.A.
C. Joseph Wolverton, C.P.A.

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors of
Southern New Hampshire Services, Inc.
Manchester, New Hampshire

We have compiled the accompanying schedules of revenues and expenses – by contract of Southern New Hampshire Services, Inc. as of July 31, 2016. We have not audited or reviewed the accompanying schedules of revenues and expenses – by contract and, accordingly, do not express an opinion or provide any assurance about whether the schedules of revenues and expenses – by contract are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the schedules of revenues and expenses – by contract in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the schedules of revenues and expenses – by contract.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of schedules of revenues and expenses – by contract without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the schedules of revenues and expenses – by contract.

Ouellette & Associates, P.A.

Certified Public Accountants

April 28, 2017
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2016

State of NH Governor's Office of Energy & Community Services

Headstart Program

For the Period

August 1, 2015 to July 31, 2016

Fund # 305

REVENUES

Program funding	\$ 4,373,965
In-kind	1,734,143
Allocated corporate unrestricted revenue	2,819
Total revenue	<u>6,110,927</u>

EXPENSES

Payroll	2,312,267
Payroll taxes	244,345
Fringe benefits	623,506
Workers comp. insurance	51,209
Retirement benefits	133,117
Consultant and contractual	25,867
Travel and transportation	46,573
Conference and meetings	1,800
Occupancy	252,311
Advertising	955
Supplies	135,436
Equip. rentals and maintenance	14,886
Insurance	10,098
Telephone	36,245
Postage	1,543
Printing and publications	3,606
Depreciation	7,544
Assistance to clients	11,400
Other direct expense	54,558
Miscellaneous	9,069
In-kind	1,734,143
Administrative costs	400,449
Total expenses	<u>6,110,927</u>

Excess of expenses over revenue	<u>\$ -</u>
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See independent accountant's compilation report.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2016

State of NH Governor's Office of Energy & Community Services
 LIHEAP Program
 For the Period
 October 1, 2015 to July 31, 2016
 Fund # 630-16

REVENUES

Program funding	\$ 7,557,216
Other revenue	41
Allocated corporate unrestricted revenue	5,124
Total revenue	<u>7,562,381</u>

EXPENSES

Payroll	394,111
Payroll taxes	43,035
Fringe benefits	91,033
Workers comp. insurance	1,260
Retirement benefits	22,258
Consultant and contractual	20,346
Travel and transportation	5,567
Conference and meetings	80
Occupancy	42,187
Advertising	75
Supplies	20,581
Equip. rentals and maintenance	3,386
Insurance	670
Telephone	12,362
Postage	19,809
Subscriptions	60
Depreciation	5,115
Assistance to clients	6,811,660
Other direct expense	1,445
Miscellaneous	525
Administrative costs	66,816
Total expenses	<u>7,562,381</u>

Excess of expenses over revenue	<u>\$ -</u>
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See independent accountant's compilation report.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2016

State of NH Governor's Office of Energy & Community Services
 LIHEAP Program
 For the Period
 August 1, 2015 to September 30, 2015
 Fund # 630-15

REVENUES

Program funding	\$ 177,596
Total revenue	<u>177,596</u>

EXPENSES

Payroll	96,462
Payroll taxes	8,696
Fringe benefits	15,001
Workers comp. insurance	325
Retirement benefits	5,478
Consultant and contractual	6,025
Travel and transportation	1,390
Occupancy	12,554
Supplies	8,506
Insurance	578
Telephone	2,402
Postage	1,812
Printing and publications	654
Assistance to clients	488
Other direct expense	1,141
Miscellaneous	362
Administrative costs	15,722
Total expenses	<u>177,596</u>

Excess of expenses over revenue	<u>\$ -</u>
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See independent accountant's compilation report.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2016

State of NH Governor's Office of Energy & Community Services

Early Headstart Program

For the Period

August 1, 2015 to July 31, 2016

Fund # 300

REVENUES

Program funding	\$ 1,300,550
In-kind	296,655
Allocated corporate unrestricted revenue	6,532
Total revenue	<u>1,603,737</u>

EXPENSES

Payroll	676,674
Payroll taxes	67,660
Fringe benefits	143,776
Workers comp. insurance	15,047
Retirement benefits	38,664
Consultant and contractual	3,448
Travel and transportation	6,418
Occupancy	101,726
Advertising	530
Supplies	36,838
Equip. rentals and maintenance	2,410
Insurance	2,583
Telephone	21,837
Postage	69
Printing and publications	804
Interest	12,879
Depreciation	25,036
Other direct expense	29,444
Miscellaneous	3,587
In-kind	296,655
Administrative costs	117,652
Total expenses	<u>1,603,737</u>

Excess of expenses over revenue	<u>\$ -</u>
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See independent accountant's compilation report.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2016

Electric Energy Assistance

For the Period

August 1, 2015 to July 31, 2016

Fund # 665

REVENUES

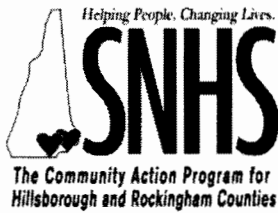
Other revenue	\$ 776,567
Allocated corporate unrestricted revenue	(1)
Total revenue	<u>776,566</u>

EXPENSES

Payroll	416,847
Payroll taxes	44,306
Fringe benefits	91,854
Workers comp. insurance	1,286
Retirement benefits	20,444
Consultant and contractual	22,667
Travel and transportation	3,525
Conference and meetings	55
Occupancy	48,943
Supplies	23,444
Equip. rentals and maintenance	3,386
Insurance	782
Telephone	14,463
Postage	12,512
Other direct expense	2,232
Miscellaneous	420
Administrative costs	69,400
Total expenses	<u>776,566</u>

Excess of expenses over revenue	<u><u>\$ -</u></u>
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See independent accountant's compilation report.



SOUTHERN NEW HAMPSHIRE SERVICES

The Community Action Program for Hillsborough and Rockingham Counties

Mailing Address: PO Box 5040, Manchester, NH 03108
40 Pine Street, Manchester, NH 03103
Telephone: (603) 668-8010 Fax: (603) 645-6734
www.SNHS.org

Executive Director
Donnalee Lozeau, CCAP

Deputy Director
Fiscal Officer
Michael O'Shea

Chief Operating Officer
Deborah Gosselin, CCAP

Administration:
40 Pine Street
PO Box 5040
Manchester, NH 03108
Tel: (603) 668-8010

Outreach Offices in Hillsborough County:

Manchester (03103)
160 Silver Street
Tel: (603) 647-4470

Nashua (03060)
134 Allds Street
Tel: (603) 889-3440

Greenville (03048)
Greenville Falls
56 Main Street
Tel: (603) 878-3364

Hillsborough (03244)
63 West Main Street
Tel: (603) 464-5835

Peterborough (03458)
9 Vose Farm Road, Suite 115
Tel: (603) 924-2243

Outreach Offices in Rockingham County:

Derry (03038)
9 Crystal Avenue, Suite 1
Tel: (603) 965-3029

Portsmouth (03801)
4 Cutts Street
Tel: (603) 431-2911

Raymond (03077)
55 Prescott Road
Tel: (603) 895-2303

Salem (03079)
85 Stiles Road, Suite 103
Tel: (603) 893-9172

Seabrook (03874)
146 Lafayette Road
Tel: (603) 474-3507

Board of Directors

Officers

- Richard Delay, Sr., Chairman
- Dolores Bellavance, Vice Chairman
- Orville Kerr, Secretary
- Jill Jamro, Treasurer

Directors

- James Brown
- Danielle Conroy
- Senator Lou D'Allesandro
- Carrie Marshall-Gross
- Bonnie Henault
- Wayne R. Johnson
- Dr. Kevin Moriarty
- Tom Mullins, Esquire
- Deidre O'Malley
- German Ortiz
- Shirley Pelletier

DONNALEE LOZEAU

Community/Civic Involvement- Current

- Eagle Scout Board of Review
- St. Joseph Hospital Board of Directors
- NH Tomorrow Leadership Council
- Reaching Higher for Education NH
- NH Center for Public Policies Studies
- American Council of Young Political Leaders, Alumni Member
- Mary's House Advisory Board
- The Plus Company
- No Labels
- Fix the debt

Community/Civic Involvement- Past

- Governor's Judicial Selection Commission
- Governor's Transportation Committee
- Mayor's Task Force on Youth, Co-Chair
- Big Brothers Big Sisters Board of Directors, Immediate Past President, current Big Sister
- Manchester Community Resource Center, Board of Directors
- Greater Nashua Dental Connection Board of Directors, Founding Member
- Health Care Fund Community Grant Program Advisory Council
- Nashua Youth Council Board of Directors
- Great American Downtown
- Servicelink Board of Directors
- NH Energy and Climate Collaborative
- Health Care District Council V
- Task Force for the Renewal of Judicial Conduct Procedures
- Domestic Violence Coordinating Council Nashua
- Discipline Review Committee Nashua School District
- Nashua Community College Advisory Board
- Nashua Airport Authority, Commissioner
- US Conference of Mayors
- Nashua Legislative Delegation, Chair and Vice Chair

EXPERIENCE

Southern New Hampshire Services, Inc. **Manchester, NH**
(January 2016-Present)

Executive Director/CEO

- Agency development and oversight

City of Nashua, New Hampshire **Nashua, NH**
(2008-2016) - Elected

Mayor

- Overall day to day management of city operations
- Annual budget development and oversight
- Chair of Board of Public Works
- Chair of Finance Committee

Southern New Hampshire Services, Inc. **Manchester, NH**
(1993 – 2008)

Director of Program and Community Development

- Assessed the need for services throughout Hillsborough County through community outreach
- Developed partnerships, collaborations and new initiatives with service providers and businesses
- Negotiated purchases and contracts and presented projects before local boards, commissions and departments relative to housing, support services and economic development
- Designed and implemented strategies for developing working relationships with town and city officials, local service providers and appropriate private sector officials in order to project a positive image of Southern New Hampshire Services, Inc.
- Developed 219 units of Elderly Housing
- Founded Mary's House 40 units of housing for homeless women
- Pioneered initiatives for the Community Corrections and Academy Programs
- Expanded Head Start Services
- Secured Property and developed sites for two outreach office locations and four housing developments
- Developed the program and secured the site for our Economic Opportunity Center

City Streets Restaurant, (1986-1991) **Nashua, NH**
City Streets Diner, (2000 – 2003) **Nashua, NH**

Co-Owner/Operator

- Operated 450 seat restaurant and banquet facility and effectively managed financial accounts
- Responsible for oversight of the day to day operations and restaurant management to include hiring and firing of employees, employee performance evaluations and scheduling of staff
- Manage Accounts Payable and Accounts Receivable, purchasing, auditing, deposit, and check processing functions for the restaurant
- Responsible for compliance with local, state and federal requirements as related to; licenses, taxes, fees and staff

Past Community/Civic Involvement Continued

- American Legion Granite Girls State (student advisor)
- Nashua Senior High School Senate- Community Advisor
- East Hollis Street Master Plan-Steering Committee
- New Hampshire Criminal Justice Resource Center, Director
- Greater Nashua Chamber of Commerce, Director
- Greater Nashua Workforce Housing Coalition, Founding Member
- Reclaiming Futures, local asset building development collaborative, founding member
- Mayor's Task Force on Housing, Chair
- Greater Nashua Asset Building Coalition, Founding Member
- Greater Nashua Healthy Community Collaborative, Member
- New Futures, Adolescent Treatment Collaborative, Member
- NH Workforce Housing Council, Member
- Continuum Care for the Homeless, Member
- United Way Community Needs Assessment Committee, Member
- New Hampshire Charitable Foundation State Board, Member

ELECTED OFFICE

NH State Representative, Hillsborough County, District 30
(1984 – 2000)

Deputy Speaker of the NH House of Representatives
(1995 – 2000)

- Addressed constituent concerns
- Assisted Non-Profit organizations and local businesses with governmental concerns and steering legislation through the political process by working with members and leadership in the NH House of Representatives and the NH Senate and representatives of the Executive and Judicial branches
- Managed floor debates and supervised *House Calendar* content;
- Presided over House sessions and coordinated Committees of Conference
- House Staff and Security oversight
- Responsible for functions of the House on behalf of or in the absence of the Speaker

Committee Assignments:

- House Rules Committee, Vice Chairman
- House Legislative Administration Committee
- Joint Facilities Committee
- Chair, New member Orientation
- House Corrections and Criminal Justice Committee, Vice Chairman
- House Judiciary Committee
- Criminal Justice Sub-Committee, Chairman
- Member State and Federal Relations Committee

Appointments:

- Joint Legislative Performance Audit and Oversight Committee
- Juvenile Justice Commission, Chairman
- Supreme Court Guardian Ad Litem Committee
- Superior Court Alternative Dispute Resolution Committee
- Work Force Opportunity Council
- Interbranch Criminal and Juvenile Justice Council, member
 - Chairman Subcommittee on Offenders,
 - Space and Prison Programming
 - Co-Chair Juveniles subcommittee
- National Conference of State Legislatures Law and Justice Vice Chair
- Council of State Governments Intergovernmental Affairs, Corrections and Public Safety

EDUCATION & TRAINING

- CCAP, Certified Community Action Professional
- Rivier College, Nashua, NH- Undergraduate work in Political Science
- Restaurant Management Institute
- Mediation and Alternative Dispute Resolution Training
- Leadership Institute, Aspen
- Computer Skills, Microsoft Office Applications
- Justice of the Peace

JAMES M. CHAISSON

SUMMARY

Dedicated accounting professional with 8 years of non-profit experience and over 20 years of broad experience in manufacturing, distribution, reorganizations, mergers and acquisitions, sales/operations planning/forecasting and establishing & monitoring performance metrics in a manufacturing environment. Experienced in private and public corporations, including 8 years in a private equity environment with a strong focus on equity sponsor communication and liquidity management. Complete knowledge of P&L, balance sheet, cash flow and cost accounting. Proven skills at staff leadership, training and development in a team environment. Professional Experience:

- Fiscal Officer in nonprofit organization
 - Controller in MFG & Distribution
 - Treasury and Cash Flow Management
 - Financial & Capital Budgeting, Reporting & Control
 - Cost Accounting Manager
 - General Accounting Manager
 - Business Performance Metric Establishment and Measurement
-

PROFESSIONAL EXPERIENCE

Southern New Hampshire Services, Manchester, NH

5/2009-Present

Southern New Hampshire Services (SNHS) is a non-profit entity dedicated to helping people help themselves. SNHS accomplishes this through a variety of programs offered at centers, offices, clinics, and intake sights located throughout Rockingham and Hillsborough counties. The agency also oversees 29 housing facilities with approximately 1000 tenants. SNHS receives and administers \$36 million in program funds annually with over 450 employees.

Chief Fiscal Officer

1/2017 to Present

- Oversee financial and accounting compliance, maintaining controls and managing potential business risks
- Manage the annual budget process and analysis activities
- Prepare presentation for Board of Directors meetings presenting the organization's financial results
- Develop and maintain banking relationships
- Manage the Annual Audit process

Senior Accountant

5/2009-1/2017

Assisted Fiscal Director in overseeing all fiscal and financial activities including compliance with federal, state, and funding source requirements as well as accordance with GAAP

- Developed and implemented indirect cost calculation and interfaced with General Ledger
- Monitored and prepared monthly budget vs actual reporting; recommended adjustments and forecast spending
- Created specialized reports for the individual grant's reporting requirements
- Designed allocation methods for properly billing shared items to individual grants and programs
- Prepared monthly agency program reviews for Fiscal Director's Board of Directors review

WOOD STRUCTURES, INC. Biddeford, ME

2001-4/2009

WSI, is a highly leveraged business owned by Roark Capital, a private equity fund, headquartered in Atlanta, GA. WSI is a \$70 million manufacturer of roof and floor trusses, wall panels and a distributor of engineered wood products. The company's products are sold into the residential and light commercial construction markets

Controller

2006-4/2009

Managed all aspects of accounting and reporting in a truss manufacturing plant as well as an engineered wood products distribution location that included 2 locations in Maine and 1 in Massachusetts.

- Calculated and assisted in the management of the company's covenants
- Worked closely with senior management during the sale process from the seller (Harbour Group) and buyer (Roark Capital)
- Identified cost drivers and implemented process changes to reduce the monthly closing cycle from 18 to 5 days
- Conducted monthly reviews with the managers on financial results and measurement
- Oversaw the payroll function of 160+ employees

Accounting Manager

2001-2006

Recruited to company to restore financial controls and establish best practices concerning both general ledger and cost accounting processes. Responsible for overseeing the accounting of 2 locations in Maine and 1 in Alabama.

- Established the reporting protocols of the company used by both equity sponsors
- Educated, motivated and developed a staff of 3 to succeed in their rolls of financial responsibility
- Identified and implemented processes and procedures for all intercompany sales, transfers, consolidation and eliminations
- Streamlined the payroll process that included transferring to an external supplier (ADP), which reduced cost by 40%
- Conducted physical inventories and defined their policies and procedure at all locations.

VISHAY SPRAGUE, Sanford, ME

1978-2001

Vishay Sprague is a division of Vishay Intertechnology Inc. (NYSEL VSH) a global manufacturer of discrete semiconductors and passive electronic components. The Sprague Division manufactures solid tantalum capacitors with annual sales of \$200 million and 1,400 employees.

Plant Cost Accounting Manager

1997-2001

Division General Accounting Manager

1995-1997

Division Operation Accountant

1989-1995

Division Fixed Asset Accountant

1987-1989

Master Engineering Technician

1984-1987

Lead Production Technician

1978-1984

EDUCATION

NASSON COLLEGER, Springvale, ME

B.S. in Business Administration

Southern New Hampshire Services
SS-2018-DFA-03-COMMU-03
August 18, 2017

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Donnalee Lozeau	Executive Director	175,000	-0-	-0-
James Chaisson	Chief Fiscal Officer	112,349	-0-	-0-

Subject: Community Services Block Grant (CSBG)/SS-2018-DFA-03-COMMU-04

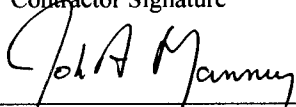
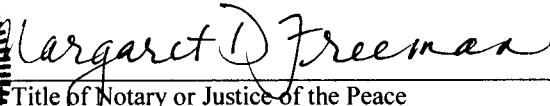
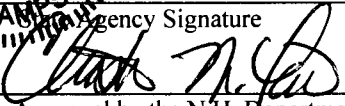
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

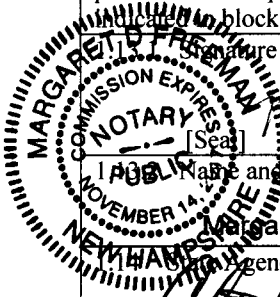
AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Southwestern Community Services		1.4 Contractor Address 63 Community Way PO Box 603 Keene, NH 03431	
1.5 Contractor Phone Number 603-352-7512	1.6 Account Number 05-095-045-450010-71480000-102-500731-45012160	1.7 Completion Date September 30, 2018	1.8 Price Limitation \$441,025
1.9 Contracting Officer for State Agency Jonathan V. Gallo, Esq., Interim Director		1.10 State Agency Telephone Number 603-271-9246	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory John A. Manning, Chief Executive Officer	
1.13 Acknowledgement: State of NH , County of Cheshire On 8/23/17 , 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			
Signature of Notary Public or Justice of the Peace 			
Name and Title of Notary or Justice of the Peace Margaret D. Freeman, Notary			
State Agency Signature 		1.15 Name and Title of State Agency Signatory Christine M. Tappan, Senior Division Director	
Date: 8-20-17			
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: Contractor, Attorney On: 9/17/17			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			



Handwritten initials and date: JM 8/23/17

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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



Exhibit A

Scope of Services

1. In accordance with the provisions of The Community Services Block Grant Act (42 U.S.C. et seq) as amended by Public Law 105-285 of October 27, 1998, also known as the Community Opportunities Accountability, Training and Educational Act of 1998 or the Coats Human Services Reauthorization Act of 1998; and any amendments thereto, the Contractor agrees to deliver Community Services to low-income individuals at or below 125 percent of the poverty income guidelines.
2. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services, within ten (10) days of the contract effective date.
3. The Contractor shall remain a designated Community Services Block Grant (CSBG) entity by conforming to the requirements of the Acts referred to in Section 1 and any amendments thereto, which includes but is not limited to:
 - 3.1. Providing an annual community action plan, which shall describe:
 - 3.1.1. The service delivery system;
 - 3.1.2. Linkages to fill identified gaps; and
 - 3.1.3. Coordination with other public and private resources, and innovative initiatives.
 - 3.2. Providing of an annual community-needs assessment;
 - 3.3. Providing of an independent annual "Single Audit Act" audit;
 - 3.4. Participating in an annual performance measure system via the Annual Report;
 - 3.5. Participating in the Organizational Performance Standards;
 - 3.6. Administering CSBG through a tripartite board that participates in the development, planning, implementation, and evaluation of the program;
 - 3.7. Ensuring that cost and accounting standards of the Office of Management and Budget are in effect; and
 - 3.8. Informing custodial parents in single-parent families about child support services and refer eligible parents to child support offices.
4. The Contractor shall provide, on an emergency basis, services to counteract conditions of starvation and malnutrition.
5. The Contractor shall coordinate, establish linkages and form partnerships with governmental as well as other social services and antipoverty programs.



Exhibit B

Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Form P-37, General Provisions, Price Limitation, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. This contract is funded with federal funds made available under the Catalog of Federal Domestic Assistance, CFDA #93.569 Community Services Block Grant, Department of Health and Human Services, Administration for Children and Families.
3. Invoices must be submitted monthly within thirty (30) days of the end of the previous month, with in-kind match funds documented. 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.
4. Invoices and reports specified in Exhibit A, Scope of Services, Section 2, Reporting Requirements must be submitted to:

CSBG Coordinator
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
5. A final payment request shall be submitted no later than forty (40) days from the Form P-37, General Provisions, Contract Completion Date, Block 1.7.
6. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
7. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.
8. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.



SPECIAL PROVISIONS

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

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



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

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

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

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

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



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

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

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

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
 - 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
 - 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
 - 19.3. Monitor the subcontractor's performance on an ongoing basis

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- 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.

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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.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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



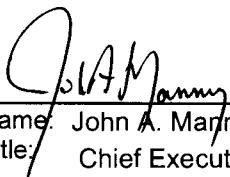
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted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

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

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

Contractor Name: Southwestern Community Services, Inc.

August 23, 2017
Date


Name: John A. Manning
Title: Chief Executive Officer



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

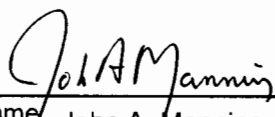
The undersigned certifies, to the best of his or her knowledge and belief, that:

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

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

Contractor Name: Southwestern Community Services, Inc.

August 23, 2017
Date


Name: John A. Manning
Title: Chief Executive Officer



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

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

INSTRUCTIONS FOR CERTIFICATION

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



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

Contractor Name: Southwestern Community Services, Inc.

August 23, 2017
Date


Name: John A. Manning
Title: Chief Executive Officer



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

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

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

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

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

Exhibit G

Contractor Initials

gm

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

New Hampshire Department of Health and Human Services
Exhibit G



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

The 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: Southwestern Community Services, Inc.

August 23, 2017
Date

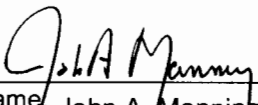

Name: John A. Manning
Title: Chief Executive Officer

Exhibit G

Contractor Initials



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



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Southwestern Community Services, Inc.

August 23, 2017

Date

A handwritten signature in black ink that reads "John A. Manning".

Name: John A. Manning
Title: Chief Executive Officer

Handwritten initials "Jm" in black ink.

8/23/17



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) Definitions.

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

gm

8/23/17



Exhibit I

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

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

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



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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



Exhibit I

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

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

Jm



Exhibit I

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

(4) Obligations of Covered Entity

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

(5) Termination for Cause

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

(6) Miscellaneous

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



Exhibit I

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

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

Department of Health and Human Services

The State

Christie M. Tappan
Signature of Authorized Representative

Christie M. Tappan
Name of Authorized Representative

Senior Division Director
Title of Authorized Representative

8-28-17
Date

Southwestern Community Services, Inc.

Name of the Contractor

John A. Manning
Signature of Authorized Representative

John A. Manning
Name of Authorized Representative

Chief Executive Officer
Title of Authorized Representative

August 23, 2017
Date



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

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

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

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

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

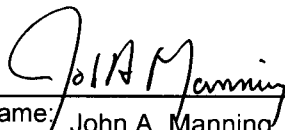
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees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

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

Contractor Name: Southwestern Community Services, Inc.

August 23, 2017

Date


Name: John A. Manning
Title: Chief Executive Officer



FORM A

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

1. The DUNS number for your entity is: 081251381
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO YES

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

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

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

NO YES

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

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

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

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



DHHS INFORMATION SECURITY REQUIREMENTS

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this RFP, the Department's Confidential information includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.
2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:
 - 2.1. Maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
 - 2.2. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
 - 2.3. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.
 - 2.4. Ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
 - 2.5. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information
 - 2.6. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
 - 2.6.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

Breach notifications will be sent to the following email addresses:

 - 2.6.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov
 - 2.6.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov
 - 2.7. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the vendor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure

Jm
8/23/17

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



deletion, or otherwise physically destroying the media (for example, degaussing). The vendor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and vendor prior to destruction.

- 2.8. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the vendor, including breach notification requirements.
3. The vendor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the vendor and any applicable sub-contractors prior to system access being authorized.
4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the appropriate authorized data owner or leadership member within the Department.

Jm
Date 8/23/17

State of New Hampshire Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHWESTERN COMMUNITY SERVICES, INC. is a New Hampshire nonprofit corporation formed May 19, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 14th day of April A.D. 2016

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

William M. Gardner
Secretary of State

Business Information

Business Details

Business Name:	SOUTHWESTERN COMMUNITY SERVICES, INC.	Business ID:	65514
Business Type:	Domestic Nonprofit Corporation	Business Status:	Good Standing
Business Creation Date:	05/19/1965	Name in State of Incorporation:	Not Available
Date of Formation in Jurisdiction:	05/19/1965		
Principal Office Address:	63 Community Way, Keene, NH, 03431, USA	Mailing Address:	P O Box 603, Keene, 03431, USA
Citizenship / State of Incorporation:	Domestic/New Hampshire		
		Last Nonprofit Report Year:	2015
		Next Report Year:	2020
Duration:	Not Stated		
Business Email:	NONE	Phone #:	NONE
Notification Email:	NONE	Fiscal Year End Date:	NONE

Principal Purpose

S.No	NAICS Code	NAICS Subcode
1	OTHER / NON PROFIT SOCIAL SERVICE COMMUNITY ACTION PROGRAM	

Page 1 of 1, records 1 to 1 of 1

CERTIFICATE OF VOTE

I, Elaine M. Amer, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Southwestern Community Services, Inc.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on 02/18/16:
(Date)

RESOLVED: That the Chief Executive Officer
(Title of Contract Signatory)

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

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 23rd day of August, 20 17.
(Date Contract Signed)

4. John A. Manning is the duly elected Chief Executive Officer
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Elaine M. Amer
(Signature of the Elected Officer)

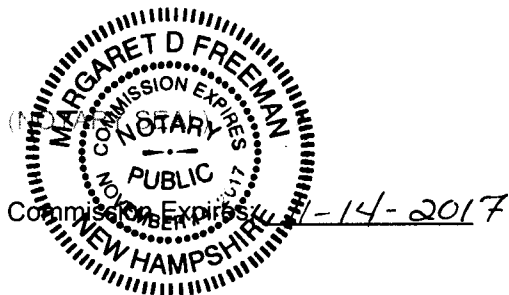
STATE OF NEW HAMPSHIRE

County of Cheshire

The forgoing instrument was acknowledged before me this 23rd day of August, 20 17.

By Elaine M. Amer
(Name of Elected Officer of the Agency)

Margaret D Freeman
Margaret D Freeman, Notary





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/23/2017

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

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

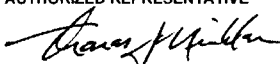
PRODUCER Clark - Mortenson Insurance P.O. Box 606 Keene NH 03431	CONTACT NAME: PHONE (A/C, No, Ext): 603-352-2121 E-MAIL ADDRESS: csr24@clark-mortenson.com	FAX (A/C, No): 603-357-8491
	INSURER(S) AFFORDING COVERAGE	
INSURED Southwestern Comm Services Inc PO Box 603 Keene NH 03431	INSURER A: Philadelphia Insurance Company	
	INSURER B: Maine Employer Mutual Insurance Co.	
	INSURER C:	
	INSURER D:	
	INSURER E:	

COVERAGES **CERTIFICATE NUMBER: 244648704** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL/SUBR INSD/ WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:		PHPK1668183	6/30/2017	6/30/2018	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMPI/OP AGG \$2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		PHPK1668192	6/30/2017	6/30/2018	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 \$ 10,000		PHUB587872	6/30/2017	6/30/2018	EACH OCCURRENCE \$2,000,000 AGGREGATE \$2,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A	3102800768	4/1/2017	4/1/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liability		PHPK1668183	6/30/2017	6/30/2018	\$1,000,000 per occurrence \$2,000,000 general aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Workers Compensation Statutory coverage provided for the State of NH
All Executive Officers are included in the Workers Compensation coverage

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

VISION STATEMENT

SCS seeks to create and support a climate within the communities of southwestern New Hampshire wherein *poverty is never accepted* as chronic or permanent condition of any person's life.

MISSION STATEMENT

SCS strives to empower low income people and families. *With dignity and respect*, SCS will provide direct assistance, reduce stressors and advocate for such persons and families as they lift themselves toward *self-sufficiency*.

COMMUNITY STATEMENT

In *partnership and close collaboration* with local communities, SCS will provide *leadership and support* to develop resources, programs, and services to further aid this population.

Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC.
AND RELATED COMPANIES

**FOR THE YEARS ENDED
MAY 31, 2015 AND 2014
AND
INDEPENDENT AUDITORS' REPORTS**

*Leone,
McDonnell
& Roberts*
PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 2015**

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To the Board of Directors of
Southwestern Community Services, Inc.
Keene, New Hampshire

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Southwestern Community Services, Inc. and related companies (a New Hampshire nonprofit corporation), which comprise the consolidated statements of financial position as of May 31, 2015 and 2014, and the related consolidated statements of cash flows, and notes to the financial statements for the years then ended, and the related statements of activities and functional expenses for the year ended May 31, 2015.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. as of May 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the Schedule of Functional Revenues and Expenses are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2015, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southwestern Community Services, Inc.'s internal control over financial reporting and compliance.

*Leone McDonnell's Roberts,
Professional Association*

December 23, 2015
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MAY 31, 2015 AND 2014**

ASSETS

	<u>2015</u>	<u>2014</u> (restated)
CURRENT ASSETS		
Cash and cash equivalents	\$ 197,247	\$ 96,654
Accounts receivable	911,829	976,196
Inventory	209,342	312,064
Prepaid expenses	45,899	8,836
Advances to unrelated third parties	100,700	100,700
Notes receivable	112,000	112,000
Interest receivable	<u>32,107</u>	<u>27,627</u>
Total current assets	<u>1,609,124</u>	<u>1,634,077</u>
PROPERTY		
Land and buildings	19,155,380	12,526,948
Vehicles and equipment	802,622	761,283
Furniture and fixtures	<u>144,840</u>	<u>29,791</u>
Total property	<u>20,102,842</u>	<u>13,318,022</u>
Less accumulated depreciation	<u>8,819,308</u>	<u>4,495,141</u>
Property, net	<u>11,283,534</u>	<u>8,822,881</u>
OTHER ASSETS		
Due from related parties	77,140	1,475,944
Cash escrow and reserve funds	278,772	182,837
Security deposits	62,930	11,628
Other assets	<u>15,968</u>	<u>591</u>
Total other assets	<u>434,810</u>	<u>1,671,000</u>
Total assets	<u>\$ 13,327,468</u>	<u>\$ 12,127,958</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 720,997	\$ 550,886
Accrued expenses	117,347	97,294
Accrued payroll and payroll taxes	309,572	113,546
Other current liabilities	132,696	130,133
Refundable advances	239,234	132,114
Demand notes payable	249,953	338,953
Current portion of long term debt	<u>331,865</u>	<u>245,959</u>
Total current liabilities	2,101,664	1,608,885
NONCURRENT LIABILITIES		
Long term debt, less current portion shown above	<u>9,069,941</u>	<u>6,324,881</u>
Total liabilities	<u>11,171,605</u>	<u>7,933,766</u>
NET ASSETS		
Unrestricted	2,146,018	4,160,395
Temporarily restricted	<u>9,845</u>	<u>33,797</u>
Total net assets	<u>2,155,863</u>	<u>4,194,192</u>
Total liabilities and net assets	<u>\$ 13,327,468</u>	<u>\$ 12,127,958</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MAY 31, 2015
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2015 Total</u>	<u>2014 Total</u> (restated)
REVENUES AND OTHER SUPPORT				
Government contracts	\$ 9,154,522	\$ -	\$ 9,154,522	8,893,510
Program service fees	1,991,293	-	1,991,293	2,103,765
Rental income	533,766	-	533,766	361,492
Developer income	347,615	-	347,615	694,246
Support	376,410	4,887	381,297	317,056
Fundraising	92,884	-	92,884	146,366
Interest income	4,549	-	4,549	4,722
Forgiveness of debt	585,457	-	585,457	772,915
Miscellaneous	122,439	-	122,439	56,565
In-kind contributions	161,575	-	161,575	110,864
	<u>13,370,510</u>	<u>4,887</u>	<u>13,375,397</u>	<u>13,461,501</u>
Total revenues and other support				
NET ASSETS RELEASED FROM RESTRICTIONS				
	<u>28,839</u>	<u>(28,839)</u>	<u>-</u>	<u>-</u>
Total revenues, other support, and net assets released from restrictions	<u>13,399,349</u>	<u>(23,952)</u>	<u>13,375,397</u>	<u>13,461,501</u>
EXPENSES				
Program services				
Home energy programs	4,014,931	-	4,014,931	4,171,970
Education and nutrition	2,213,462	-	2,213,462	2,037,363
Homeless programs	2,211,640	-	2,211,640	1,888,171
Housing services	1,906,567	-	1,906,567	1,824,635
Economic development services	437,548	-	437,548	503,259
Other programs	818,906	-	818,906	783,808
	<u>11,603,054</u>	<u>-</u>	<u>11,603,054</u>	<u>11,209,206</u>
Total program services				
Supporting activities				
Management and general	1,826,284	-	1,826,284	1,680,806
	<u>13,429,338</u>	<u>-</u>	<u>13,429,338</u>	<u>12,890,012</u>
Total expenses				
CHANGES IN NET ASSETS	<u>(29,989)</u>	<u>(23,952)</u>	<u>(53,941)</u>	<u>571,489</u>
NET ASSETS, BEGINNING OF YEAR	4,160,395	33,797	4,194,192	3,023,784
PRIOR PERIOD ADJUSTMENT	-	-	-	598,919
NET ASSETS TRANSFERRED FROM LIMITED PARTNERSHIPS	<u>(1,984,388)</u>	<u>-</u>	<u>(1,984,388)</u>	<u>-</u>
NET ASSETS, BEGINNING OF YEAR	<u>2,176,007</u>	<u>33,797</u>	<u>2,209,804</u>	<u>3,622,703</u>
NET ASSETS, END OF YEAR	<u>\$ 2,146,018</u>	<u>\$ 9,845</u>	<u>\$ 2,155,863</u>	<u>\$ 4,194,192</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENTS OF CASH FLOWS**
FOR THE YEARS ENDED MAY 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u> (restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (53,941)	\$ 571,489
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Depreciation and amortization	505,694	470,112
Forgiveness of debt	(585,457)	(772,915)
(Increase) decrease in assets:		
Accounts receivable	71,516	(111,461)
Inventory	102,722	(210,123)
Prepaid expenses	(53,739)	9,011
Notes receivable	-	(112,000)
Interest receivable	(4,480)	(4,480)
Due from related parties	944,184	413,874
Security deposits	(5,398)	3,678
Increase (decrease) in liabilities:		
Accounts payable	(334,243)	(198,896)
Accrued expenses	(639,853)	68,788
Accrued payroll and payroll taxes	196,026	(19,991)
Other current liabilities	2,563	(13,660)
Refundable advances	107,120	(51,981)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>252,714</u>	<u>41,445</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in escrow funds	29,115	(32,702)
Purchase of property	(64,082)	(83,801)
NET CASH USED IN INVESTING ACTIVITIES	<u>(34,967)</u>	<u>(116,503)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net (repayments) proceeds from demand notes payable	(89,000)	39,000
Proceeds from long term debt	67,917	80,782
Repayment of long term debt	(102,869)	(171,638)
NET CASH USED IN FINANCING ACTIVITIES	<u>(123,952)</u>	<u>(51,856)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	93,795	(126,914)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	96,654	223,568
CASH TRANSFERRED FROM LIMITED PARTNERSHIPS	<u>6,798</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 197,247</u>	<u>\$ 96,654</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for:		
Interest	<u>\$ 186,420</u>	<u>\$ 189,112</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2015
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2015 Total	2014 Total (restated)
Payroll	\$ 349,643	\$ 1,079,606	\$ 517,808	\$ 673,435	\$ 263,138	\$ 376,159	\$ 3,259,789	\$ 624,964	\$ 3,884,753	\$ 3,925,920
Payroll taxes	36,353	125,798	54,238	71,429	24,158	43,524	355,500	64,412	419,912	406,894
Employee benefits	108,363	320,633	165,018	208,634	73,279	129,211	1,005,138	236,665	1,241,803	993,748
Retirement	21,943	65,680	32,333	56,588	15,390	14,879	206,793	57,908	264,701	257,612
Advertising	409	18,632	-	3,421	1,112	-	23,574	761	24,335	21,329
Bank charges	464	-	263	2,733	-	12	3,472	6,671	10,143	7,976
Bad debt expense	-	-	878	-	-	-	878	-	878	2,023
Commercial subsidy	-	-	-	-	-	13,373	13,373	-	13,373	10,671
Computer cost	-	3,815	6,921	6,725	1,472	-	18,933	140,253	159,186	89,581
Contractual	253,377	18,391	216,034	106,115	2,640	147,587	744,144	41,249	785,393	787,447
Depreciation	-	25,335	108,367	167,890	-	7,141	308,733	196,961	505,694	470,112
Dues/registration	-	5,875	360	281	-	17,474	23,980	2,145	26,125	10,397
Duplicating	1,363	7,580	446	152	-	-	9,541	4,813	14,354	14,328
Insurance	7,046	14,361	24,826	57,621	1,174	6,065	111,093	30,574	141,667	142,932
Interest	-	9,206	11,580	29,188	-	2,586	52,560	133,860	186,420	189,112
Meeting and conference	2,061	5,940	4,442	12,012	-	21,230	45,685	12,608	58,293	52,244
Miscellaneous expense	583	1,537	5,772	77,761	40	646	86,339	2,453	88,792	156,703
Miscellaneous taxes	-	-	-	49,770	-	-	49,770	150	49,920	38,932
Equipment purchases	61	1,017	8,080	6,961	-	-	16,119	1,843	17,962	12,817
Office expense	13,583	15,296	9,899	6,357	5,235	187	50,557	12,084	62,621	64,824
Postage	199	341	27	850	106	-	1,523	21,621	23,144	22,096
Professional fees	1,000	-	3,000	15,443	-	-	19,443	46,854	66,297	66,297
Staff development and training	5,570	1,622	27,264	6,380	-	18,015	58,851	34,574	93,425	114,941
Subscriptions	-	-	-	78	-	-	78	901	979	2,981
Telephone	2,679	15,829	27,929	8,482	5,245	533	60,697	24,853	85,550	87,229
Fax	46	-	-	-	-	46	46	-	46	133
Travel	4,371	16,322	18,247	6,145	5,268	180	50,533	2,464	52,997	40,712
Vehicle	5,312	5,005	3,966	33,635	-	9,580	57,498	21,476	78,974	124,931
Rent	-	25,550	-	-	-	-	25,550	-	25,550	16,916
Space costs	49	114,690	236,755	242,349	-	377	594,220	103,187	697,407	687,428
Direct client assistance	3,200,456	153,846	727,197	56,132	39,291	10,147	4,187,069	-	4,187,069	3,987,979
In-kind expenses	-	161,575	-	-	-	-	161,575	-	161,575	110,864
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	4,014,931	2,213,462	2,211,640	1,906,567	437,548	818,906	11,603,054	1,826,284	13,429,338	12,890,012
Allocation of management and general expenses	631,937	348,392	348,105	300,088	68,869	128,893	1,826,284	(1,826,284)	-	-
TOTAL FUNCTIONAL EXPENSES	\$ 4,646,868	\$ 2,561,854	\$ 2,559,745	\$ 2,206,655	\$ 506,417	\$ 947,799	\$ 13,429,338	\$ -	\$ 13,429,338	\$ 12,890,012

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAY 31, 2015 AND 2014

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Southwestern Community Services, Inc. (the Organization) is a New Hampshire nonprofit corporation formed as an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in the Cheshire and Sullivan counties of New Hampshire. Various programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing, and homelessness prevention. Services are provided through Southwestern Community Services, Inc., and its related corporations, SCS Management Corp., SCS Housing, Inc., Drewsville Carriage House Associates, LP (Drewsville), North Walpole Village Housing Associates, LP (North Walpole), Troy Common Associates, LP (Troy), Peterborough/Finlay, LLC (Peterborough), Hinsdale Main Street Associates LP (Hinsdale) and Jaffrey Housing Associates LP (Jaffrey). The Organization is committed to providing respectful support service and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty. The primary source of revenues is derived from governmental contracts.

Basis of Accounting

The financial statements of Southwestern Community Services, Inc. have been prepared utilizing the accrual basis of accounting in accordance with generally accepted accounting principles. The financial statements include the accounts of Southwestern Community Services, Inc., SCS Management Corp., and SCS Housing, Inc. The three corporations are combined because Southwestern Community Services, Inc. controls more than 50% of the voting power. All significant intercompany items and transactions have been eliminated from the basic financial statements.

For the years ended May 31, 2015 and 2014, Drewsville Carriage House Associates, LP, North Walpole Village Housing Associates, LP, and Troy Common Associates, LP have been consolidated with the Organization because the Organization owns 100% of the voting power. During the year ended May 31 2015, the Organization acquired 100% of Peterborough/Finlay, LLC, Hinsdale Main Street Associates LP and Jaffrey Housing Associates LP (see Note 13) and these entities have also been consolidated with the Organization. All significant intercompany items and transactions have been eliminated from the basic financial statements.

Basis of Presentation

Financial statement presentation follows the recommendations of the Accounting Standard Codification No. 958-210, Financial Statements of Not-for-Profit Organizations. Under FASB ASC 958-210, the Organization is required to

report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets based upon the existence or absence of donor-imposed restrictions.

Unrestricted: Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted: Net assets whose use is limited by donor imposed stipulations that will either expire with the passage of time or be fulfilled or removed by actions of the Organization.

Permanently Restricted: Net assets reflecting the historical cost of gifts (and in certain circumstances, the earnings from those gifts), subject to donor - imposed stipulations, which require the corpus to be invested in perpetuity to produce income for general or specific purposes.

As of May 31, 2015 and 2014, the Organization had unrestricted and temporarily restricted net assets.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended May 31, 2014, from which the summarized information was derived.

Refundable Advances

The Organization records grant and contract revenue as refundable advances until it is expended for the purpose of the grant or contract, at which time it is recognized as revenue.

In-Kind Support

The Organization records various types of in-kind support including professional services and materials. Contributed professional services are recognized if the service received creates or enhances long-lived assets or requires specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

Estimates

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all liquid investments purchased with original maturities of three months or less to be cash equivalents.

Accounts Receivable

The Organization has adopted the allowance method for accounting for uncollectible receivables. The Organization estimated the allowance for uncollectible receivables at zero for the year ended May 31, 2015 and 2014.

Notes Receivable

The Organization has two notes receivable from an unrelated third party. The notes receivable are stated at the amount that is expected to be collected at year end. Interest is accrued at a rate of 4% annually. The balance of the notes receivable and related interest receivable is \$112,000 and \$32,107, respectively at May 31, 2015 and \$112,000 and \$27,627, respectively at May 31, 2014.

Inventory

Inventory is recorded at cost or at fair value if contributed. Inventory consists of property developments, which when complete, will be held for sale.

Current Vulnerability Due to Certain Concentrations

The Organization is operated in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change. For the years ended May 31, 2015 and 2014, approximately 68% and 66%, respectively, of the Organization's total revenue was received from government agencies. The future nature of the organization is dependent upon continued support from the government.

Concentration of Credit Risk

The Organization maintains its cash accounts in several financial institutions, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts. At May 31, 2015 and 2014, no balance exceeded the federally insured limits.

Property and Depreciation

Purchased property and equipment are stated at cost at the date of acquisition or at fair value at the date of receipt in the case of donated property.

The Organization generally capitalizes and depreciates all assets with a cost greater than \$5,000 and an expected life greater than one year. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Buildings and improvements	10 - 40 Years
Vehicles and equipment	5 - 10 Years
Furniture and fixtures	7 Years

The use of certain assets is specified under the terms of grants received from agencies of the federal government. These grants also place liens on certain assets and impose restrictions on the use of funds received from the disposition of the property.

Advertising

The Organization expenses advertising costs as incurred.

Revenue Recognition

Amounts received from conditional grants and contracts received for specific purposes are generally recognized as income to the extent that related expenses and conditions are incurred or met. Conditional grants received prior to the conditions being met are reported as refundable advances. Contributions of cash and other assets are reported as restricted if they are received with donor imposed stipulations that limit the use of the donated assets. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.

Income Taxes

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation. As such, the Organization is exempt from income tax on its exempt function income.

SCS Housing, Inc. is a C Corporation and is subject to income tax. Management does not believe this entity will have taxable income as there is net operating loss carryforwards of \$800,793 and \$673,130 at May 31, 2015 and 2014, respectively, and therefore, there is no tax provision.

Drewsville Carriage House Associates, LP, North Walpole Village Housing Associates, LP, Troy Common Associates, LP, Peterborough/Finlay, LLC, Hinsdale Main Street Associates LP, and Jaffrey Housing Associates LP are partnerships and do not pay taxes on their income. Rather, the partners will pay the taxes on the partnership net income.

Accounting Standard Codification No. 740, "Accounting for Income Taxes," established the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. Management has analyzed the Organization's tax position taken on its income tax returns for all open years (tax years ending May 31, 2012 – 2015), and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

Fair Value of Financial Instruments

FASB ASC Topic No. 820-10, Financial Instruments, provides a definition of fair value which focuses on an exit price rather than an entry price, establishes a framework in generally accepted accounting principles for measuring fair value

which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with ASC 820-10, the Organization may use valuation techniques consistent with market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, Topic 820-10 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under ASC Topic 820-10 are described as follows:

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

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

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

The carrying amount of cash, accounts receivables, prepaid expenses, inventory, accounts payable, accrued expenses, and refundable advances approximates fair value because of the short maturity of those instruments.

Functional Allocation of Expenses

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

Subsequent Events

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through December 23, 2015, the date the financial statements were available to be issued.

NOTE 2

DEMAND NOTES PAYABLE

The Organization has a \$250,000 revolving line of credit agreement (the line) with a bank that is due on demand. The line calls for monthly interest payments based on an interest rate of 4% per annum. The line is secured by all the

Organization's assets. The outstanding balance at May 31, 2015 and 2014 totaled \$249,953.

At May 31, 2014, the Organization had a \$500,000 master line of credit agreement (the line) with a bank that was due on demand. The line called for monthly interest payments based on the Wall Street Journal Prime Rate (3.25% at May 31, 2014) plus 1% per annum. The line was secured by all the Organization's assets. The outstanding balance at May 31, 2014 totaled \$89,000. The balance has been repaid in full as of May 31, 2015.

NOTE 3

LONG TERM DEBT

The long term debt at May 31, 2015 and 2014 consisted of the following:

	<u>2015</u>	<u>2014</u>
1% mortgage payable to New Hampshire Housing Finance Authority in monthly installments for principal and interest of \$891 through August 2032. The note is secured by real estate of the Organization.	\$ 181,843	\$ 190,668
Non-interest bearing mortgage payable to Community Development Finance Authority, in quarterly principal payments based on operating income formula applied to affordable housing portion of the specified real estate. The note is secured by real estate of the Organization.	32,147	32,147
3.5% note payable to a bank in monthly installments for principal and interest of \$959 through March 2021. The note is secured by real estate of the Organization.	61,388	70,549
Non-interest bearing mortgage payable to New Hampshire Housing Finance Authority. Payment is deferred for 30 years, through September 2031, or until project is sold or refinanced. The note is secured by real estate of the Organization.	250,000	250,000
Non-interest bearing mortgage payable to New Hampshire Housing Finance Authority. Payment is deferred for 30 years, through July 2032, or until project is sold or refinanced. The note is secured by real estate of the Organization.	408,300	408,300
4.25% mortgage payable to a bank in monthly installments for principal and interest of \$1,875 through December 2016, with a balloon payment due January 2017. The note is secured by real estate of the Organization.	206,615	219,903

4.375% note payable to Rural Housing Service in monthly installments for principal and interest of \$11,050 through May 2049. The note is secured by real estate of the Organization.	2,343,485	2,372,857
Non-interest bearing note payable to a county in New Hampshire. Payment is not necessary unless Organization defaults on contract and the note is secured by real estate of the Organization.	460,000	460,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2015 and is classified as current. The note is secured by real estate of the Organization.	63,000	63,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2015 and is classified as current. The note is secured by real estate of the Organization.	45,000	45,000
Note payable to a bank in monthly installments for principal and interest of \$2,769 including interest through May 2039. Interest is adjusted every five years based on remaining principal balance and "Classic Advantage Rate" provided by Federal Home Loan Bank of Boston which resulted in an interest rate of 4.07% at May 31, 2015. The note is secured by real estate of the Organization.	449,567	461,087
6.99% note payable to a bank in monthly installments for principal and interest of \$560 through October 2014. The note was secured by a vehicle of the Organization.	-	3,303
5.95% note payable to a bank in monthly installments for principal and interest of \$934 through May 2021. The note is secured by real estate of the Organization.	115,214	119,335
North Walpole - 6% note payable to a bank in monthly installments for principal and interest of \$1,351 April 2016 at which time a balloon payment of \$123,000 is due. The note is secured by real estate of the Organization.	128,971	137,167

Troy - 7% note payable to a bank in monthly installments for principal and interest of \$807 through December 2025. The note is secured by real estate of the Organization.	76,750	80,821
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note will be forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization.	225,000	250,000
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note will be forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization.	135,000	150,000
Non-interest bearing note payable to New Hampshire Finance Authority in annual payments in the amount of 50% of annual surplus cash through July 2023 at which time the remaining balance is due. The note is secured by real estate of the Organization.	794,189	794,189
Non-interest bearing note payable to a county in New Hampshire. No payment is due and 5% of the balance is forgiven each year through 2032 when the remaining balance becomes due. The note is secured by real estate of the Organization.	424,175	446,500
3.99% note payable to a bank in monthly installments for principal and interest of \$385 through April 2015. The note is secured by a vehicle of the Organization.	12,249	16,014
Peterborough - 7% note payable to New Hampshire Housing Finance Authority in monthly installments for principal and interest of \$15,013 through June 2040. The note is secured by a mortgage and risk sharing security agreement with the U.S. Department of Housing and Urban Development on the Organization's assets.	2,124,114	-
Peterborough - Non-recourse 0% note payable to New Hampshire Housing Finance Authority. Principal is payable at the sole discretion of the		

lender from excess cash of the borrower determined by formula. The note is due December 2041 and is secured by the Partnership's land and buildings.	388,657	-
Jaffrey - 30- year deferred note payable to the Town of Jaffrey, New Hampshire. Payment of principal and accrued interest at 1% are deferred until the note matures in June 2027. The note is secured by land and buildings. The balance included cumulative accrued interest of \$43,872.	294,721	-
Jaffrey - 6% note payable to a bank in monthly installments for principal and interest of \$484 through June 2027. The note is secured by land and buildings.	49,463	-
Hinsdale - 6% payable to a bank in monthly installments for principal and interest of \$635 with a balloon payment due October 2017. The note is secured by land and buildings.	66,030	-
4.25% note payable to a bank in monthly installments for principal and interest through December 2016. The note is secured by land and buildings.	37,718	-
6.99% note payable to a finance company in monthly installments for principal and interest of \$652 through June 2019. The note is secured by a vehicle.	<u>28,210</u>	<u>-</u>
	9,401,806	6,570,840
Less current portion due within one year	<u>331,865</u>	<u>245,959</u>
	<u>\$ 9,069,941</u>	<u>\$ 6,324,881</u>

The schedule of maturities of long term debt at May 31, 2015 is as follows:

Year Ending	Amount
<u>May 31</u>	
2016	\$ 331,865
2017	377,070
2018	245,942
2019	192,670
2020	195,247
Thereafter	<u>8,059,012</u>
Total	<u>\$ 9,401,806</u>

NOTE 4 **OPERATING LEASES**

The Organization leases vehicles, under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2016. Monthly lease payments range from \$341 to \$580. Lease expense for the years ended May 31, 2015 and 2014 totaled \$9,472 and \$25,051, respectively.

Future minimum payments as of May 31, 2015 on the above leases are \$43,109 during the year ending May 31, 2016.

NOTE 5 **ACCRUED COMPENSATED BALANCES**

At May 31, 2015 and 2014, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$125,564.

NOTE 6 **CONTINGENCIES**

SCS Housing, Inc. is the general partner of eleven limited partnerships (which include Drewsville Carriage House Associates, LP, North Walpole Village Housing, LP, Troy Common Associates, LP, Peterborough/Finlay, LLC, Hinsdale Main Street Associates LP and Jaffrey Housing Associates LP, consolidated within the financial statements) formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc. and SCS Housing, Inc. have guaranteed repayment of liabilities of various partnerships totaling \$5,209,000 at May 31, 2015 and 2014. Partnership real estate with a cost basis of approximately \$25,300,000 provides collateral on these loans.

The Organization receives funds under various state grants and from Federal sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If costs were found not to have been incurred in compliance with the laws and regulations, the Organization might be required to repay the funds.

No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of May 31, 2015 and 2014.

NOTE 7 **RELATED PARTY TRANSACTIONS**

During the years ended May 31, 2015 and 2014, SCS Housing, Inc. managed seven limited partnerships. Management fees charged by SCS Housing, Inc. totaled \$337,996 and \$383,457, at May 31, 2015 and 2014, respectively. In addition, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years. The total amount due and expected to be collected from the limited partnerships was \$77,140 and \$877,025 at May 31, 2015 and 2014, respectively.

NOTE 8 **ADVANCES TO UNRELATED THIRD PARTIES**

The Organization has advanced funds to three unrelated entities for property development purposes. The total amount due and expected to be collected from these entities was \$100,700 at May 31, 2015 and 2014.

NOTE 9 **RETIREMENT PLAN**

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the internal Revenue Code. All employees who have had at least 30 days of service to the Organization are eligible to contribute to the plan. The Organization begins matching contributions after the employee has reached one year of service. Employer contributions are at the Organization's discretion and totaled \$266,042 and \$261,757 for the years ended May 31, 2015 and 2014, respectively.

NOTE 10 **RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets consist of contributions received by the Organization that have not been used for the specified purpose of the donor. Temporarily restricted net assets at May 31, 2015 and 2014 totaled \$9,845 and \$33,797, respectively.

NOTE 11 **FORGIVENESS OF DEBT**

During the year ended May 31, 2015 the Organization realized forgiveness of debt income in connection with notes payable to the Town of Hinsdale, the County of Cheshire and the Department of Housing and Urban Development (HUD). Forgiveness of debt income totaled \$585,457 for the year ended May 31, 2015.

During the year ended May 31, 2014 the Organization realized forgiveness of debt income in connection with notes payable with the Town of Troy and the Town of Walpole, and the County of Cheshire. Forgiveness of debt income totaled \$772,915 for the year ended May 31, 2014.

NOTE 12 **PRIOR PERIOD ADJUSTMENT**

The beginning net assets for the year ended May 31, 2015 has been restated to correct an error.

In previously issued financial statements the Organization did not record amounts due from Peterborough/Finlay, LLC (Peterborough). The amounts are recorded as a payable on Peterborough's books and are eliminated in consolidation. Correcting this error increased unrestricted nets assets by \$598,919 at May 31, 2014.

NOTE 13 TRANSFER OF PARTNERSHIP INTEREST

During 2015, SCS acquired partnership interests in three low income housing limited partnerships; Hinsdale Main Street Associates, LP (Hinsdale), Jaffrey Housing Associates (Jaffrey) and Peterborough/Finlay, LLC (Peterborough). The amount paid for each partnership interest was \$1 and at the time of acquisition SCS became the general partner in each partnership.

The following is a summary of the assets and liabilities of each partnership at the date of acquisition.

Date of transfer	<u>12/31/2014</u>	<u>12/31/2014</u>	<u>04/30/2015</u>	
	<u>Jaffrey</u>	<u>Hinsdale</u>	<u>Peterborough</u>	<u>Total</u>
Cash	\$ 2,393	\$ 34,363	\$ 95,092	\$ 131,848
Property – net	328,095	645,620	1,928,533	2,902,248
Other assets	<u>12,097</u>	<u>10,746</u>	<u>54,121</u>	<u>76,964</u>
Total assets	<u>342,585</u>	<u>690,729</u>	<u>2,077,746</u>	<u>3,111,060</u>
Notes payable	345,342	590,654	2,757,234	3,693,230
Other liabilities	<u>178,907</u>	<u>402,037</u>	<u>821,274</u>	<u>1,402,218</u>
Total liabilities	<u>524,249</u>	<u>992,691</u>	<u>3,578,508</u>	<u>5,095,448</u>
Partners' (deficit)	<u>\$ (181,664)</u>	<u>\$ (301,962)</u>	<u>\$(1,500,762)</u>	<u>\$(1,984,388)</u>

SUPPLEMENTAL INFORMATION

(SEE INDEPENDENT AUDITORS' REPORT)

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES
CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2015
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2015 Total	2014 Total (restated)
REVENUES										
Government contracts	\$ 3,784,114	\$ 2,522,699	\$ 1,824,820	\$ 182,374	\$ 575,216	\$ 12,999	\$ 8,902,222	\$ 252,300	\$ 9,154,522	\$ 8,893,510
Program service fees	317,778	4,215	72,332	966,383	-	630,585	1,991,293	-	1,991,293	2,103,765
Rental income	-	-	120,950	405,999	-	-	526,949	6,817	533,766	361,492
Developer income	-	-	-	347,615	-	-	347,615	-	347,615	694,246
Support	44,261	14,835	137,915	3,000	-	167,116	367,127	14,170	381,297	317,056
Fundraising	-	-	-	-	-	83,784	83,784	9,100	92,884	146,366
Interest income	-	-	28	9	-	6	43	4,506	4,549	4,722
Forgiveness of debt	-	-	62,325	523,132	-	-	585,457	-	585,457	56,565
Miscellaneous	33,408	1,449	806	80,100	-	4,647	120,410	2,029	122,439	772,915
In-kind contributions	-	161,575	-	-	-	-	161,575	-	161,575	110,864
Total revenues	4,179,561	2,704,773	2,219,176	2,508,612	575,216	899,137	13,086,475	288,922	13,375,397	13,461,501
EXPENSES										
Payroll	\$ 349,643	\$ 1,079,606	\$ 517,808	\$ 673,435	\$ 263,138	\$ 376,159	\$ 3,259,789	\$ 624,964	\$ 3,884,753	\$ 3,925,920
Payroll taxes	36,353	125,798	54,238	71,429	24,158	43,524	365,500	64,412	419,912	406,894
Employee benefits	108,363	320,633	165,018	208,634	73,279	129,211	1,005,138	236,665	1,241,803	993,748
Retirement	21,943	65,660	32,333	56,588	15,390	14,879	206,793	57,908	264,701	257,612
Advertising	409	18,632	-	3,421	1,112	-	23,574	761	24,335	21,329
Bank charges	-	-	878	-	-	-	878	-	878	7,976
Bad debt expense	464	-	263	2,733	-	12	3,472	6,671	10,143	2,023
Commercial subsidy	-	-	-	-	-	13,373	13,373	-	13,373	10,671
Computer cost	-	3,815	6,921	6,725	1,472	-	18,933	-	18,933	89,581
Contractual	253,377	18,391	216,034	106,115	2,640	147,587	744,144	41,249	785,393	787,447
Depreciation	-	25,335	108,367	167,890	-	7,141	308,733	196,961	505,694	470,112
Dues/registration	-	5,875	350	281	-	17,474	23,990	2,145	26,125	10,397
Duplicating	1,363	7,580	446	152	-	-	9,541	4,813	14,354	14,328
Insurance	7,046	14,361	24,826	57,621	1,174	6,065	111,093	30,574	141,667	142,932
Interest	-	9,206	11,580	29,188	-	2,586	52,560	133,860	186,420	189,112
Meeting & conference	2,061	5,940	4,442	12,012	-	21,230	45,685	12,608	58,293	52,244
Miscellaneous expense	583	1,537	5,772	77,761	40	646	86,339	2,483	88,792	166,703
Miscellaneous taxes	-	-	-	49,770	-	-	49,770	150	38,932	38,932
Equipment purchases	13,583	15,296	8,080	6,961	-	-	16,119	1,843	17,962	12,817
Office expense	199	341	9,899	6,357	5,235	187	50,557	12,064	62,621	64,824
Postage	1,000	27	27	850	106	-	1,523	21,621	23,144	22,098
Professional fees	5,570	1,622	3,000	15,443	-	-	19,443	46,854	66,297	114,941
Staff development & training	-	-	27,264	6,380	-	18,015	58,851	34,574	93,425	36,198
Subscriptions	2,679	15,829	27,929	78	-	-	78	901	979	2,981
Telephone	46	-	-	8,462	5,245	533	60,697	24,853	85,550	87,229
Fax	-	-	-	-	-	-	46	-	46	133
Travel	4,371	16,322	18,247	6,145	5,268	180	50,533	2,464	52,997	40,712
Vehicle	5,312	5,005	3,966	33,635	-	9,580	57,498	21,476	78,974	124,931
Rent	-	25,550	-	-	-	-	25,550	-	25,550	18,916
Space costs	49	114,690	236,755	242,349	-	377	594,220	-	594,220	687,428
Direct client assistance	3,200,456	153,846	727,197	56,132	39,291	10,147	4,187,069	103,187	4,187,069	3,987,979
In-kind expenses	-	161,575	-	-	-	-	161,575	-	161,575	110,864
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	4,014,931	2,213,462	2,211,640	1,906,567	437,548	818,906	11,603,054	1,826,284	13,429,338	12,890,012
Allocation of management and general expenses	631,937	348,392	348,105	300,088	68,869	128,893	1,826,284	(1,826,284)	-	-
TOTAL FUNCTIONAL EXPENSES	\$ 4,646,868	\$ 2,561,854	\$ 2,559,745	\$ 2,206,655	\$ 506,417	\$ 947,799	\$ 13,429,338	\$ -	\$ 13,429,338	\$ 12,890,012

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2015**

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NAME</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>FEDERAL EXPENDITURE</u>
<u>U.S. Department of Agriculture</u>				
Rural Housing Preservation Grant	10.433			\$ 97,000
Child and Adult Care Food Program	10.558	State of NH Department of Education		101,573
Women, Infants, and Children (WIC)	10.557	State of NH Dept. of Health & Human Services	010-090-52600000-102-500734	330,824
Commodity Supplemental Food Program	10.565	State of NH Dept. of Health & Human Services	010-090-52600000-102-500734	<u>150,512</u>
Total U.S. Department of Agriculture				\$ 679,909
<u>U.S. Department of Housing and Urban Development</u>				
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717600000-102-50731	\$ 284,455
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717600000-102-50731	257,292
Supportive Housing Program	14.267	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717600000-102-50731	84,446
Shelter Plus Care	14.238	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717600000-102-50731	<u>282,192</u>
Total U.S. Department of Housing and Urban Development				\$ 908,385
<u>U.S. Department of Labor</u>				
WIA Cluster - WIA Adult	17.258	Southern NH Services		\$ 84,633
WIA Cluster - WIA Dislocated	17.278	Southern NH Services		<u>96,007</u>
Total U.S. Department of Labor				\$ 180,640
<u>U.S. Department of Energy</u>				
Weatherization Assistance for Low-Income Persons	81.042	State of NH Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 166,319
Total U.S. Department of Energy				\$ 166,319
<u>U.S. Department of Veterans Affairs</u>				
VA Support Services for Veterans Families Program	64.033			\$ 329,587
Total U.S. Department of Veterans Affairs				\$ 329,587
<u>U.S. Department of Health & Human Services</u>				
National Family Care Giver Support, Title III, Part E	93.052	State of NH, DHHS, Div of Elderly & Adult Services	177511	\$ 12,999
Drug-Free Communities Support Program Grants	93.276			107,623
Temporary Assistance for Needy Families	93.558	Southern NH Services		394,422
Low Income Home Energy Assistance	93.568	State of NH, Office of Energy & Planning	1025874	3,616,012
Community Services Block Grant	93.569	State of NH, DHHS, Div. of Family Assistance	500731	232,025
CSBG - Discretionary	93.570	State of NH, DHHS, Div. of Family Assistance	500731	20,275
Head Start	93.600			<u>1,961,961</u>
Total U.S. Department of Health & Human Services				\$ 6,345,317
TOTAL				\$ 8,610,157

See Notes to Schedule of Expenditures of Federal Awards

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2015**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal grant activity of Southwestern Community Services, Inc. under programs of the federal government for the year ended May 31, 2015. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of Southwestern Community Services, Inc., it is not intended to and does not present the financial position, change in net assets, or cash flows of the Organization.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 FOOD DONATION

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

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

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

To the Board of Directors of
Southwestern Community Services, Inc.
Keene, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Southwestern Community Services, Inc. and related companies (a New Hampshire nonprofit corporation), which comprise the consolidated statement of financial position as of May 31, 2015, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related consolidated notes to the financial statements, and have issued our report thereon dated December 23, 2015.

Internal Control Over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, however, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

*Leang McDonnell Roberts,
Professional Association*

December 23, 2015
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Directors of
Southwestern Community Services, Inc.
Keene, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Southwestern Community Services, Inc. and related companies (a New Hampshire nonprofit corporation) compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Southwestern Community Services, Inc.'s major federal programs for the year ended May 31, 2015. Southwestern Community Services, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Southwestern Community Services, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Southwestern Community Services, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Southwestern Community Services, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2015.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2015-001. Our opinion on each major federal program is not modified with respect to these matters.

Southwestern Community Services, Inc.'s response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Southwestern Community Services, Inc.'s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Southwestern Community Services, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Southwestern Community Services, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Southwestern Community Services, Inc.'s internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. And therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-001, that we consider to be a material weakness.

Southwestern Community Services, Inc.'s response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Southwestern Community Services, Inc.'s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Leony McDonald's Roberts,
Professional Association*

December 23, 2015
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MAY 31, 2015**

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on the consolidated financial statements of Southwestern Community Services, Inc.
2. No material weaknesses disclosed during the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the consolidated financial statements of Southwestern Community Services, Inc. which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. One material weakness in internal control over major federal award programs is reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133*.
5. The auditors' report on compliance for the major federal award programs for Southwestern Community Services, Inc. expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this schedule.
7. The programs tested as major programs were: U.S. Department of Health and Human Services; Low-Income Home Energy Assistance, 93.568, Head Start, 93.600. U.S. Department of Housing and Urban Development; Supportive Housing, 14.235, Emergency Solutions Grant, 14.231, Shelter Plus Care, 14.238.
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. Southwestern Community Services, Inc. was determined to not be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

Department of Health and Human Services

2015-001 Head Start - CFDA No. 93.600 (material weakness)

Condition: In testing drawdowns for the Head Start program, it was noted that all but three drawdowns lacked supporting documentation of the Head Start expenditures for which the drawdown was requested.

Criteria: All drawdowns must be for current expenditures incurred for the Head Start program and must be accompanied by supporting documentation.

Effect: Failure to maintain supporting documentation for each drawdown could result in advanced drawdowns of Head Start funds for purposes other than those allowed by Head Start.

Cause: Lack of internal control surrounding the documentation and approval of Head Start drawdowns.

Recommendation: The Organization needs to strengthen controls over its cash management processes to ensure compliance with federal requirements. We recommend that procedures be implemented so that each Head Start drawdown requires approval of either a member of the finance committee or the Head Start Program Director. Each drawdown must be accompanied by supporting documentation of the expenditures for which the drawdown is being made.

Management Response:

The Organization, in an effort to strengthen controls over its cash management process, ensuring compliance with federal requirements; has put into place a policy with regards to Cash Advances of Federal Grants, effective immediately.

Cash advances shall be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the recipient organization in carrying out the purpose of the approved program or project. The timing and amount of cash advances shall be as close as is administratively feasible to the actual disbursements by the recipient organization for direct program or project costs and the proportionate share of any allowable indirect costs [CFR Part 74.22(b)(2)].

Cash advances under this section shall require submission of satisfactory documentation of the expenses for which the cash is being drawn down, for the approval of both CEO (or designee) and a member of the Executive Committee of the Agency Board of Directors. Documentation and approvals will be maintained by the CEO (or designee) in accordance with the agencies file retention policy.

Southwestern Community Services, Inc. Board of Directors - Composition - 2017 -

CHESHIRE COUNTY

SULLIVAN COUNTY

**CONSTITUENT
SECTOR**

Beth Fox
Asst. City Manager/HR Director
City of Keene

Mary Lou Huffling
Fall Mountain Emergency Food Shelf
Alstead Friendly Meals

Jessi Parent
Chair, Head Start Policy Council
Parent Representative

Penny Despres
New Hope New Horizons
Program Representative

**PRIVATE
SECTOR**

Elaine Amer, Clerk/Treasurer
Amer Electric Company (*retired*)

Anne Beattie
Newport Service Organization

Kevin Watterson, Chair
Clarke Companies

Scott Croteau, Vice Chairperson
VP Savings Bank of Walpole (*retired*)

**PUBLIC
SECTOR**

Leroy Austin
Building Inspector
Town of Winchester

David Edkins
Administrator, Planning & Zoning
Town of Charlestown

Molly Kelly
State Senator, District 10 (*retired*)

Raymond Gagnon
State Representative, District 5

Jessie Levine
Sullivan County Manager

John A. Manning

Summary

Over 30 years of experience with non-profit organizations, as both an outside auditor and presently Chief Financial Officer of a large community action agency.

Experience

2014 Southwestern Community Services Inc.
Keene, NH

Chief Executive Officer

Responsible for overall supervision, management, monitoring and fiscal review of Community Action Agency social service programs providing services to low-income, elderly, and handicapped residents of Sullivan and Cheshire Counties, New Hampshire.

1990–2014 Southwestern Community Services Inc.
Keene, NH

Chief Financial Officer

Oversees all fiscal functions for a community action agency providing services to low and moderate income individuals. Programs include Head Start, Fuel Assistance, and multiple affordable housing projects. Supervises a staff of 7, with an agency budget of over \$ 13,000,000. Also oversees agency property management department, which manages over 300 units of affordable housing.

1985-1995 Keene State College Keene, NH

Adjunct Professor

Taught evening accounting classes for their continuing education program.

1978-1990 John A. Manning, Keene, NH

Certified Public Accountant

Provided public accounting services to small and medium sized clients, including multiple non-profit organizations. Performed certified audits on several clients, including Head Start and other non-profit clients.

1975-1978 Kostin and Co. CPA's West Hartford, Ct.

Staff Accountant

Performed all aspects of public accounting for medium sized accounting firm. Audited large number of privately held and non-profit clients.

1971–1975 University of Mass. Amherst, Ma.
B.S. Business Administration in Accounting

Education

American Institute of Certified Public Accountants

Organizations

NH Society of Certified Public Accountants



Margaret Freeman

Experience

2000 – Present

Southwestern Community Services Inc.
Keene, NH

Chief Financial Officer (2014 – present)

Supervising the quality of accounting and financial reporting of SCS; a Community Action Agency. Total funding of \$18 million; federal, state and local funding sources. Primary responsibilities include overseeing the accounting functions, implementation and monitoring of internal controls, reporting financial position to the Board of Directors, preparation of the annual A-133 audit, member of agencies Senior Staff.

Fiscal Director (2000-2014)

Responsible to lead and manage the daily operations of the Fiscal Department of SCS. Primary duties include budget preparation and analysis, financial statement preparation and audit coordination.

1993 –2000

Emile J. Legere Management Corp
Keene, NH

Accountant

Provided bookkeeping for real estate management/development corp. Managed 16 affordable housing properties. Responsible for cash management, general ledger, A/P, A/R, financial statement prep, and audit prep. Leasing Manager of large commercial/retail property responsible for lease management and marketing of over 30 retail spaces.

Education

Leadership New Hampshire, Graduate 2011

Plymouth State University, Plymouth, NH
M.B.A., 1999

Keene State College, Keene, NH

B.S., Management, 1991; concentration Mathematics and Computer Science

Summary Thirty seven years working for Southwestern Community Services, Inc. , a major provider of social services to the residents of Cheshire and Sullivan counties in New Hampshire.

Chief Administrative Officer (2006 to present)

Work directly with the CEO to ensure the agency is in compliance with the CSBG organizational standards and to characterize an effective and healthy agency while reflecting the vision and values of Community Action and the requirements of the CSBG Act.

Work directly with the CEO in support of the agency's management team and Board of Directors to implement the objectives of SCS's strategic plan.

Supervisor of the Human Resources Director and department providing guidance and support to ensure a positive, safe working environment that facilitates SCS employees to meet their job expectations.

Supervisor of the SCS Administrative Offices and personnel to ensure a professional, positive and efficient reception office operation and referral system, and ensure a productive agency environment.

Supervisor of Homeless and Housing Stabilization Services providing support of, assistance to, and recommendations for program operations.

Assistant to event coordinator for the Northern New England Community Action annual two and half day conference researching and bringing forth over a dozen training workshops: 2015 conference workshops included: ROMA training; Effective Data Collection and Documenting Outcomes; Board Chair and CEO Relationships; Super Circular – Auditing and Accounting Issues Relating to the Uniform Guidance and Leading Change to reference a few.

Administrative Assistant (1996 – 2006)

Oversite and management of the Keene and Claremont secretarial and reception offices.

Work directly with the CEO and program directors to coordinate management meetings; baord provide administrative supports to SCS programs/program directors.

Development, coordinate and oversight of the grants database, Staff Development program; and SCS Wellness program.

Coordinate Monadnock United Way campaign.

Community Services Coordinator (1986 – 1996)

Oversite of the operations within the agency's Multi-purpose centers.

Coordinator of the Summer Lunch and Summer Gardens programs.

Coordinator of the Temporary Emergency Food Assistance Program.

Coordinator of the Pre-retirement Counseling Program.

Senior Secretary (1979 – 1986)

Secretary and Receptionist for the main SCS office and SCS programs.

Supervisor of the assistant secretary.

Responsible for ordering and inventory of agency office supplies.

Law Office of Attorney Donald E. Reid, Jr. (1978 – 1979)

Legal secretary to Attorney Reid.

Education

Becker College, Worcester, MA

Associates of Science, Para-legal program (1978)

- High Honors and membership to Gamma Phi Sigma Honor Society

Organizations

Participation in various civic and professional organizations: local & statewide

Contractor Name: Southwestern Community Services, Inc.

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
John Manning	CEO	\$127608	0	0
Meg Freeman	CFO	\$89502	0	0
Tina Roy	CAO	\$69638	100%	\$69638
Sarah Neutra	Deputy Fiscal Director	\$63648	90%	\$57283

Subject: Community Services Block Grant (CSBG)/SS-2018-DFA-03-COMMU-05

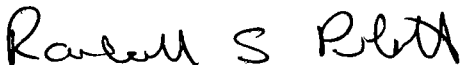
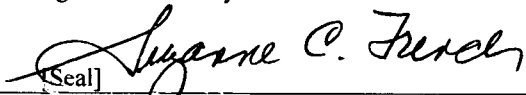
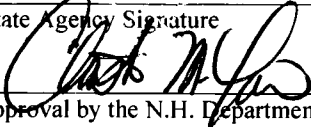
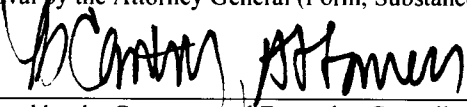
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Tri-County Community Action Program		1.4 Contractor Address 30 Exchange Street PO Box 367 Berlin, NH 03670	
1.5 Contractor Phone Number 603-752-7001	1.6 Account Number 05-095-045-450010-71480000-102-500731-45012160	1.7 Completion Date September 30, 2018	1.8 Price Limitation \$695,687
1.9 Contracting Officer for State Agency Jonathan V. Gallo, Esq., Interim Director		1.10 State Agency Telephone Number 603-271-9246	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Randall S. Pilotte Chief Financial Officer	
1.13 Acknowledgement: State of New Hampshire, County of Coos On August 18, 2017, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  <div style="float: right; text-align: right;"> SUZANNE C. FRENCH Notary Public - New Hampshire My Commission Expires June 19, 2018 </div>			
1.13.2 Name and Title of Notary or Justice of the Peace Suzanne C. French, Notary			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Christine M. Tappin, Senior Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Date: 8-28-17 _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 9/7/17			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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



Exhibit A

Scope of Services

1. In accordance with the provisions of The Community Services Block Grant Act (42 U.S.C. et seq) as amended by Public Law 105-285 of October 27, 1998, also known as the Community Opportunities Accountability, Training and Educational Act of 1998 or the Coats Human Services Reauthorization Act of 1998; and any amendments thereto, the Contractor agrees to deliver Community Services to low-income individuals at or below 125 percent of the poverty income guidelines.
2. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services, within ten (10) days of the contract effective date.
3. The Contractor shall remain a designated Community Services Block Grant (CSBG) entity by conforming to the requirements of the Acts referred to in Section 1 and any amendments thereto, which includes but is not limited to:
 - 3.1. Providing an annual community action plan, which shall describe:
 - 3.1.1. The service delivery system;
 - 3.1.2. Linkages to fill identified gaps; and
 - 3.1.3. Coordination with other public and private resources, and innovative initiatives.
 - 3.2. Providing of an annual community-needs assessment;
 - 3.3. Providing of an independent annual "Single Audit Act" audit;
 - 3.4. Participating in an annual performance measure system via the Annual Report;
 - 3.5. Participating in the Organizational Performance Standards;
 - 3.6. Administering CSBG through a tripartite board that participates in the development, planning, implementation, and evaluation of the program;
 - 3.7. Ensuring that cost and accounting standards of the Office of Management and Budget are in effect; and
 - 3.8. Informing custodial parents in single-parent families about child support services and refer eligible parents to child support offices.
4. The Contractor shall provide, on an emergency basis, services to counteract conditions of starvation and malnutrition.
5. The Contractor shall coordinate, establish linkages and form partnerships with governmental as well as other social services and antipoverty programs.



Exhibit B

Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Form P-37, General Provisions, Price Limitation, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. This contract is funded with federal funds made available under the Catalog of Federal Domestic Assistance, CFDA #93.569 Community Services Block Grant, Department of Health and Human Services, Administration for Children and Families.
3. Invoices must be submitted monthly within thirty (30) days of the end of the previous month, with in-kind match funds documented. 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.
4. Invoices and reports specified in Exhibit A, Scope of Services, Section 2, Reporting Requirements must be submitted to:

CSBG Coordinator
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
5. A final payment request shall be submitted no later than forty (40) days from the Form P-37, General Provisions, Contract Completion Date, Block 1.7.
6. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
7. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.
8. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

Contractor Initials

LOP



SPECIAL PROVISIONS

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

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

[Handwritten Signature]
Date 8-18-17



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

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

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



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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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



- 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.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

[Handwritten Signature]

8-18-17

New Hampshire Department of Health and Human Services
Exhibit D



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

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

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

Contractor Name:
Tri-County Community Action Program, Inc.

8-18-17
Date


Name: Randall S. Pilotte
Title: Chief Financial Officer



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name:

Tri-County Community Action Program, Inc.

Name: Randall S. Pilotte

Title: Chief Financial Officer

8-18-17

Date



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

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

INSTRUCTIONS FOR CERTIFICATION

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



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

Contractor Name:

Tri-County Community Action Program, Inc.

Name: Randall S. Pilotte
Title: Chief Financial Officer

8-18-17

Date

Contractor Initials

Date 8-18-17



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

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

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

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

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

Exhibit G

Contractor Initials

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

Date

8-18-17

New Hampshire Department of Health and Human Services
Exhibit G



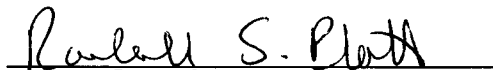
In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for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

The 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:

Tri-County Community Action Program, Inc.



Name: Randall S. Pilotte

Title: Chief Financial Officer

8-18-17

Date

Exhibit G

Contractor Initials



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



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name:

Tri-County Community Action Program, Inc.

Name: Randall S. Pilotte

Title: Chief Financial Officer

8-18-17

Date

Contractor Initials

Date 8.18.17



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) Definitions.

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

RAJ

8-18-17



Exhibit I

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

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

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

[Handwritten Signature]

8.18.17



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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



Exhibit I

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

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



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) l, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State,

Signature of Authorized Representative

Name of Authorized Representative

Title of Authorized Representative

Date

Tri-County Community Action Program, Inc.

Name of the Contractor

Signature of Authorized Representative

Randall S. Pilote

Name of Authorized Representative

Chief Financial Officer

Title of Authorized Representative

8-18-17

Date

RSP

8-18-17



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name:
Tri-County Community Action Program, Inc.

Name: Randall S. Pilotte
Title: Chief Financial Officer

8-18-17

Date



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 073975708
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

NO YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____



DHHS INFORMATION SECURITY REQUIREMENTS

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this RFP, the Department's Confidential information includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.
2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:
 - 2.1. Maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
 - 2.2. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
 - 2.3. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.
 - 2.4. Ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
 - 2.5. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information
 - 2.6. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
 - 2.6.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
Breach notifications will be sent to the following email addresses:
 - 2.6.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov
 - 2.6.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov
 - 2.7. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the vendor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure

New Hampshire Department of Health and Human Services
Exhibit K



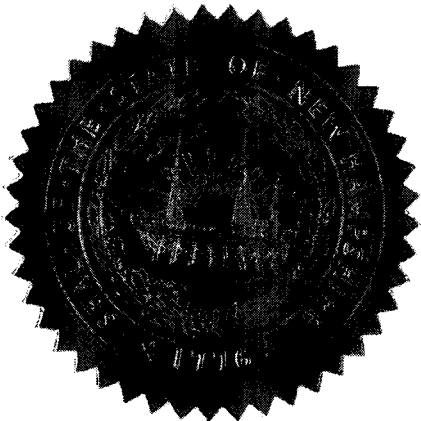
deletion, or otherwise physically destroying the media (for example, degaussing). The vendor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and vendor prior to destruction.

- 2.8. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the vendor, including breach notification requirements.
3. The vendor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the vendor and any applicable sub-contractors prior to system access being authorized.
4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the appropriate authorized data owner or leadership member within the Department.

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (TRI-COUNTY CAP) is a New Hampshire nonprofit corporation formed May 18, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 7th day of April A.D. 2016

A handwritten signature in cursive script, appearing to read "Wm Gardner".

William M. Gardner
Secretary of State

Business Information

Business Details

Business Name:	TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (TRI-COUNTY CAP)	Business ID:	63020
Business Type:	Domestic Nonprofit Corporation	Business Status:	Good Standing
Business Creation Date:	05/18/1965	Name in State of Incorporation:	Not Available
Date of Formation in Jurisdiction:	05/18/1965		
Principal Office Address:	30 EXCHANGE ST, BERLIN, NH, 03570, USA	Mailing Address:	30 Exchange Street, Berlin, NH, 03570, USA
Citizenship / State of Incorporation:	Domestic/New Hampshire		
		Last Nonprofit Report Year:	2015
		Next Report Year:	2020
Duration:	Perpetual		
Business Email:	sandypatrick@tccap.org	Phone #:	800-552-4617
Notification Email:	NONE	Fiscal Year End Date:	NONE

Principal Purpose

S.No	NAICS Code	NAICS Subcode
1	OTHER / CHARITABLE ORGANIZATION	

Page 1 of 1, records 1 to 1 of 1

CERTIFICATE OF VOTE

I, Gary Coulombe, do hereby certify that:

(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Tri-County Community Action Program, Inc.

(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of

the Agency duly held on 8-23-17:

(Date)

RESOLVED: That the Chief Financial Officer.

(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of


the 18th day of August, 2017.

(Date Contract Signed)

4. Randall S. Pilotte is the duly elected Chief Financial Officer

(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.



(Signature of the Elected Officer)

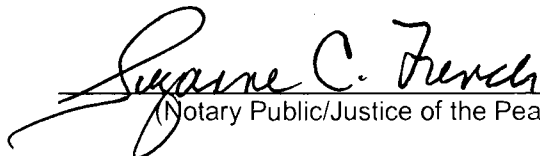
STATE OF NEW HAMPSHIRE

County of Coos

The forgoing instrument was acknowledged before me this 18th day of August, 2017,

By Randall S. Pilotte.

(Name of Elected Officer of the Agency)



(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires:6-19-17



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/6/2017

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 FIAI/Cross Insurance 1100 Elm Street Manchester NH 03101		CONTACT NAME: Karen Shaughnessy PHONE (A/C, No, Ext): (603) 669-3218 FAX (A/C, No): (603) 645-4331 E-MAIL ADDRESS: kshaughnessy@crossagency.com	
INSURED Tri-County Community Action Program, Inc 30 Exchange Street Berlin NH 03570		INSURER(S) AFFORDING COVERAGE	
		INSURER A: Technology Ins. Co.	NAIC # 42376
		INSURER B: Wesco Ins. Co.	25011
		INSURER C: AmGuard Ins Co	42390
		INSURER D:	
		INSURER E:	
		INSURER F:	

COVERAGES CERTIFICATE NUMBER: 17-18 All lines REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			TPP1224751	7/1/2017	7/1/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			TPP1224751	7/1/2017	7/1/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Underinsured motorist \$ 1,000,000
B	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			WUM1565713	7/1/2017	7/1/2018	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	TRWC858263 (3a.) NH K. Matthews. R. Urban & W. Hatch excluded	7/1/2017	7/1/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Professional Liability			TPP1224751	7/1/2017	7/1/2018	Per Occurrence \$1,000,000 Aggregate \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER Janice.Southwick@dhhs.nh.g NH DHHS 129 Pleasant Street Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE T Franggos/JSC
--	--

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MISSION STATEMENT

Tri-County CAP is a group of people and projects dedicated to improving the lives and well-being of New Hampshire's people and communities.

We provide opportunities and support for people to learn and grow in self-sufficiency, and to get involved in helping their neighbors and improving the conditions in their communities.

***Tri-County Community Action Programs...
Helping people, changing lives.***

TRI-COUNTY COMMUNITY ACTION PROGRAM, Inc. Is a private, non-profit 501(C) 3 corporation that is dedicated to improving the lives and well being of New Hampshire's people and communities. Formed on May 18, 1965, we provide opportunities and support for people to learn and grow in self-sufficiency and get involved in helping their neighbors and improving the conditions in their communities.

TRI-COUNTY COMMUNITY ACTION PROGRAM, Inc.

...Helping people, changing lives.

Financial Statements

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.
AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30 2015
AND
INDEPENDENT AUDITORS' REPORT**

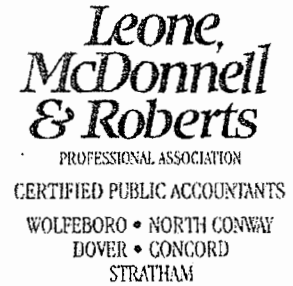
TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

CONSOLIDATED FINANCIAL STATEMENTS

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To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, New Hampshire



INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Tri-County Community Action Program, Inc. and affiliate (a New Hampshire nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2015, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Tri-County Community Action Program, Inc. as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2015, on our consideration of Tri-County Community Action Program, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tri-County Community Action Program, Inc.'s internal control over financial reporting and compliance.

Leone, McDonnell & Roberts
Professional Association

December 10, 2015
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015

ASSETS

CURRENT ASSETS

Cash	\$ 488,950
Accounts receivable	1,014,274
Pledges receivable	247,754
Inventories	116,150
Prepaid expenses	<u>30,678</u>
Total current assets	<u>1,897,806</u>

PROPERTY

Property, plant, and equipment	13,468,105
Less accumulated depreciation	<u>(4,588,525)</u>
Property, net	<u>8,879,580</u>

OTHER ASSETS

Restricted cash	540,395
Building refinance costs, net	<u>15,365</u>
Total other assets	<u>555,760</u>

TOTAL ASSETS

\$ 11,333,146

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Demand note payable	\$ 700,252
Current portion of long term debt	271,685
Accounts payable	671,782
Accrued compensated absences	332,024
Accrued salaries	134,822
Accrued expenses	107,474
Refundable advances	191,343
Other liabilities	<u>280,474</u>
Total current liabilities	<u>2,689,856</u>

LONG TERM DEBT

Long term debt, net of current portion	5,938,456
Interest rate swap at fair value	<u>7,385</u>
Total liabilities	<u>8,635,697</u>

NET ASSETS

Unrestricted	1,951,539
Temporarily restricted	<u>745,910</u>
Total net assets	<u>2,697,449</u>

TOTAL LIABILITIES AND NET ASSETS

\$ 11,333,146

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT			
Grant and contracts	\$ 13,563,675	\$ 267,197	\$ 13,830,872
Program funding	1,600,750	102,424	1,703,174
Utility programs	916,957	-	916,957
In-kind contributions	252,489	-	252,489
Contributions	116,342	20,841	137,183
Fundraising	43,415	-	43,415
Rental income	824,332	-	824,332
Interest income	485	-	485
Gain on disposal	16,560	-	16,560
Other revenue	91,349	-	91,349
	<hr/>	<hr/>	<hr/>
Total revenues and other support	17,426,354	390,462	17,816,816
NET ASSETS RELEASED FROM RESTRICTIONS	<u>307,765</u>	<u>(307,765)</u>	<u>-</u>
Total revenues, other support, and net assets released from restrictions	<u>17,734,119</u>	<u>82,697</u>	<u>17,816,816</u>
FUNCTIONAL EXPENSES			
Program Services:			
Agency Fund	883,748	-	883,748
Head Start	2,289,054	-	2,289,054
Guardianship	767,955	-	767,955
Transportation	985,004	-	985,004
Volunteer	87,521	-	87,521
Workforce Development	449,251	-	449,251
Alcohol and Other Drugs	989,422	-	989,422
Carroll County Dental	496,634	-	496,634
Carroll County Restorative Justice	95,727	-	95,727
Support Center	249,099	-	249,099
Homeless	442,493	-	442,493
Energy and Community Development	7,433,283	-	7,433,283
Elder	1,088,328	-	1,088,328
Housing Services	172,157	-	172,157
	<hr/>	<hr/>	<hr/>
Total program services	16,429,676	-	16,429,676
Supporting Activities:			
General and administrative	1,154,866	-	1,154,866
Fundraising	4,498	-	4,498
	<hr/>	<hr/>	<hr/>
Total supporting activities	1,159,364	-	1,159,364
Total functional expenses	<u>17,589,040</u>	<u>-</u>	<u>17,589,040</u>
CHANGES IN NET ASSETS FROM OPERATIONS	145,079	82,697	227,776
OTHER INCOME			
Gain on interest rate swap	42,327	-	42,327
	<hr/>	<hr/>	<hr/>
TOTAL CHANGES IN NET ASSETS	187,406	82,697	270,103
NET ASSETS, BEGINNING OF YEAR	1,764,133	663,213	2,427,346
	<hr/>	<hr/>	<hr/>
NET ASSETS, END OF YEAR	\$ 1,951,539	\$ 745,910	\$ 2,697,449

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015**

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 270,103
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	483,149
Gain on disposal of property	(16,560)
Gain on interest rate swap	(42,327)
Decrease (increase) in assets:	
Restricted cash	225,470
Accounts receivable	(180,597)
Pledges receivable	(247,754)
Inventories	(50,111)
Prepaid expenses	(3,392)
Other assets	818
Increase (decrease) in liabilities:	
Accounts payable	16,947
Accrued compensated absences	54,245
Accrued salaries	23,336
Accrued expenses	(8,588)
Refundable advances	(33,228)
Other liabilities	(125,119)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>366,392</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from disposal of property	57,159
Purchase of property and equipment	(286,141)
NET CASH USED IN INVESTING ACTIVITIES	<u>(228,982)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Net advance of demand note payable	199,201
Proceeds from long-term debt	13,089
Repayment of long-term debt	(239,753)
NET CASH USED IN FINANCING ACTIVITIES	<u>(27,463)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	109,947
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>379,003</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 488,950</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:	
Cash paid during the year for:	
Interest	<u>\$ 233,577</u>

See Notes to Consolidated Financial Statements

MILITARY COMMUNITARIAN PROGRAM, INC. ANNUAL STATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
EXCLUDE FROM FINANCIAL STATEMENTS

	Agency Fund	Head Staff	Quartermaster	Transportation	Mileage	Workforce Development	Medical and Support Staff	Commodity Restorative	Commodity Restorative	Support Services	Monthly	Energy and Development	Meeting Services	Total	General & Administrative	Deficiency	Total
Direct Expenses																	
Payroll	\$ 71,025	\$ 1,062,892	\$ 504,094	\$ 464,648	\$ 69,650	\$ 240,816	\$ 277,896	\$ 284,190	\$ 56,780	\$ 130,077	\$ 259,224	\$ 1,146,181	\$ 446,838	\$ 11,714	\$ 5,340,689	\$ 624,111	\$ 9,014,590
Payroll taxes and Social Security	15,944	208,223	127,266	78,730	13,750	60,108	151,487	69,423	13,810	36,134	82,232	310,693	103,595	1,320,158	157,224	1,444,482	
Administrative expenses	619	90	4,725	17,420	1,586	7,481	116	14,865	1,715	1,887	17,472	5,203,742	742	6,331,344	30,000	282,370	
Travel	12,308	24,210	4,725	17,420	1,586	7,481	116	14,865	1,715	1,887	17,472	5,203,742	742	6,331,344	30,000	282,370	
Printing	14,222	177,827	35,280	13,302	5,971	99,072	19,240	6,584	20,522	616	28,025	184,880	89,319	647,169	172,445	1,006,897	
Supplies	4,946	289,430	11,610	16,609	1,975	4,906	72,317	31,479	132	4,922	28,025	288,498	297,624	1,023,719	18,183	1,006,897	
Telephone	4,351	1,229	10,770	3,422	1,051	300	1,051	31,479	100	8,242	3,284	24,732	4,189	80,378	15	80,393	
Maintenance of equipment and rental	88,200	28,860	10,770	3,422	1,051	300	1,051	31,479	100	8,242	3,284	24,732	4,189	80,378	15	80,393	
Printing and general maintenance	173,373	22,861	16,073	10,331	742	7,500	46,544	6,786	1,090	20,622	20,746	18,178	26,813	428,744	6,259	435,003	
Travel	2,288	59,235	28,416	30,723	1,071	13,182	12,657	1,241	1,986	5,337	14,271	13,202	1,704	224,478	15,361	239,839	
Travel and meeting	505	48,927	24,187	25,536	877	7,099	7,099	97	1,066	2,917	44,586	44,586	15,241	204,123	5,581	209,704	
Travel	114,650	26,347	1,107	50,738	787	21,856	2,265	2,265	6,433	9,125	44,883	44,883	15,241	204,123	4,348	208,471	
Travel	193,045	48	48	4,920	29	6,903	46,986	2	2	7	1,125	6,208	24	238,823	2,727	241,550	
Travel	13,731	13,882	13,118	6,128	289	12,314	13,118	4,316	10,800	5,729	3,125	10,800	14,698	84,954	8,516	93,470	
Other direct expenses	18,199	1,100	4,256	11,000	289	23,338	4,256	4,256	10,800	10,800	1,175	50,177	6,260	212,480	4,408	216,888	
In lieu of expended		225,018									22,470			212,480		212,480	
Total Direct Expenses	683,748	2,899,054	787,005	885,094	97,521	449,251	589,422	496,634	95,721	248,099	442,423	7,433,283	1,066,328	172,127	1,154,898	4,408	17,580,040
Indirect Expenses																	
Indirect Expenses	18,502	228,481	83,637	20,811	9,929	41,128	111,256	53,143	8,881	28,951	47,228	235,207	112,491	1,154,898	1,154,898		17,580,040
Total Direct & Indirect Expenses	\$ 665,250	\$ 3,127,535	\$ 870,642	\$ 905,905	\$ 97,450	\$ 490,379	\$ 700,678	\$ 549,777	\$ 104,602	\$ 277,050	\$ 489,651	\$ 7,668,490	\$ 1,200,909	\$ 17,734,938	\$ 1,156,096	\$ 4,408	\$ 17,580,040

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Principles of Consolidation

The financial statements include the accounts of Tri-County Community Action Program, Inc. and its affiliate, Cornerstone Housing North, Inc. The two organizations are consolidated because Tri-County Community Action Program, Inc. controls 100% of the voting power of Cornerstone Housing North, Inc. All significant intercompany items and transactions have been eliminated from the basic financial statements. Tri-County Community Action Program, Inc. (the Organization) is a New Hampshire non-profit corporation that operates a wide variety of community service programs which are funded primarily through grants or contracts from various federal, state, and local agencies. Cornerstone Housing North, Inc. (a New Hampshire nonprofit corporation) was incorporated under the laws of the State of New Hampshire for the acquisition, construction and operation of community based housing for the Elderly.

Nature of activities

The Organization's programs consist of the following:

Agency

Tri-County CAP Administration provides central program management support and oversight to our many individual programs. This includes planning and budget development, bookkeeping and accounting, payroll and HR services, legal and audit services, IT support, management support, financial support and central policy development.

Tri-County CAP Administration is the liaison between Tri-County Community Action Program, Inc., Board of Directors and its programs, ensuring that programs comply with agreements made by the Board to funding sources and vendors.

Other responsibilities include the management and allocation of funding received through a Community Services Block Grant, as well as management of the Organization's real estate property.

Head Start

Head Start serves hundreds of children and their families in multiple classrooms and locations throughout three counties. Research demonstrates that children who are healthy learn better. Due to this fact, parents in our program receive assistance in completing medical and dental exams for their children. To further assist in breaking the cycle of poverty, each family enrolled in Head Start receives assistance in completing a family needs assessment, and subsequent support in achieving their self-sufficiency and personal improvement goals.

Guardianship

The Organization's Guardianship program provides advocacy and guardian services for the vulnerable population of New Hampshire residents (developmentally disabled, chronically mentally ill, traumatic brain injury, and the elderly suffering from Alzheimer's, dementia, and multiple medical issues) who need a guardian and who have no family member or friend willing, able, or suitable to serve in that capacity.

Transportation

The Organization's transit program provides various transportation services: public bus routes, door-to-door service by request, long distance medical travel to medical facilities outside our regular service area, and special trips for the elderly to go shopping and enjoy other activities that are located outside the regular service area. The Organization's fleet of 18 wheelchair accessible vehicles offers transportation options to the elderly and disabled, as well as to the general public.

Volunteer

Coos County Retired & Senior Volunteers Program (RSVP) maintains a minimum corps of 330 volunteers, ages 55 and older. These volunteers share their skills, life experiences, and time with over 50 local non-profit and public agencies throughout Coos County that depend on volunteer assistance to meet the needs of their constituents. Our volunteers donate over 50,000 hours yearly.

Workforce Development

The Organization is assisting transitional and displaced workers as they prepare for new jobs, and also assisting currently-employed workers to gain the skills required for better jobs.

The Organization is helping to implement New Hampshire's Unified State Plan for Workforce Development, in line with the federal Workforce Investment Act. Workforce training programs, with training facilities in three towns, provide temporary assistance for needy family (TANF) recipients with 20-30 hours per week of training in the areas of employment skills, computer skills, and business experience, and also place participating TANF recipients in community-based work experience sites.

Alcohol & Other Drugs (AOD)

Services provided through the AOD program include assisting the alcoholic/addicted person on the road to recovery, through three phases: Crisis Intervention, Sobriety Maintenance, and Assessment and Referral to appropriate treatment facilities. The Residential Treatment Programs (Friendship House) provide chemically dependent individuals with the fundamental tools of recovery, including educational classes, group and individual counseling, work and recreational therapy, and attendance at in-house and community-based alcoholics anonymous and narcotics anonymous meetings. The AOD program also offers assistance with its impaired driver programs.

The Friendship House, in December of 2014, had approximately \$130,000 worth of investments and improvements due to assistance from Public Services of New Hampshire.

Carroll County Dental

The Tamworth Dental Center (the Center) offers high quality oral health care to children with NH Medicaid coverage. The Organization also serves uninsured and underinsured children and adults using a sliding fee scale that offers income-based discounts for care. The Center accepts most common dental insurances for those who have commercial dental insurance coverage. A school-based project of the Dental Center, School Smiles, offers oral health education, screening, treatment and referrals for treatment to over 1,000 children in 9 schools in the vicinity of the Center.

Carroll County Restorative Justice

The Organization's restorative justice program provides comprehensive alternatives to traditional court sentencing and dispute resolution within the framework of Balanced and Restorative Justice. Two key components of this process are personal accountability for one's actions (diversion) and alternative conflict resolution (mediation). Services are provided by in-house staff, volunteers, and partnered relations with other local service providers. Subsequent to year end, the Division was suspended.

Support Center

The Organization's Support Center at Burch House provides direct service and shelter to victims and survivors of domestic and sexual violence and stalking in Northern Grafton County. Support Center services are accessible 24 hours a day, 365 days a year. They include: crisis intervention; supportive counseling; court, hospital and policy advocacy and accompaniment; emergency shelter; support groups; community education and outreach; violence prevention programs for students; information, referrals and assistance accessing other community resources.

Homeless

Homeless services include an outreach intervention and prevention project that strives to prevent individuals and families from becoming homeless, and assists the already homeless in securing safe, affordable housing. The Organization provides temporary shelter space for homeless clients. The Organization also provides some housing rehabilitation services to help preserve older housing stock.

Energy and Development, and Community Contact

Energy programs provide fuel assistance, electric assistance, utility conservation, and weatherization measures including insulation, air-sealing, energy efficient lighting and refrigerators, hot water conservation measures, minor home repairs, and replacement windows and doors.

Community Contact sites allow local participants access to energy assistance programs and other emergency services. The offices provide information to the Organizations' clients about their other programs, as well as other programs available through other organizations in the community. The Organization consolidated its eight Community contact Offices to one office per county, located in Berlin (Coos), Ashland (Grafton) and Tamworth (Carroll). Clients may submit applications for assistance via e-mail, mail, phone, fax, or face-to-face intake appointments at one of the three offices. Community Contact has schedule site outreach in Lancaster, Lebanon, Woodsville and Colebrook; a schedule is published in the local papers listing the days and locations on a monthly basis. The Carroll County's office has been successful serving the needs of clients with this model for over ten years.

Elder

The Organization's Elder program provides senior meals in 15 community dining sites, home-delivered meals (Meals on Wheels) to the frail and homebound elderly, and senior nutrition education and related programming. The Coos County ServiceLink Aging & Disability Resource Center assists with Medicare counseling, Medicaid assistance, long-term care counseling services, and caregiver supports.

Housing Services

Cornerstone Housing North, Inc. is subject to a Project Rental Assistance Contract (PRAC) with the United States Department of Housing and Urban Development, and a significant portion of their rental income is received from the Department of Housing and Urban Development. The Organization includes a 12 unit apartment complex in Berlin, New Hampshire for the elderly. This operates under Section 202 of the National Housing Act and is regulated by the U.S. Department of Housing and Urban Development (HUD) with respect to the rental charges and operating methods. For Cornerstone Housing North, Inc., the rental income is part of the same program as the Section 202 Capital Advance and is considered a major program.

Method of accounting

The financial statements of Tri-County Community Action Program, Inc. have been prepared utilizing the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Under this basis, revenue, other than contributions, and expenses are reported when incurred without regard to the date of receipt or payment of cash.

Basis of presentation

Financial statement presentation follows the recommendations of the FASB in its Accounting Standard Codification No. 958 *Financial Statements of Not-For-Profit Organizations*. Under FASB ASC No. 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The Organization had no permanently restricted net assets at June 30, 2015. The Organization had temporarily restricted net assets of \$745,910 at June 30, 2015.

Restricted and unrestricted support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction.

When a 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.

Unrestricted net assets include revenues and expenses and contributions which are not subject to any donor imposed restrictions. Unrestricted net assets can be board designated by the Board of Directors for special projects and expenditures.

Temporarily restricted net assets include contributions for which time restrictions or donor-imposed restrictions have not yet been met. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Permanently restricted net assets include gifts which require, by donor restriction, that the corpus be invested in perpetuity and only the income or a portion thereof (excluding capital gains restricted by State statute) be made available for program operations in accordance with donor restrictions. The Organization had no permanently restricted net assets at June 30, 2015.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date. The accounting standards for fair values establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Organization. Unobservable inputs are inputs that reflect the Organization's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The hierarchy is classified into three levels based on the reliability of inputs as follows:

Level 1: Valuations based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2: Valuation is determined from quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in markets that are not active or by model-based techniques in which all significant inputs are observable in the market.

Level 3: Valuations based on inputs that are unobservable and significant to the overall fair value measurement. The degree of judgment exercised in determining fair value is greatest for instruments categorized as Level 3.

The availability of observable inputs can vary and is affected by a wide variety of factors, including, the type of asset/liability, whether the asset/liability is established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, assumptions are required to reflect those that market participants would use in pricing the asset or liability at the measurement date.

As disclosed in **Note 6**, the note payable which bears monthly interest of 69% of the sum of the one month London Interbank Offered Rate (LIBOR) plus 3.25%, when the Organization's debt service coverage ratio is 1.10; or 3.00% when the Organization's debt service coverage ratio is 1.20 includes an interest rate swap agreement. The Organization's purpose in entering into a swap arrangement was to hedge against the risk of interest rate increases on the related variable rate debt and not to hold the instrument for trading purposes. The Organization pays interest at a fixed 3.85%. The arrangement is scheduled to expire on August 2040. The notional amount of the contract was \$3,145,412. Accordingly, the swap arrangement, which is a derivative financial instrument, is classified as a cash flow hedge and is valued at the net present value (NPV) of all estimated future cash flows.

For the year ended June 30, 2015, the fair value of the interest rate swap was \$7,385 and the unrealized gain was \$42,327. The fair value of the swap is included on the balance sheet as a long term liability. No amounts have been reclassified as interest expense and based upon the Organization's intent to hold the derivative until expiration they do not expect to reclassify any unrealized gains or losses to interest expense.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Most of the receivables are amounts due from federal and state awarding agencies and are based upon reimbursement for expenditures made under specific grants or contracts. A portion of the accounts receivable balance represents amounts due from patients at Carroll County Dental and participants in the alcohol and other drug treatment programs. Past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United State because the effects of the direct write method approximate those of the allowance method. Management selects accounts to be written off after analyzing past payment history, the age of the accounts receivable, and collection rates for receivables with similar characteristics, such as length of time outstanding. The Organization does not charge interest on outstanding accounts receivable.

Property and Depreciation

Acquisitions of buildings, equipment, and improvements in excess of \$5,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Buildings, equipment, and improvements are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. Depreciation expense related to assets used solely by an individual program is charged directly to the related program. Depreciation expense for assets used by more than one program is charged to the program based upon a square footage or other similar allocation. Depreciation expense related to administrative assets is included in the indirect cost pool and charged to the programs in accordance with the indirect cost plan. Maintenance and repairs are charged to expense as incurred.

Estimated useful lives are as follows:

Buildings and Improvements	20 to 40 years
Vehicles	5 to 8.5 years
Furniture and Equipment	5 to 15 years

Client Rents and HUD Rent Subsidy

Cornerstone Housing North, Inc.'s rents are approved on an annual basis by the Department of Housing and Urban Development. Rental increases are prohibited without such approval. The clients are charged rent equal to 30% of their income less adjustments allowed by the Department of Housing and Urban Development. Rent subsidies are received from the Department of Housing and Urban Development for the difference between the allowed rents and the amounts received from the clients.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or incurred. Funds received in advance of grantor conditions being met aggregated \$191,343 as of June 30, 2015.

Nonprofit tax status

The Organization is a *not-for-profit* Section 501(c)(3) organization of the Internal Revenue Code. It has been classified as an Organization that is not a private foundation under the Internal Revenue Code and qualifies for a charitable contribution deduction for individual donors. The Organization files information returns in the United States. The Organization is no longer subject to examinations by tax authorities for years prior to 2011.

The Organization follows FASB ASC, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Organization does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized.

The Organization's Federal Form 990 (Return of Organization Exempt from Income Tax), is subject to examination by the IRS, generally for three years after it is filed.

Cornerstone Housing North, Inc. is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Organization to be other than a private foundation within the meaning of Section 509(a).

Retirement plan

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the Internal Revenue Code. All employees are eligible to contribute to the plan beginning on the date they are employed. Each employee may elect salary reduction agreement contributions in accordance with limits allowed in the Internal Revenue Code. Employer contributions are at the Organization's annual discretion. In January 2013, payments had ceased, therefore as of June 30, 2015, there were no discretionary contributions recorded. Further information can be obtained from the Organization's 403(b) audited financial statements.

Donated services and goods

Contributed noncash assets are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of noncash assets are recorded as unrestricted support.

Donated property and equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at the net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in the contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

As of June 30, 2015, there were promises to give that were absent of donor stipulations and therefore classified as temporarily restricted in the amount of \$247,754. This amount was included in the grants and contracts on the Consolidated Statement of Activities.

Use of estimates

The presentation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments

Accounting Standards Codification No. 825 (ASC 825), *Disclosures of Fair Value of Financial Instruments*, requires the Organization to disclose fair values of its financial instruments. The carrying amount of the Organization's financial instruments which consists of cash, accounts receivable, deposits and accounts payable, approximate fair value because of the short term maturity of those instruments.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Program salaries and related expenses are allocated to the various program and supporting services based on actual or estimated time employees spend on each function as reported on a timesheet.

Workers Compensation expenses are charged to each program based upon the classification of the each employee and allocated to the various program based upon the time employees spend on each function as noted above.

Paid Leave is charged to a leave pool and is allocated to each program as a percentage of total salaries.

Fringe Benefits are charged to a Fringe Benefit Pool. These expenses include employer payroll taxes, pension expenses, health and dental insurance and unemployment compensation. The pool is allocated to each program based upon a percentage of salaries.

Depreciation expense is allocated to each program based upon specific assets used by the program and is reported as depreciation expense on the supplemental statements of functional expenses.

Other Occupancy expense: expenses are applicable to assets which are used by multiple programs, primarily buildings are charged to the benefiting program based upon an analysis of square footage. Costs related to a building include depreciation, insurance, utilities, building maintenance, etc. These costs are reported as space costs on the supplemental statements of functional expenses.

Insurance: automobile insurance is allocated to programs based on vehicle usage; building liability insurance is allocated to programs based on square footage of the buildings; and insurance for furniture and equipment is allocated to programs using the book basis of the insured assets.

The remaining shared expenses are charged to an Indirect Cost Pool and are allocated to each program based upon a percentage of program expenses. The expenses include items such as administrative salaries, general liability insurance, administrative travel, professional fees and other expenses which cannot be specifically identified and charged to a program.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human Services. The proposal effective for the fiscal year beginning July 1, 2013 received provisional approval and is effective until amended at a rate of 12.3%. Per an email with a representative from the U.S. Department of Health and Human Services, the Agency reduced the rate to 12.2% for the year ended June 30, 2015.

Advertising policy

The Organization uses advertising to inform the community about the programs it offers and the availability of services. Advertising is expensed as incurred. The total cost of advertising for the year ended June 30, 2015 was \$18,009.

NOTE 2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, funds on deposit with financial institutions, and investments with original maturities of three months or less. At year end and throughout the year, the Organization's cash balances were deposited with multiple financial institutions. At June 30, 2015, the balances on interest and non-interest bearing accounts were insured by the FDIC up to \$250,000. At June 30, 2015, there was approximately \$395,443 of deposits held in excess of the FDIC limit. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents and considers this a normal business risk.

Cash Restrictions

The Organization is required to maintain a deposit account with a bank as part of the loan security agreement disclosed at **Note 6**. The required balance in the account is \$52,497 and is restricted from withdrawal except to make payments of debt service or as approved by the US Department of Agriculture. Amounts withdrawn to make payments of debt service must be replenished with monthly deposits until the maximum required deposit balance is achieved. The balance as of June 30, 2015 was \$11,135. The Organization was not in compliance with this requirement however, in May 2013, the client began making the required monthly deposits. The Organization has made all of their scheduled deposits for the year ended June 30, 2015. This amount is included in restricted cash on the Statement of Financial Position.

The Organization is required to maintain a deposit account with another bank as part of a bond issue (see bond payable in **Note 6**). The required balance in the account is \$186,516 and is equal to the interest payments on the bond for a 12 month period. The balance as of June 30, 2015 was \$186,721, and the Organization was in compliance with this requirement. This amount is included in restricted cash on the Statement of Financial Position.

The Organization maintains a deposit account on behalf of clients who participate in the Guardianship Services Program. The balance in the account is restricted for use on behalf of these clients and an offsetting liability is reported on the financial statements as other current liabilities. The total current liability related to this withdrawal at June 30, 2015 was \$276,791. These amounts are included in other liabilities on the Statement of Financial Position. The total restricted cash within this account at June 30, 2015 was \$271,547, and is included in the restricted cash balance on the Statement of Financial Position. The Organization was assessed a fee of \$5,244 related to the unauthorized use of these funds in prior years. This amount was still outstanding at June 30, 2015 as no official notice or request for payment had been received by the Organization.

All cash related to Cornerstone Housing North, Inc. is restricted for certain uses in the Organization under rules and regulations prescribed by the Department of Housing and Urban Development. The total amount restricted at June 30, 2015 was \$70,992.

NOTE 3. INVENTORY

In 2015, inventory included weatherization materials which have been purchased in bulk. These items are valued at the most recent cost. A physical inventory is taken annually. Cost is determined using the first-in, first-out (FIFO) method. Inventory at June 30, 2015, consists of weatherization materials totaling \$116,150. The inventory related to the Northern Forest Heritage Park was considered to be in poor condition and not saleable. The inventory was written off in April 2015.

NOTE 4. PROPERTY

Property consists of the following at June 30, 2015:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$10,599,723	\$ 3,018,512	\$ 7,581,211
Equipment	2,176,915	1,570,013	606,902
Land	<u>691,467</u>	<u>-</u>	<u>691,467</u>
	<u>\$13,468,105</u>	<u>\$ 4,588,525</u>	<u>\$ 8,879,580</u>

The Organization has use of computers and equipment which are the property of state and federal agencies under grant agreements. The equipment, whose book value is immaterial to the financial statements, is not included in the Organization's property and equipment totals.

Depreciation expense for the year ended June 30, 2015 was \$482,262.

The Organization also had building refinancing costs of \$17,730 during the prior year. Amortization expense and accumulated amortization for the year ended June 30, 2015 was \$887 and \$2,365, respectively.

NOTE 5. ACCRUED EARNED TIME

Employees of the Organization are eligible to accrue vacation for a maximum of 240 hours. At June 30, 2015, the Organization had accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$332,024.

NOTE 6. LONG TERM DEBT

The long term debt of the Organization as of June 30, 2015 consisted of the following:

Note payable with the USDA requiring 360 monthly installments of \$1,746 including interest at 4.5% per annum. Secured by general business assets. Final installment due June 2024.	\$ 133,110
Note payable with the USDA requiring 360 monthly installments of \$1,664 including interest at 5% per annum. Secured by general business assets. Final installment due January 2027.	174,527
Note payable with the USDA requiring 360 monthly installments of \$292 including interest at 4.75% per annum. Secured by general business assets. Final installment due April 2030.	33,651
Note payable with the USDA requiring 360 monthly installments of \$74 including interest at 4.75% per annum. Secured by general business assets. Final installment due June 2029.	9,061

Note payable with a bank requiring 120 monthly installments of \$475 including interest at 4.25% per annum. Secured by a first mortgage on a business condo. Final installment due December 2015.	2,820
Note payable with a bank requiring 120 monthly installments of \$3,799 including interest at 6.75% per annum. Secured by first mortgages on two commercial properties. Final installment due April 2021.	444,989
Note payable to a related party, interest accrues 10% per annum, no monthly installments, full principal amount plus interest is due August 2012, informally extended.	12,578
Note payable to a non-profit organization (related party), interest accrues 5% per annum, no monthly installments, full principal plus interest due during the Organization's fiscal year end 2013, informally extended.	120,147
Bond payable with a bank requiring monthly installments of \$15,260 including interest adjusted by a swap agreement with a fixed rate of 3.85%, adjusted by the difference between the fixed amount and a rate of interest equal to 69% of the sum of the 1 month LIBOR rate plus 3.25% (when the Organization's debt service coverage ratio is 1.10) or 3.00% (when the Organization's debt service coverage ratio is 1.20). Secured by first commercial real estate mortgage on various properties and assignment of rents at various properties. Final installment due August 2040.	2,948,780
Note payable with a bank requiring 240 monthly installments of \$4,518 including interest at 4.16% per annum. Secured by second mortgage on commercial property. Final installment due December 2032.	462,878
Cornerstone Housing North, Inc. capital advance due to the Department of Housing and Urban Development. This capital advance is not subject to interest or principle amortization and will be forgiven after 40 years, or on August 1, 2047.	1,617,600

Cornerstone Housing North, Inc. mortgage payable due to New Hampshire Housing Finance Authority. The mortgage is not subject to interest or principle amortization. Payments are deferred for 40 years.

	<u>250,000</u>
	6,210,141
Less current portion due within one year	<u>(271,685)</u>
Total long term debt	<u>\$ 5,938,456</u>

The scheduled maturities of long term debt as of June 30, 2015 were as follows:

<u>Years ending June 30</u>	<u>Amount</u>
2016	\$ 271,685
2017	142,297
2018	541,085
2019	129,965
2020	135,963
Thereafter	<u>4,989,146</u>
	<u>\$ 6,210,141</u>

As described at **Note 2**, the Organization is required to maintain a reserve account with a bank for the first six notes payable listed above. In May 2013, the Organization began making monthly deposits to the reserve account, but had not yet accumulated the required balance. Failure to meet this requirement may be construed by the Government to constitute default; however, the awarding agency is aware of this issue and has not made a request for advanced payment. The balance in this account as of June 30, 2015 was \$11,135.

Subsequent to year end, the Agency purchased two vehicles with note payables totaling \$38,284. The future scheduled maturities of long term debt for these two vehicles are as follows:

<u>Years ending June 30</u>	<u>Amount</u>
2016	\$ 4,828
2017	5,809
2018	6,138
2019	6,485
2020	6,852
Thereafter	<u>8,172</u>
	<u>\$ 38,284</u>

NOTE 7. DEMAND NOTE PAYABLE

The Organization has available a \$45,000 unsecured line of credit with Northway Bank. Borrowings under the line bear interest at 6.50% per annum, and totaled \$28,045 at June 30, 2015.

The Organization has available a \$750,000 line of credit with TD Bank which was secured with real estate mortgages and assignments of leases and rents on various properties as disclosed in the line of credit agreement. Borrowings under the line bear interest at 4.25% per annum, and totaled \$400,000 at June 30, 2015. The line is subject to renewal each January.

The Organization has available a \$25,000 line of credit with Bank of New Hampshire which is secured with all business assets of the Northern Forest Heritage Park. Borrowings under the line bear interest at 4.25% per annum, and totaled \$15,509 at June 30, 2015. The Northern Forest Heritage Park was sold subsequent to fiscal year end, at which time the line of credit was paid off in full.

The Organization was issued an unsecured revolving line of credit in 2014 with the New Hampshire Department of Administration Services. On June 30, 2015, the outstanding debt totaled \$256,698, which included accrued interest of \$5,860.

NOTE 8. LEASES

Operating Leases

The Organization has entered into numerous lease commitments for space. Leases under non-cancelable lease agreements have various starting dates, lengths, and terms of payment and renewal. Additionally, the Organization has several facilities which are leased on a month to month basis. For the year ended June 30, 2015, the annual rent expense for leased facilities was \$180,867.

Minimum future rental payments under non-cancelable operating leases having initial terms in excess of one year as of June 30, 2015, are as follows:

<u>Years ending June 30</u>	<u>Amount</u>
2016	\$ 139,374
2017	92,385
2018	82,127
2019	68,688
2020	34,974
Thereafter	<u>247,027</u>
	<u>\$ 664,575</u>

NOTE 9. IN-KIND CONTRIBUTIONS

Contributions of donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

The Organization records the value of in-kind contributions according to the accounting policy described in **Note 1**. The Head Start, Transportation and Elder Programs rely heavily on volunteers who donate their services to the Organization. These services are valued based upon the comparative market wage for similar paid positions. The Organization is also the beneficiary of a donation of in kind in the form of below market rent for some of the facilities utilized by the Head Start and Elder Programs. The value of the in-kind rent is recorded at the difference between the rental payment and the market rate for the property based upon a recent appraisal.

Many other individuals have donated significant amounts of time to the activities of the Organization. The financial statements do not reflect any value for these donated services since there is no reliable basis for making a reasonable determination.

NOTE 10. CONCENTRATION OF RISK

Tri-County Community Action Program, Inc. receives a large majority of its support from federal and state governments. For the year ended June 30, 2015, approximately \$12,900,000 (73%) of the Organization's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant effect on the Organization's programs and activities.

Cornerstone Housing North, Inc. receives a large majority of its support from the U.S. Department of Housing and Urban Development. For the year ended June 30, 2015 approximately 69% of the Organizations total revenue was derived from the U.S. Department of Housing and Urban Development. In the absence of additional revenue sources, the future existence of Cornerstone Housing North, Inc. is dependent upon the funding policies of the U.S. Department of Housing and Urban Development.

The majority of Cornerstone Housing North, Inc.'s assets are apartment projects, for which operations are concentrated in the elderly person's real estate market. In addition, the Organization operates in a regulated environment. The operation of the Organization is subject to administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the administrative burden, to comply with the change.

NOTE 11. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following specific program services as of June 30, 2015:

NH Charitable Foundation Grant, Mt. Jasper	\$ 32,653
Berlin Area Renewable Energy Initiative	7,281
RSVP Program Funds	7,112
10 Bricks Shelter Funds	122,252
Donations to Mahoosuc Trail	6,842
Community Contact	15,040
Donations to Maple Fund	1,825
FAP/EAP	38,117
Homeless Programs	47,677
Temporary Municipal Funding	247,754
Julien Fund (AOD)	575
Angelias Fund (AOD)	235
Loan Programs	36,291
Private Funding for Alcohol and Other Drug Program	50,000
L. CHIP – Brown Co. House	19,443
Restricted Buildings	<u>112,813</u>
Total temporarily restricted net assets	<u>\$ 745,910</u>

NOTE 12. COMMITMENTS AND CONTINGENCIES

Grant Compliance

The Organization received funds under several federal and state grants. Under the terms of the grants the Organization is required to comply with various stipulations including use and time restrictions. If the Organization was found to be noncompliant with the provisions of the grant agreements, the Organization could be liable to the grantor or face discontinuation of funding.

Environmental Contingencies

On March 30, 2009 the Organization's Board of Directors agreed to secure ownership of a 1.2-acre site located in Berlin, New Hampshire. There are 2 buildings on this site designated as the East Wing and West Wing Buildings which were formerly used as a research and development facility for the Berlin Mills Company. The exterior soil and interior parts of the East Wing Building contained contaminants which required environmental remediation. In a letter dated May 2, 2012, the State of New Hampshire Department of Environment Services (the Department) noted that the remedial actions for the exterior soils and parts of the East Wing Building had been completed to the Department's satisfaction.

In addition, the Department noted that the contaminants related to the West Wing Building did not pose an exposure hazard to site occupants, area residents, and the environment provided the West Wing Building is maintained to prevent further structural deterioration. If further deterioration occurs and contaminants are released into the environment, the Organization could be required to take additional action including containment and remediation.

NOTE 13. RELATED PARTY TRANSACTIONS

As disclosed in **Note 6**, the Organization has a loan payable to the wife of the former Chief Executive Officer. Also in **Note 6**, the Organization has a loan payable to a non-profit organization which also provides pass-through state and federal funding for some of the Organization's programs. See **Note 6** for terms of the note payables. Total notes payable to related parties for the year ended June 30, 2015 was \$132,725.

NOTE 14. RESIDUAL RECEIPTS ACCOUNT

Cornerstone Housing North, Inc.'s use of the residual receipts account is contingent upon HUD's prior written approval. The amount at June 30, 2015 was \$2,010 and is included in restricted cash.

NOTE 15. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Non-recognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through December 10, 2015, the date the financial statements were available to be issued.

Subsequent to year end, but before the date of this report, the Organization sold the Northern Forest Heritage Park. At that time, the associated line of credit was paid off in full. Also, subsequent to year end, the Organization discontinued the Restorative Justice Division.

Subsequent to year end, the Organization purchased two vehicles with long term debt. The long term debt of the two vehicles consisted of the following:

Note payable to a financing company requiring 72 monthly installments of \$312 including interest at 5.49% per annum. Secured by an Organization's vehicle. Final installment due August 2022. \$ 19,127

Note payable to a financing company requiring 72 monthly installments of \$1,664 including interest at 5.54% per annum. Secured by an Organization's vehicle. Final installment due July 2022. 19,157
38,284
Less current portion due within one year (4,828)

Total long term debt \$ 33,456

The future principle payments are included in **Note 6**.

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass Through Grantor/Program Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
U.S. Department of Health and Human Services			
<i>Direct</i>			
Head Start	01CH1041/48	93.600	2,261,736
<i>Passed through New Hampshire Office of Energy and Planning</i>			
Low-Income Home Energy Assistance (Admin.)	1033340	93.568	7,671
Low-Income Home Energy Assistance (Assurance 16)	1033340	93.568	34,456
Low-Income Home Energy Assistance (Admin.)	G-15B1NHLIEA	93.568	340,660
Low-Income Home Energy Assistance (Program)	G-15B1NHLIEA	93.568	5,145,190
Low-Income Home Energy Assistance (Assurance 16)	G-15B1NHLIEA	93.568	127,361
Low-Income Home Energy Assistance (HRRP)	1033553	93.568	28,315
Low-Income Home Energy Assistance (HRRP)	G-14B1NHLIEA	93.568	107,100
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (SEAS)	15AANH3SP	93.044	10,806
<i>Passed through New Hampshire Health and Human Services</i>			
Community Services Block Grant	102-500731	93.569	121,031
Community Services Block Grant	102-500731	93.569	511,218
Temporary Assistance for Needy Families (NHEP Workplace Success)		93.558	309,724
Temporary Assistance for Needy Families (JARC)	102-500731	93.558	24,300
Preventative Health and Health Services Block Grant (Oral Health Program)	90072003	93.991	11,286
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services (Sr Oral Health)	102-500731	93.043	3,150
Special Programs for the Aging - Title III, Part C - Nutrition Services (HD Meals)	541-500383	93.045	76,064
National Family Caregiver Support (Family Caregiver)		93.052	20,965
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (Sr Wheels)	512-500352	93.044	48,356
Medical Assistance Program (Options Counseling and I&R #7)		93.778	70,951
Medical Assistance Program (Transportation)		93.778	44,623
Nutrition Services Incentive Program (NSIP)		93.053	79,843
Social Services Block Grant (Title XX I&R)		93.667	9,269
Social Services Block Grant (HD Title III C2 units)		93.667	176,038
Social Services Block Grant (HD Title III B miles)		93.667	10,217
Social Services Block Grant (Title XX HD miles)		93.667	4,513
Special Programs for the Aging - Title III, Part C - Nutrition Services (Congregate Meals)	541-50000383	93.045	65,467
Affordable Care Act - Aging and Disability Resource Center (Options Counseling)		93.517	26,702
Centers for Medicare and Medicaid Services (SHIP)		93.779	12,707
Special Programs for the Aging - Title IV and Title II - Discretionary Projects (SMPP)		93.048	12,257
Special Programs for the Aging - Title IV and Title II - Discretionary Projects (SMPP Capacity Building)		93.048	6,706
Administration for Community Living - Medicare Enrollment Assistance Program (MPPA)		93.071	2,405
Centers for Medicare and Medicaid Services (Marketplace Assister Services)		93.525	34,357
Centers for Medicare and Medicaid Services (Marketplace Assister Services)		93.525	11,947
<i>Passed Through New Hampshire Coalition against Domestic and Sexual Violence</i>			
Family Violence Prevention and Services/Battered Women's Shelters - Grants to States and Indian Tribes (SPIRDV)		93.671	26,446
Family Violence Prevention and Services/Battered Women's Shelters - Grants to States and Indian Tribes (DVS)		93.671	22,884
<i>Passed through New Hampshire Division of Public Health Services</i>			
Block Grants for Prevention and Treatment of Substance Abuse		93.959	267,651
<i>Passed through New Hampshire Division of Child Support Services</i>			
Projects for Assistance in Transition from Homelessness (PATH)		93.150	81,767
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			<u>10,178,139</u>
U.S. Department of Energy			
<i>Passed through Governor's Office of Energy and Community Services</i>			
Weatherization Assistance for Low-Income Persons	EE006169	81.042	16,658
Weatherization Assistance for Low-Income Persons	EE006169	81.042	186,742
Weatherization Assistance for Low-Income Persons	EE006169	81.042	74,663
TOTAL U.S. DEPARTMENT OF ENERGY:			<u>288,063</u>
U.S. Corporation for National and Community Service			
<i>Direct</i>			
Retired and Senior Volunteer Program	13SRANH001	94.002	66,717
TOTAL U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:			<u>66,717</u>

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

Federal Grantor/Pass Through Grantor/Program Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>			
<i>Direct</i>			
Supplemental Nutrition Assistance Program (food stamps)		10.551	3,230
Rural Housing		10.433	2,110
<i>Passed Through New Hampshire Department of Education</i>			
Child and Adult Care Food Program		10.558	99,635
TOTAL U.S. DEPARTMENT OF AGRICULTURE:			104,975
<u>U.S. Department of Homeland Security</u>			
<i>Direct</i>			
Emergency Management Performance Grants (FEMA)	582200-001	97.042	8,392
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY:			8,392
<u>U.S. Department of Justice</u>			
<i>Passed through New Hampshire Coalition Against Domestic and Sexual Violence</i>			
Grants to Encourage Arrest Program (GTEAP)	2014-WE-AX-003E	16.590	2,173
Crime Victim Assistance (VOCA)		16.575	71,084
Sexual Assault Services Formula Program (SASP)	2012-KF-AX-0021	16.017	8,364
TOTAL U.S. DEPARTMENT OF JUSTICE:			81,821
<u>U.S. Department of Transportation</u>			
<i>Passed through New Hampshire Department of Transportation</i>			
Formula Grants for Rural Areas (Section 5311)		20.509	338,069
Enhanced Mobility of Seniors and Individuals with Disabilities (5310 POS, NCC)		20.513	54,989
Enhanced Mobility of Seniors and Individuals with Disabilities (5310 POS, MWVEC)		20.513	18,961
TOTAL U.S. DEPARTMENT OF TRANSPORTATION:			412,039
<u>U.S. Department of Housing and Urban Development</u>			
<i>Passed through New Hampshire Office of Family Services</i>			
Emergency Solutions Grant Program		14.231	32,512
Supportive Housing Program (HOIP)		14.235	127,553
<i>Passed through the City of Berlin</i>			
Community Development Block Grant		14.228	20,482
<i>Passed through New Hampshire Health and Human Services then Southwestern Community Services</i>			
Emergency Solutions Grant Program (Rapid Re-Housing and Prevention)		14.231	393
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			180,940
<u>U.S. Department of Labor</u>			
<i>Passed through New Hampshire Department of Labor</i>			
WIA Adult Program	2014-0004	17.258	64,099
WIA Dislocated Worker Formula Grants	2014-0004	17.278	63,090
TOTAL U.S. DEPARTMENT OF LABOR:			127,189
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 11,446,075

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Tri-County Community Action Program, Inc. under programs of the federal government for the year ended June 30, 2015. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of Tri-County Community Action Program, Inc., it is

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Tri-County Community Action Program, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2015, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 10, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Tri-County Community Action Program Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Tri-County Community Action Program Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tri-County Community Action Program Inc.'s consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Leone, McDonnell & Roberts
Professional Association

December 10, 2015
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

*Leone,
McDonnell
& Roberts*

PROFESSIONAL ASSOCIATION

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

CERTIFIED PUBLIC ACCOUNTANTS

WOLFEBORO • NORTH CONWAY

DOVER • CONCORD

STRATHAM

To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Tri-County Community Action Program Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Tri-County Community Action Program Inc.'s major federal programs for the year ended June 30, 2015. Tri-County Community Action Program Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Tri-County Community Action Program Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Tri-County Community Action Program Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Tri-County Community Action Program Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Tri-County Community Action Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of Tri-County Community Action Program, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Tri-County Community Action Program Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Leone, McDonnell & Roberts
Professional Association

December 10, 2015
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

1. The auditors' report expresses an unmodified opinion on the consolidated financial statements of Tri-County Community Action Program, Inc.
2. No significant deficiencies relating to the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the consolidated financial statements of Tri-County Community Action Program, Inc. which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs during the audit are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditors' report on compliance for the major federal award programs for Tri-County Community Action Program, Inc. expresses an unmodified opinion on all major programs.
6. There were no audit findings which the auditor would be required to report under section 510(a) of OMB Circular A-133.
7. The programs tested as major programs included:
 - U.S. Dept. of Health & Human Services, Low Income Home Energy Assistance – CFDA #93.568
 - U.S. Dept. of Health & Human Services, Heat Start – CFDA #93.600
 - U.S. Department of Energy, Weatherization Assistance for Low-Income Persons – CFDA #81.042
 - U.S. Dept. of Health & Human Services, Block Grants for Prevention and Treatment of Substance Abuse – CFDA #93.959
 - U.S. Department of Transportation, Formula Grants for Rural Areas – CFDA #20.509
 - U.S. Dept. of Agriculture, Child and Adult Care Food Program – CFDA #10.558
8. The threshold for distinguishing Type A and B programs was \$343,382.
9. Tri-County Community Action Program, Inc. was determined not to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE YEAR ENDED JUNE 30, 2014

Financial Statement Audit

FS-2014-001

Condition: The Organization records their monthly receivables based on the invoicing done by the Program Directors. The non-contract billings are recorded as miscellaneous receivables for the year-end balance. Management reviews subsequent cash receipts to capture any payments that may have been overlooked by a Program Director when completing their reports for year end.

A system needs to be developed to ensure that all financial information, including the receivable balances and estimates for allowance for doubtful accounts, is captured and reported in the financial statements.

Recommendation: The Organization should design and implement policies and procedures for the recording, reporting and collection of all receivables.

Prior Year Management Response: Management agrees with this finding. Due to the structure of the Organization, billing needs to be initiated by the program departments after reviewing their monthly results from their records and the Organization's accounting system. The Finance Department reviews the revenue and expense reports to review for flags (such as budget variances) that indicate possible unbilled items due to an unexpected revenue and expense imbalance. Monthly inquiries are made of Department Directors to ask about potential unbilled items. Written procedures will be created for Directors and/or their designees to follow to help prevent missed billings, receivable adjustments, and/or the accrual of as yet unbilled but earned receivables.

Current Status: During our testing, we noted that there were proper policies and procedures in place for the recording, reporting and collection of all receivables. Corrected.

FS-2014-002

Condition: The Organization failed to comply with the requirements to report net assets as unrestricted, temporarily restricted, and permanently restricted.

The Organization needs to have a process in place to identify restrictions on grants and donations, as well as monies received from Federal funds.

Recommendation: The Organization needs to develop a policy to properly record the donations and grants to the appropriate net asset classification.

Prior Year Management Response: Management agrees with this finding. The predecessor auditor and former fiscal management had discussions related to the treatment of the net asset section. The Organization decided to seek and utilize the guidance of the predecessor auditor. Before this finding current management was reviewing and questioning the prior recommended net asset classifications. After review of documentation and consulting with the current auditors, the current management concurs that net assets need to be classified differently and that specific written instructions are required to insure proper classification in the future. Subsequent to June 30, 2014, management analyzed the net asset balances and posted adjustments to properly classify net assets by restriction at June 30 2014.

Current Status: Corrected.

FS-2014-003

Condition: The Organization failed to design and implement procedures to control and monitor the use of a certain bank account and the proper recording of another account.

Controls over the bank accounts must be designed and implemented to prevent, or detect and correct, errors including misappropriations. A lack of internal control procedures over the Organization's bank accounts, noted above, and the reconciliation of those accounts.

One bank account was not properly recorded in the Organization's general ledger, resulting in an adjustment to the trial balance. Another bank account was reported on a cash basis, rather than an accrual basis, and had to be adjusted accordingly.

Recommendation: Management should further improve controls over the bank accounts in order to ensure that they are being reported properly.

Prior Year Management Response: Management agrees with this finding. Although immaterial to the financial statements in this instance, Management agrees that all bank accounts need to be recorded and reconciled properly due to the responsibility related to the custody of these cash assets. The Organization has corrected the issue related to both referenced accounts above and is performing further research to ensure no other such accounts have been omitted.

Current Status: Corrected.



COMMUNITY ACTION TRI-COUNTY CAP

30 Exchange Street, Berlin, New Hampshire 03570

p: 603 752-7001 f: 603 752 7607

www.tccap.org

CEO: Robert G. Boschen, Jr.

COO: Jeanne L. Robillard

FD/Interim CFO: Randall S. Pilotte

BOARD OF DIRECTORS FY2017

COÖS COUNTY

Board Chair
Sandy Alonzo

Secretary
Gary Coulombe

Treasurer
Cathy Conway

CARROLL COUNTY

Anne Barber

Michael Dewar

Vice Chair
Dino Scala

Karolina Brzozowska

GRAFTON COUNTY

Linda Massimilla

Tricia Garrison

Richard McLeod

Serving Coös, Carroll & Grafton Counties

Administrative
603-752-7001

Weather Zoning
603-752-6624

Community Contact
603-752-3748

Energy Programs
603-752-7100

Asst
603-752-7041

Finance
603-752-1741

R.S.V.P.
603-752-4194

Elder Programs
603-752-3010

Robert Boschen, Jr., CMA, MBA

WORK EXPERIENCE

- Tri-County Community Action Program** **Berlin, New Hampshire**
Chief Executive Officer **April 2016 – Present**
- Responsible for the strategic and day to day operations for a \$20 million agency. 280+ employees
- Chief Operating/Chief Financial Officer** **March 2015 – April 2016**
- Responsible for assisting with the strategic and day to day operations and fully responsible for the financial operations, information technology, human resources and facilities management.
- Chief Financial Officer** **June 2014 – March 2015**
- Responsible for financial operations and facilities management..
-
- Town of Falmouth** **Falmouth, Maine**
Director of Finance **August 2011 – May 2014**
- Responsible for financial operations and reporting related to the \$11 million budget for the Town – population 11,165
Responsible for the accounts payable for the combined Town/School budget of \$42 million and investments of \$30 million.
-
- City of Waterville** **Waterville, Maine**
Director of Finance/Treasurer **October 2006 – August 2011**
- Responsible for financial operations and reporting related to the \$16 million budget for the City – population 15,600 - a service center that expands to roughly 40,000 during the work day. Responsible for the accounts payable and payroll for the combined City/School budget of \$36 million.
-
- State of Maine, Department of Health and Human Services (DHHS), Augusta, Maine** **Nov 2003 - Oct 2006**
Director of Finance for the Office of Medical Services (Medicaid) **Aug 2005 – Oct 2006**
Director of Finance & Reimbursement for Bureau of Medical Services (Medicaid) **Nov 2003 – Jul 2005**
- Responsible for financial operations, strategies and tactics for the over \$2.3 billion budget for the MaineCare (Medicaid) and related Medicare budget. This consisted of approximately 25% to 30% of the State of Maine's budget and insures over 20% of the State of Maine's population.
-
- M&H Logging and Construction** **Rangeley, Maine**
Controller **September 2001 – November 2003**
- Responsible for the financials, human resources, and office operations (including information technology) for a construction business and its related entities including a logging corporation and a land enterprise.
-
- Franklin Community Health Network** **Farmington, Maine**
Controller **October 1997 – September 2001**
- Reported directly to CFO for this rural health network that had about \$63 million in revenues.
-
- Aetna, Inc. and Aetna Life and Casualty** **September 1991- July 1997**
Aetna, Inc. - Aetna/US Healthcare - Midwest Region **Chicago, Illinois**
Director Planning and Budgeting **September 1996 - July 1997**
- Responsible for operating plans, membership reporting and budget for the Midwest region (one of six and the largest). \$52 million in operating expenses. \$1.4 billion revenue. \$375 million projected profit.
- Aetna Life & Casualty Company - Pharmacy - Finance Department** **Middletown, Connecticut**
Director/CFO - Finance **February 1994 - September 1996**
- Complete responsibility for Finance Department. Reported to CEO. Cost center manager duties.
 - \$825 million in revenue in 1996. Exceeded \$1.1 billion by 1997. Profits of \$4 million in 1993 expanded to \$32 million for 1996. □ Created 1996 to 1998 strategic plans.
- Aetna Life & Casualty Company - Information Technology** **Hartford, Connecticut**
Expense Management Consultant & Account Representative **September 1991 - February 1994**
-
- United Technologies - Otis Elevator International/Hamilton Standard** **Connecticut**
Senior Tax Specialist, Consolidations Accountant & G/L Systems Admin. **February 1988 - September 1991**
- Kaiser Permanente, Accountant - Medical Group** **Hartford, Connecticut, Dec 1986 - Feb. 1988**
- KMG Main Hurdman, Tax Specialist** **Stamford, Connecticut, March 1986 - Dec 1986**
-

PROFESSIONAL ORGANIZATIONS & EDUCATION

- Member of Institute of Management Accountants
- The University of Connecticut, Storrs, Connecticut
- The University of Connecticut, Storrs, Connecticut
- Passed the Certified Public Accountant Examination.
- Master of Business Administration
- Bachelor of Science in Business Administration - Finance

Jeanne L. Robillard

CORE STRENGTHS

Program development, management and administration ♦ Community collaborations
Development of policy, protocol, and service delivery to meet funder standards
Grant writing and management ♦ Budget performance and financial reporting
Innovative solutions & problem solving ♦ Capacity building
Professional presentations ♦ Public speaking
Dedication ♦ Imagination ♦ Determination ♦ Fortitude

PROFESSIONAL EXPERIENCE

Tri-County Community Action Programs, Inc.

Chief Operating Officer

Berlin, NH Current Position

Responsible for the operations of six agency Divisions with 15 individual programs that provide over 60 consumer services across three counties of Northern New Hampshire. Essential duties include; supervision of Division Directors, oversee and monitor program resources, revenues, expenditures and budget performance; tactical oversight of programs to meet or exceed agency defined strategic goals; develop and implement strategies to improve individual programs and overall agency program and fiscal performance; oversee and lead special projects such as the Annual Report, Strategic Plan, Community Needs Assessment process, and work with Senior Management Team to develop new service initiatives. Provide tactical guidance to Division Directors to trouble shoot issues and problems in the daily operations of programs.

Tri-County Community Action Programs, Inc.

Division Director: TCCAP Prevention Services

Berlin, NH 2015- 2016

Responsible for four agency programs under the umbrella of TCCAP Prevention Services; oversee division resources, revenues, and expenditures and monitor budget performance; general oversight of programs to meet or exceed agency defined strategic goals; supervise program directors; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and agency; develop fundraising and marketing strategies for programs; represent program through participation in state and local initiatives relative to program/division goals and service delivery; collaborate with stakeholders and elected officials, including presenting legislative testimony.

Tri-County Community Action Programs, Inc.

Program/Division Director: Support Center at Burch House

Littleton, New Hampshire 2007- 2015

Oversee daily operation and supervision of domestic and sexual violence crisis center and residential shelter; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and parent agency; oversee program resources, revenues and expenditures, and monitor budget performance and progress toward strategic goals; create and direct victim advocacy programs to ensure compliance with grant deliverables and applicable state and federal law; develop fundraising and marketing strategies; participate in state and local collaborations to enhance victim services; represent program in state and federal victim service initiatives, including presentation of legislative testimony; create and present trainings for medical and legal professionals on legal standards and best practices for victim services.

Tri-County Community Action Programs, Inc.

Direct Services/Volunteer Coordinator: Support Center at Burch House

Littleton, New Hampshire 1997 to 2007

Provide advocacy and direct service to victims of domestic and sexual violence; supervise court advocacy programs; recruit, train and supervise staff, volunteers, and interns; develop agency systems, policies and protocols; create and present community outreach presentations and campaigns; present school-based violence prevention classes for grades K-12 ; provide on-call coverage of crisis line

**Director: Haverhill Area Juvenile Diversion Program
Woodsville, New Hampshire 1999-2001**

Recruit, train, and supervise volunteer diversion committees; establish community programming for diverted youth; supportive counseling of youth; maintain collaborative relationships between the court system, juvenile service officers, local police departments, and diversion program; prepare and file court reports on diverted youth; community outreach and education

**Counselor/Title I Teacher: Northern Family Institute-Jefferson Shelter
Jefferson, New Hampshire 1996-1999**

Provide individual supportive counseling to adjudicated youth, facilitate peer support groups, develop and implement treatment plans and case management services to clients, supervise and tutor youth in classroom setting, supervise youth in daily living skills

**Executive Administrative Assistant: North Country United Way
Littleton, New Hampshire 1993-1996**

Bookkeeper with payroll, develop and facilitate community outreach presentations, fundraising, develop and administer member program services, grant writing, preparation of financial reports for Board of Directors, general administrative support to Executive Director.

Education

BS in Human Services, Springfield College School of Human Services, Boston, MA
Criminal Justice Concentration, *Graduated with 4.0 GPA*

**AS in Drug and Alcohol Rehabilitation Counseling (DARC Program)
Gateway Community College (formerly Southern Connecticut Community College)
New Haven, CT**

Additional Skills, Professional Leadership and Civic Affiliations

- ◆ Chairman, Bethlehem Board of Selectmen, Town of Bethlehem Twice Elected 2006-2010
- ◆ Chairman, Arts Alliance of Northern New Hampshire 2000-2003, *Treasurer 1996-1998*
- ◆ Chairman, Haverhill Area Family Violence Council 1998-2003
- ◆ Certified PRIME FOR LIFE Impaired Driver Intervention Program Instructor #NH16199
- ◆ Nationally Certified Results Oriented Management Accountability (ROMA) Implementer
- ◆ Registered Sexual Harassment Prevention Trainer in the State of New Hampshire
- ◆ Board Member, Women's Rural Entrepreneurial Network 2014; *Individual Member 2008-current*
- ◆ Bethlehem Planning Board 2010 - 2016
- ◆ Bethlehem Conservation Commission 2006 - *current*
- ◆ Granite United Way, North Country Cabinet Member 2011-2012
- ◆ TCCAP: Commendation- Division Director Award, 2011
- ◆ Bethlehem Citizen's Advisory Committee on Recycling 2007-2010
- ◆ Licensed Foster Parent, State of NH 2000-2006
- ◆ Small Business Owner : Aurora Energies 2015- *current*
- ◆ Speakeasy Trio Jazz Vocalist/ Sweet Jamm Swing Band Jazz Vocalist 1997- *current*
- ◆ Member, United States Figure Skating Association/International Skating Institute *current since 1993*
- ◆ Coach, Plymouth State Skating Academy, Plymouth State College *current*
- ◆ Avid outdoor enthusiast and angler

RANDALL S. PILOTTE

SUMMARY

Accounting professional with over 26 years of experience, of which 21 years were with a single private manufacturer. 16 years of experience managing accounting professionals. Key competencies include:

Financial Statements	Accounts Payables	Inventory	Fixed Assets
Payroll	Bank Reconciliations	Accounts Receivables	Sales/Use Tax

EXPERIENCE

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC., Berlin, NH 06/2013-Present

Fiscal Director/Interim CFO (2016 – Present)

Accounting Manager (2015 – 2016)

- Direct and manage a fiscal staff of 4 and processes associated with the general ledger, payroll, and accounts payable, accounts receivable, cash receipts and fixed assets.
- Prepare and supervise the production of financial statements including Balance Sheet, Revenue and Expense Reports, and Cost Summaries on a monthly and annual basis.
- Maintain proper accounting controls on grants and contributions to ensure accurate revenue reporting and expense tracking to support periodic monitoring's by funders and auditors.
- Ensure all balance sheet, revenue and expense accounts are analyzed and reconciled periodically.
- Collaborate with Division Directors to monitor departmental revenue and expenses versus budget.
- Worked with the CFO to develop real time monthly and annual financial reporting; and implementing departmental goals.
- Prepare audit schedules for external auditors.
- Collaborate with external auditors in completing annual audit in a timely manner.

Accountant (2013-2014)

ST. PAUL'S UNITED METHODIST CHURCH, Manchester, NH 04/2011-04/2013

Auditor

Performed annual audit of the church finances for F/Y 2010 through 2012 which included various committees such as Finance, Trustee's, Senior's and Women's Group. Trustee's committee bookkeeper for F/Y 2012. Treasurer of Trustee's committee for F/Y 2007 & 2008. During 2012 & 13 served on newly created "Investment Committee", established and monitored fund performance and was church's point of contact to the investment firm.

KENT NUTRITION GROUP, INC. (f/k/a Blue Seal Feeds, Inc.), Londonderry, NH 03/1989-09/2010

Assistant Controller (2005-2010)

- Ensured an accurate and timely monthly and year end close, consisting of the preparation of a consolidated and individual financial statements in accordance with GAAP for nine manufacturing plants and 11 retail stores with gross revenues in excess of \$200M. Additional responsibilities included preparing journal entries, account analysis, inventory review and observation, fixed assets, and depreciation.
- Managed, trained, and supervised a staff accountant responsible for ensuring accurate journal entries, inventory reconciliation, tonnage tax returns, bank reconciliations, and assignment of special projects.

- Oversaw all aspects of a proprietary software, multi-state payroll system for 500 employees. Prepared all federal and state payroll tax reports, including quarterly and year-end returns, processing of W2s, and supervision of payroll clerk.
- Interfaced with 18 various banks throughout New England and Mid-Atlantic area used as depositories.
- Prepared multi-state sales/use tax returns and acted as point of contact for audits.
- Pro-actively coached and consulted plant and store management on the annual budget development process.
- Oversaw month-end accruals.
- Assisted and responded to auditors requests on annual audit.
- Filed annual franchise and abandoned property reports with appropriate states.

Accounting Manager (1999-2005)

Supported the Corporate Controller's initiatives by providing supervision and oversight to the Accounting function. Supervised and trained two accounts payable clerks on Chart of Accounts, Accounts Payable, timely and accurate processing and payment of vendor's invoices, employee travel reimbursements, and standard accounting practices.

Accountant/Payroll Supervisor (1994-1999)

Accountant (1989-1994)

NORTHERN TELECOM, INC., Concord, NH

05/1987-03/1989

Associate Results Accountant (1988-1989)

Accounts Payable (1987-1988)

SPECIAL PROJECTS

Blue Seal Feeds, Inc. Participant of a 3 person team to improve logistics. The project resulted in:

- Gained approval for the construction of a 3M dollar warehouse expansion.
- Evaluated each product, by mill, products to manufacturer vs. buy internally.

VOLUNTEERISM

Heritage United Way (f/k/a-Londonderry/Derry United Way), Derry NH: 1996 – 2004

- Tri-annual Agency Review Team
- Appropriations Committee

Manchester Red Cross, Manchester NH: 1995 – 1999

EDUCATION

Bachelor of Science, Accounting, FRANKLIN PIERCE COLLEGE, Concord, NH

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Robert G. Boschen Jr	Chief Executive Officer	\$135,000	0%	0
Jeanne Robillard	Chief Operations Officer	72,000	0%	0
Randall S. Pilotte	Chief Financial Officer	70,000	0%	0