



Kerrin A. Rounds
Acting Commissioner

Katja S. Fox
Director

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR BEHAVIORAL HEALTH

129 PLEASANT STREET, CONCORD, NH 03301
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January 6, 2020

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Behavioral Health, to enter into a **retroactive sole source** agreement with FIT/NHNH, Inc. (Vendor #157730), 122 Market Street, Manchester, NH 03101, to provide stabilization services for persons experiencing substance use disorder in an amount not to exceed \$250,000, effective retroactive to December 1, 2019 upon Governor and Executive Council approval through June 30, 2020. 100% General Funds.

Funds are available in the following account(s) for State Fiscal Year 2020, with authority to adjust budget line items within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

092-920510-3384-102 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG AND ALCOHOL SVCS, CLINICAL SVS.

State Fiscal Year	Class/Account	Class Title	Total Amount
2020	102-500731	Contracts for Prog Svc	\$250,000
		Total	\$250,000

EXPLANATION

This request is **retroactive** because House Bill 4 of the 2019 New Hampshire Regular Legislative Session directs the Department of Health and Human Services to provide Emergency and Stabilization Beds.

This request is **sole source** because the Legislature recognized the immediate need and crisis of the population to be served, and directed the Department to provide for emergency and stabilization beds. Engaging in a procurement process would significantly delay the availability of these critically needed beds.

The purpose of this request is to provide emergency and stabilization services for persons experiencing substance use disorder who do not have safe, stable housing otherwise available to them.

Approximately 150 individuals will be served from December 1, 2019 through June 30, 2020.

The vendor will provide emergency and stabilization beds to individuals who have a substance use disorder and are homeless and do not have safe, stable housing to include substance use disorder treatment services. Individuals will receive assistance finding a treatment provider, establishing a connection and locating long-term housing. Homeless individuals with a substance use disorder need emergency and stabilization as these individuals do not have safe stable housing. This contract will assist homeless individuals with a substance use disorder access treatment, safe stable housing and other community supports to ensure increased independent living, therefore decreasing the homeless population with a substance use disorder.

The Department will monitor the effectiveness of the Contractor and the delivery of services required under this contract using the following performance measures:

- 100% of individuals are connected with substance use disorder treatment centers and assisted with pursuing and maintaining substance use disorder treatment. 100% of individuals are assisted in locating long-term housing. 100% of individuals will be connected to long-term housing. 100% of individuals, or a minimum of seventy-five (75) individuals, utilizing emergency and stabilization beds will complete an assessment provided by the vendor.
- 100% of individuals, or a minimum of seventy-five (75) individuals, utilizing emergency and stabilization beds will access substance use disorder treatment.
- 100% of individuals, or a minimum of fifty (50) individuals, utilizing emergency and stabilization beds will transition from emergency and stabilization beds to long-term housing.

As referenced in the Exhibit C-1, Section 2 Renewal, Subsection 2.1 of this contract, the parties have the option to extend contract services for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Executive Council.

Should the Governor and Executive Council not authorize this request, homeless individuals with a substance use disorder will not be provided with emergency and stabilization services.

Area served: Statewide.

Source of Funds: 100% General Funds

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

Respectfully submitted,



Kerrin A. Rounds
Acting Commissioner

Subject: EMERGENCY AND STABILIZATION BEDS (SS-2020-BDAS-12-CRISI-01)

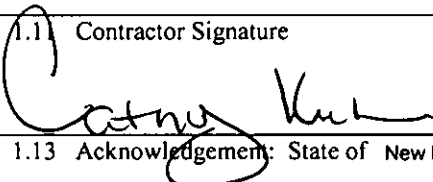
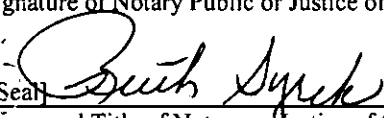
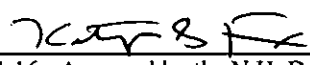
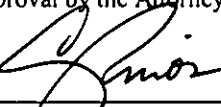
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

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 FIT/NHNH, Inc.		1.4 Contractor Address 122 Market Street Manchester, NH 03101	
1.5 Contractor Phone Number (603) 641-9441	1.6 Account Number 092-920510-3384-102	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$250,000
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Cathy Kuhn, Co-Interim Executive Leaders	
1.13 Acknowledgement: State of New Hampshire, County of Hillsborough On January 2, 2020, 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 		RUTH A. SYREK, Notary Public My Commission Expires September 5, 2023	
1.13.2 Name and Title of Notary or Justice of the Peace Ruth Syrek, Admin. Asst., Notary Public			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Katja S Fox, 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:  CATHERINE PINOS On: 1/7/20			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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



Scope of Services

1. Provisions Applicable to All Services

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and services within ten (10) days of the contract effective date.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. For the purposes of this agreement, days shall mean calendar days.
- 1.4. For the purposes of this Agreement, the Department has identified the Contractor as a Contractor, in accordance with 2 CFR 200.300.

2. Scope of Services

- 2.1. The Contractor shall provide emergency and stabilization beds to individuals who have a substance use disorder and are homeless and do not have safe, stable housing.
- 2.2. The Contractor shall:
 - 2.2.1. Provide twenty-six (26) beds twenty-four (24) hours a day, seven (7) days a week.
 - 2.2.2. Accept individuals referred by the Department's Doorways contractors (hereinafter referred to as "Doorways"), other providers, or self-referral twenty-four (24) hours a day, seven (7) days a week.
 - 2.2.2.1. Ensure individuals utilizing beds or upon entry must be undergoing Substance Use Disorder (SUD) treatment services with appropriate level of care according to ASAM in Section 2.8 in this Agreement.
 - 2.2.3. Assist individuals with finding a treatment provider(s), establishing a connection to the treatment provider(s), and locating long-term housing.
 - 2.2.4. Receive payments, in accordance with Exhibit B, Methods and Conditions Precedent to Payment, only for used beds.
 - 2.2.4.1. Ensure beds are available for homeless individuals as defined in New Hampshire Administrative Rule Section He-M 314.02(b).
 - 2.2.5. Provide emergency and stabilization beds to individuals for up to sixty (60) days from the date of admission, or until the individual enters long-term housing, whichever is sooner.
 - 2.2.5.1. Contractor shall contact the Department regarding individuals that need an extension.



Exhibit A

- 2.2.6. Obtain approval from the Department to provide emergency and stabilization beds to individuals for more than sixty (60) days.
 - 2.2.6.1. Contractor shall contact the Department regarding individuals that need an extension.
- 2.2.7. Ensure individuals receive Screening, Brief Intervention, and Referral to Treatment (SBIRT) within twenty-four (24) to forty-eight (48) hours of admission.
- 2.2.8. Ensure individuals undergo an American Society of Addiction Medicine (ASAM) clinical assessment administered by one of the following to determine appropriate level of care:
 - 2.2.8.1. Licensed social worker.
 - 2.2.8.2. Licensed Alcohol and Drug Counselor (LADC).
 - 2.2.8.3. Master's Licensed Alcohol and Drug Counselor (MLADC).
 - 2.2.8.4. Licensed Clinical Mental Health Counselor (LCMHC).
- 2.2.9. Provide three (3) meals per day to individuals admitted to emergency and stabilization beds.
- 2.2.10. Provide access to a daily recovery support group or individual at the emergency and stabilization bed location.
- 2.2.11. Require individuals leave the emergency and stabilization bed location when attending treatment session(s).
 - 2.2.11.1. Case manager(s) shall provide record of attendance.
- 2.2.12. Monitor individuals at the location twenty-four (24) hours a day, seven (7) days a week to ensure their safety, identify medical emergencies, and call first responders as needed.
- 2.3. The Contractor shall collaborate with Doorways to find alternative overnight emergency and stabilization beds for individuals who are denied admission to the center due to lack of capacity.
- 2.4. The Contractor shall work with Doorways or other means to notify, or attempt to notify, individuals who were denied admission due to lack of capacity when a bed becomes available. The Contractor shall:
 - 2.4.1. Notify the Doorways located within the individual's geographic location within twenty-four (24) hours of the bed becoming available.
- 2.5. The Contractor shall work with the Doorways, individuals' representatives and other community providers to ensure continuity of care that may include, but is not limited to, coordinating and providing access to transportation twenty-four (24) hours seven (7) days a week.
- 2.6. Individuals utilizing emergency and stabilization beds are responsible for the storage of their medications.



Exhibit A

- 2.7. The Contractor shall assist individuals, including homeless individuals with accessing healthcare and applying for assistance programs that may include, but are not limited to:
 - 2.7.1. Medicaid.
 - 2.7.2. Food stamps.
 - 2.7.3. Temporary Assistance for Needy Families.
 - 2.7.4. Housing assistance, which includes finding and obtaining housing.
 - 2.7.5. Fuel assistance.
- 2.8. The Contractor shall ensure policies and procedures are in place that include, but are not limited to:
 - 2.8.1. Individual Safety.
 - 2.8.2. Intake and Admission.
 - 2.8.3. Denial for Admission and Wait List.
 - 2.8.4. Discharge.
- 2.9. The Contractor shall provide the policies and procedures identified in Section 2.1 above for Department review within thirty (30) days of the contract effective date.
- 2.10. The Contractor shall provide facilities for personal hygiene for use by Doorways clients while using emergency and stabilization beds, which include but are not limited to:
 - 2.10.1. Shower facilities.
 - 2.10.2. Toilet facilities.
 - 2.10.3. Laundry services and facilities.
- 2.11. The Contractor shall provide a personal hygiene kit for each Individual, as needed, which includes, but is not limited to:
 - 2.11.1. Bath towels.
 - 2.11.2. Wash cloths.
 - 2.11.3. Soap.
 - 2.11.4. Deodorant.
 - 2.11.5. Tooth brush.
 - 2.11.6. Tooth paste.
 - 2.11.7. Hair brush or comb.
 - 2.11.8. Bath Soap.
- 2.12. The Contractor shall comply with local municipal housing health and safety ordinances and rules for emergency and stabilization beds.
- 2.13. The Contractor shall contact Doorways and utilize all housing treatment resources, not limited to, emergency and stabilization beds.



Exhibit A

2.14. The Contractor shall submit a release of information (ROI) completed by each individual and a copy of the ASAM criteria to Doorways when admitting eligible individuals with a SUD.

2.14.1. An eligible individual is defined as an individual whom is not currently, or was not previously, identified by Doorways.

3. Staffing

3.1. The Contractor shall ensure a minimum of one (1) part-time Manager oversees the Program and case management.

3.1.1. The Manager shall be, or shall be overseen by someone with, one of the following licenses:

3.1.1.1. Licensed Independent Clinical Social Worker (LICSW).

3.1.1.2. LCMHC.

3.1.1.3. LADC.

3.1.2. Case Management will include:

3.1.2.1. Coordination with SUD treatment services.

3.1.2.2. Sustain treatment.

3.1.2.3. Provide other referral sources, as necessary, to include but not be limited to:

3.1.2.3.1. Long-term housing.

3.1.2.3.2. Health care resources.

3.1.2.3.3. SUD treatment services.

3.1.2.4. Discharge coordination with Doorways.

3.1.2.5. Coordinate transportation to and from treatment services through Doorways.

3.2. The Contractor shall ensure qualified staff, per 3.1., is on duty twenty-four (24) hours per day, seven (7) days per week.

3.3. The Contractor shall ensure staff obtain training in cardiopulmonary resuscitation (CPR), Suicide Prevention, and Addiction 101.

3.4. The Contract shall ensure that no less than two (2) staff members are on duty at the location of the emergency and stabilization beds every shift.

3.4.1. Staff members will attain training sited in 3.3.

4. Reporting

4.1. The Contractor shall submit a monthly report to the Department no later than the tenth (10th) day of each month that includes, but is not limited to, the following de-identified aggregate data:



Exhibit A

- 4.1.1. Number and demographics of individuals served.
- 4.1.2. Average time in emergency and stabilization bed.
- 4.1.3. Discharge reason and where the individuals were discharged.
- 4.1.4. Staffing changes.
- 4.1.5. Reason for admission denials.
- 4.1.6. Time between requests for emergency and stabilization bed and admission.
- 4.1.7. Number of beds utilized per month.
- 4.1.8. Number of individuals who completed treatment per month.
- 4.1.9. Barriers to SUD treatment or long-term housing.

5. Performance Measures

- 5.1. The Contractor shall ensure 100% of individuals are connected with SUD treatment centers and assisted with pursuing and maintaining SUD treatment.
- 5.2. The Contractor shall ensure 100% of individuals are assisted in locating long-term housing.
- 5.3. The Contractor shall facilitate 100% of individuals with applying to long-term housing.
- 5.4. The Contractor shall ensure 100% of individuals, or a minimum of seventy-five (75) individuals, utilizing emergency and stabilization beds will complete an assessment provided by the Contractor.
- 5.5. The Contractor shall ensure 100% of individuals, or a minimum of seventy-five (75) individuals, utilizing emergency and stabilization beds will access SUD treatment.
- 5.6. The Contractor shall ensure 100% of individuals, or a minimum of fifty (50) individuals, utilizing emergency and stabilization beds will transition from emergency and stabilization beds to long-term housing.



**New Hampshire Department of Health and Human Services
Emergency and Stabilization Beds**

Exhibit B

Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided pursuant to Exhibit A, Scope of Services.
2. This Agreement is funded with general funds and federal funds as follows: 100% General Funds.
3. Failure to meet the scope of services may jeopardize the funded Contractor's current and/or future funding.
4. Payment for said services shall be made monthly as follows:
 - 4.1. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line items as specified in Exhibit B-1.
 - 4.2. The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month.
 - 4.3. The Contractor shall ensure the invoice is completed, signed, dated and returned to the Department in order to initiate payment.
 - 4.4. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.
5. The Contractor shall keep detailed records of their activities related to Department-funded programs and services and have records available for Department review, as requested.
6. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
7. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to Laurie.Heath@dhhs.nh.gov, or invoices may be mailed to:

Financial Administrator
Department of Health and Human Services
Division of Behavioral Health
105 Pleasant Street
Concord, NH 03301

8. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services and in this Exhibit B.



**New Hampshire Department of Health and Human Services
Emergency and Stabilization Beds**

Exhibit B

9. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
10. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

RFP Name

Exhibit B-#

New Hampshire Department of Health and Human Services COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD												
Contractor Name: FIT/MHMH, Inc.												
Budget Request for: SA-2020-BOAS-12-CR084-41												
Budget Period: 12/1/19- 6/30/2020												
Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share					
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total			
1. Total Salary/Wages	\$ 207,600.00	\$ -	\$ 207,600.00	\$ -	\$ -	\$ -	\$ 207,600.00	\$ -	\$ 207,600.00			
2. Employee Benefits	\$ 42,600.00	\$ -	\$ 42,600.00	\$ -	\$ -	\$ -	\$ 42,600.00	\$ -	\$ 42,600.00			
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
6. Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
7. Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
8. Current Expenses:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
TOTAL	\$ 250,000.00	\$ -	\$ 250,000.00	\$ -	\$ -	\$ -	\$ 250,000.00	\$ -	\$ 250,000.00			

Indirect As A Percent of Direct

0.0%



SPECIAL PROVISIONS

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

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



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

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

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



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

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



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

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

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

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

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

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



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

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

20. Contract Definitions:

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



New Hampshire Department of Health and Human Services
Exhibit C-1

REVISIONS TO STANDARD CONTRACT LANGUAGE

1. Revisions to Form P-37, General Provisions

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

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

10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

1.3. Subparagraph 3, Section 3.1 of the General Provisions of this Contract, Effective Date/Completion of Services is amended to read as follows:

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 as indicated in block 1.18, this Agreement, and all obligations of the parties hereunder, shall become effective on December 1, 2019 ("Effective Date").

Exhibit C-1 – Revisions/Exceptions to Standard Contract Language Contractor Initials



**New Hampshire Department of Health and Human Services
Exhibit C-1**

2. Renewal

- 2.1. The Department reserves the right to extend this agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEEES OTHER THAN INDIVIDUALS

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

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

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

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



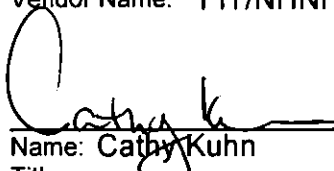
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted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

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

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

Vendor Name: FIT/NHNNH, Inc.

January 2, 2020
Date


Name: Cathy Kuhn
Title: Co-Interim Executive Leaders



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

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

Vendor Name: FIT/NHNNH, Inc.

Name: Cathy Kuhn
Title: Co-Interim Executive Leaders

January 2, 2020

Date



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

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

INSTRUCTIONS FOR CERTIFICATION

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



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

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

PRIMARY COVERED TRANSACTIONS

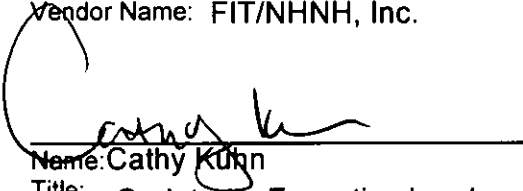
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 -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

LOWER TIER COVERED TRANSACTIONS

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

Vendor Name: FIT/NHNN, Inc.

January 2, 2020
Date


Name: Cathy Kuhn

Title: Co-Interim Executive Leaders



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

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

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

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

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

Exhibit G

Vendor Initials

Ch

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

New Hampshire Department of Health and Human Services
Exhibit G



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

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

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

Vendor Name: FIT/NHNNH, Inc.

January 2, 2020

Date

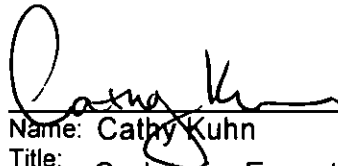

Name: Cathy Kuhn
Title: Co-Interim Executive Leaders

Exhibit G

Vendor Initials CK

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



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Vendor Name: FIT/NHNNH, Inc.

January 2, 2020
Date

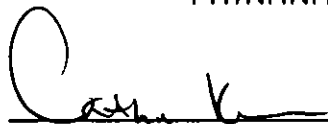

Name: Cathy Kuhn
Title: Co-Interim Executive Leaders



Exhibit I

**HEALTH INSURANCE PORTABILITY
ACT BUSINESS ASSOCIATE
AGREEMENT**

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

(1 Definitions.

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



Exhibit I

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

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

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



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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



Exhibit I

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

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



Exhibit I

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

(4) Obligations of Covered Entity

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

(5) Termination for Cause

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

(6) Miscellaneous

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



Exhibit I

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

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

Department of Health and Human Services
The State

Katya S Fox
Signature of Authorized Representative

Katya S Fox
Name of Authorized Representative

Director
Title of Authorized Representative

1/6/2020
Date

FIT/NHNN, Inc.
Name of the Vendor

Cathy Kuhn
Signature of Authorized Representative

Cathy Kuhn
Name of Authorized Representative

Co-Interim Executive Leaders
Title of Authorized Representative

January 2, 2020
Date



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

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

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

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

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

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

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

Vendor Name: FIT/NHNNH, Inc.

January 2, 2020

Date

Name: Cathy Kuhn

Title: Co-Interim Executive Leaders



FORM A

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

1. The DUNS number for your entity is: 825360399
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO YES

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

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

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

 NO YES

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

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

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

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



DHHS Information Security Requirements

A. Definitions

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

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

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

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



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

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

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

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



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

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

II. METHODS OF SECURE TRANSMISSION OF DATA

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



DHHS Information Security Requirements

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

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

A. Retention

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



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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

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



DHHS Information Security Requirements

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



DHHS Information Security Requirements

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

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



Exhibit K

DHHS Information Security Requirements

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

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

V. LOSS REPORTING

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

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

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



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

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

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

State of New Hampshire

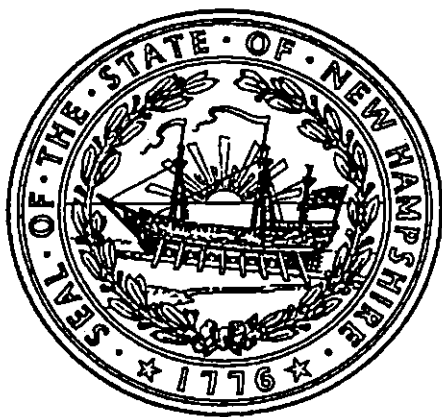
Department of State

CERTIFICATE

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

Business ID: 207982

Certificate Number: 0004506562



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

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Scott W. Ellison, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of FIT/NHH, Inc.
(Agency Name)

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


RESOLVED: That the Co-Interim Executive Leader
(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 2 day of January, 2020.
(Date Contract Signed)

4. Cathy Kuhn is the duly elected Co-Interim Executive Leader
(Name of Contract Signatory) (Title of Contract Signatory)

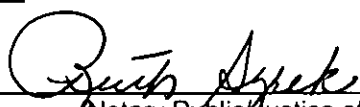
of the Agency.


(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE
County of Hillsborough

The forgoing instrument was acknowledged before me this 2 day of January, 2020.

By Scott W. Ellison
(Name of Elected Officer of the Agency)


(Notary Public/Justice of the Peace)

(NOTARY SEAL)

RUTH A. SYREK, Notary Public
My Commission Expires September 5, 2023

Commission Expires: _____



FAMIINT-01

DBEAUDOIN

CERTIFICATE OF LIABILITY INSURANCE

 DATE (MM/DD/YYYY)
 12/26/2019

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

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

PRODUCER Davis & Towle Morrill & Everett, Inc. 115 Airport Road Concord, NH 03301	CONTACT SN NAME: PHONE (A/C, No, Ext): (603) 225-6611 FAX (A/C, No): (603) 225-7935 E-MAIL ADDRESS: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; text-align: center;">INSURER(S) AFFORDING COVERAGE</td> <td style="width: 20%; text-align: center;">NAIC #</td> </tr> <tr> <td>INSURER A: Philadelphia Insurance Company</td> <td style="text-align: center;">23850</td> </tr> <tr> <td>INSURER B: Granite State Health Care & Human Services Self Insured Group</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Philadelphia Insurance Company	23850	INSURER B: Granite State Health Care & Human Services Self Insured Group		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															
INSURED FIT/NHNNH, Inc. 122 Market St Manchester, NH 03101															

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR YWVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK2077895	1/1/2020	1/1/2021	EACH OCCURRENCE \$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
							MED EXP (Any one person) \$ 20,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 3,000,000
							PRODUCTS - COMP/OP AGG \$ 3,000,000
							\$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2077898	1/1/2020	1/1/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
							BODILY INJURY (Per person) \$
							BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							\$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB705694	1/1/2020	1/1/2021	EACH OCCURRENCE \$ 5,000,000
							AGGREGATE \$
							\$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N N/A If yes, describe under DESCRIPTION OF OPERATIONS below			HCHS2020000187	2/1/2020	2/1/2021	PER STATUTE OTH-ER
							E.L. EACH ACCIDENT \$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liabil			PHPK2077895	1/1/2020	1/1/2021	Each Occurrence 1,000,000
A	Professional Liabil			PHPK2077895	1/1/2020	1/1/2021	Aggregate 3,000,000

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

CERTIFICATE HOLDER **CANCELLATION**

State of NH, 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 <i>Donna P. Beaudoin</i>
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Families in Transition

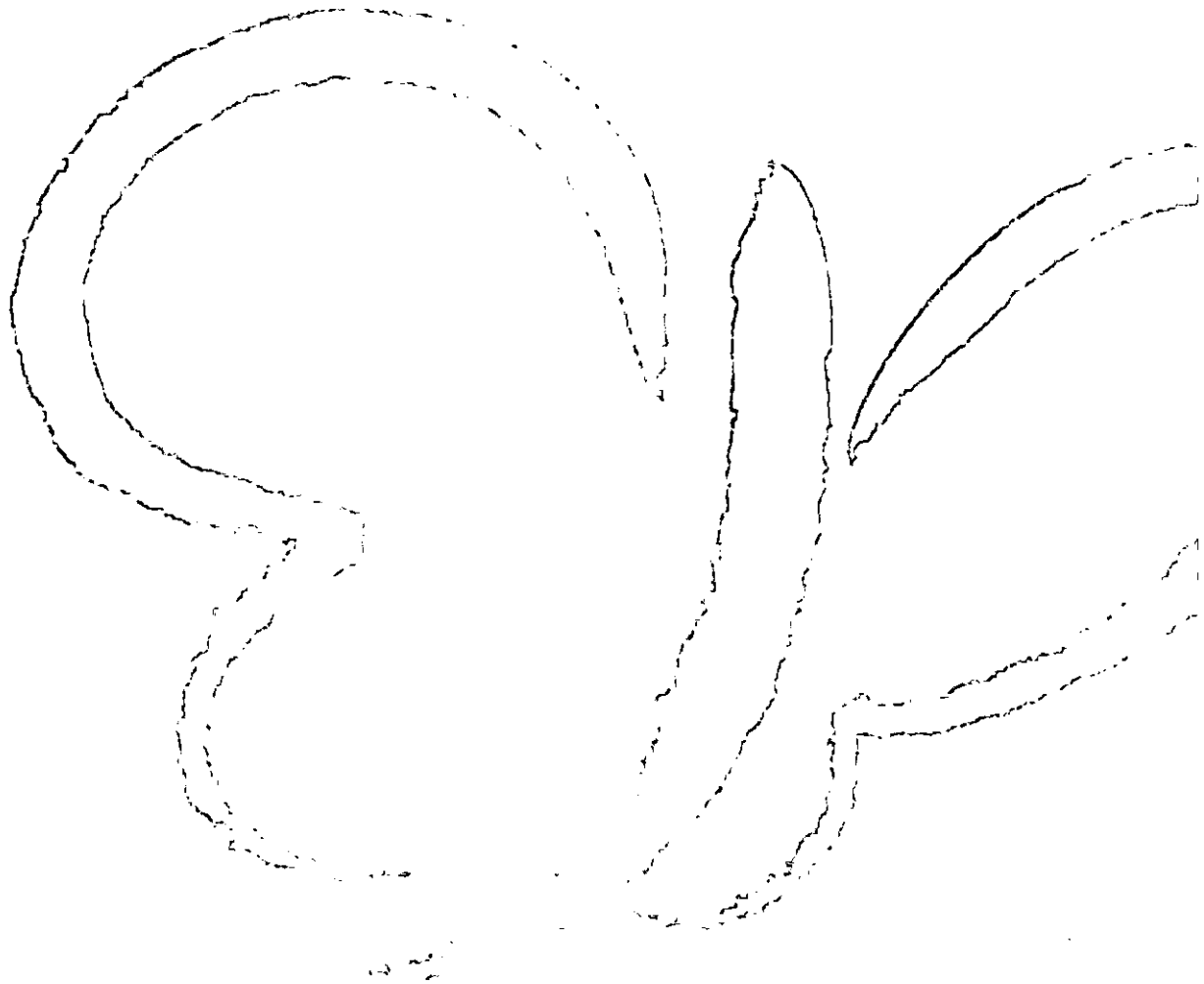
Providing a Home. Building Hope.



SOUP KITCHEN • FOOD PANTRY • HOMELESS SHELTERS

Our Mission

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





CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

December 31, 2018

(With Comparative Totals for 2017)

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Board of Directors
FIT/NHNN, Inc. and Subsidiaries

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Report on Summarized Comparative Information

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

Other Matter

Supplementary Information

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

Change in Accounting Principle

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

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
March 18, 2019

FIT/NHNNH, INC. AND SUBSIDIARIES

Consolidated Statement of Financial Position

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

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

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

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

	Without Donor Restrictions - Controlling Interest	Without Donor Restrictions - Noncontrolling Interest	Total Without Donor Restrictions	With Donor Restrictions	Total 2018	Total 2017
Revenue and support						
Federal, state and other grant support	\$ 4,601,300	\$ -	\$ 4,601,300	\$ 513,854	\$ 5,115,154	\$ 3,212,747
Rental income, net of vacancies	2,021,465	-	2,021,465	-	2,021,465	1,841,064
Thrift store sales	616,565	-	616,565	-	616,565	685,756
Public support	855,830	-	855,830	-	855,830	439,127
Tax credit revenue	60,000	-	60,000	-	60,000	60,000
Special events	526,910	-	526,910	-	526,910	197,191
Developer fees	68,463	-	68,463	-	68,463	-
VISTA program revenue	93,734	-	93,734	-	93,734	125,742
Unrealized (loss) gain on investments	(168,848)	-	(168,848)	-	(168,848)	1,270
(Loss) gain on disposal of assets	(10,115)	-	(10,115)	-	(10,115)	5,133
Interest income	38,634	-	38,634	-	38,634	31,519
In-kind donations	14,429	-	14,429	-	14,429	61,548
Investment income	99,783	-	99,783	-	99,783	-
Forgiveness of debt	131,267	-	131,267	-	131,267	131,267
Medicaid reimbursements	521,957	-	521,957	-	521,957	411,535
Other income	279,420	-	279,420	-	279,420	91,958
Net assets released from restrictions	<u>292,925</u>	<u>-</u>	<u>292,925</u>	<u>(292,925)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>10,043,719</u>	<u>-</u>	<u>10,043,719</u>	<u>220,929</u>	<u>10,264,648</u>	<u>7,315,857</u>
Expenses						
Program activities						
Housing	8,390,926	-	8,390,926	-	8,390,926	6,299,553
Thrift store	<u>686,374</u>	<u>-</u>	<u>686,374</u>	<u>-</u>	<u>686,374</u>	<u>681,291</u>
Total program activities	9,077,300	-	9,077,300	-	9,077,300	6,980,844
Fundraising	1,131,941	-	1,131,941	-	1,131,941	418,486
Management and general	<u>897,234</u>	<u>-</u>	<u>897,234</u>	<u>-</u>	<u>897,234</u>	<u>539,803</u>
Total expenses	<u>11,106,475</u>	<u>-</u>	<u>11,106,475</u>	<u>-</u>	<u>11,106,475</u>	<u>7,939,133</u>
(Deficiency) excess of revenue and support over expenses	(1,062,756)	-	(1,062,756)	220,929	(841,827)	(623,276)
Grants and contributions for capital projects	270,857	-	270,857	269,933	540,790	1,538,770
Net assets released for capital projects	359,812	-	359,812	(359,812)	-	-
Effect of consolidation of affiliate	<u>3,291,787</u>	<u>-</u>	<u>3,291,787</u>	<u>139,164</u>	<u>3,430,951</u>	<u>-</u>
Change in net assets	2,859,700	-	2,859,700	290,214	3,149,914	915,494
Change in net assets attributable to noncontrolling interest in subsidiaries	<u>321,784</u>	<u>(321,784)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets after reclassification of portion attributable to noncontrolling interest	3,181,484	(321,784)	2,859,700	290,214	3,149,914	915,494
Net assets, beginning of year	<u>14,563,053</u>	<u>3,565,478</u>	<u>18,128,531</u>	<u>897,422</u>	<u>19,025,953</u>	<u>18,110,459</u>
Net assets, end of year	<u>\$ 17,744,537</u>	<u>\$ 3,243,694</u>	<u>\$ 20,988,231</u>	<u>\$ 1,187,636</u>	<u>\$ 22,176,867</u>	<u>\$ 19,025,953</u>

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

FIT/NHH, INC. AND SUBSIDIARIES

Consolidated Statement of Functional Expenses

Year Ended December 31, 2018

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

	<u>Program Activities</u>			<u>Management and General</u>	<u>2018 Total</u>	<u>2017 Total</u>
	<u>Housing</u>	<u>Thrift Store</u>	<u>Fundraising</u>			
Salaries and benefits						
Salaries and wages	\$ 3,492,775	\$ 316,195	\$ 518,402	\$ 355,442	\$ 4,682,814	\$ 3,168,366
Employee benefits	400,781	24,951	54,002	37,770	517,504	349,575
Payroll taxes	<u>262,810</u>	<u>24,440</u>	<u>39,746</u>	<u>26,593</u>	<u>353,589</u>	<u>234,204</u>
Total salaries and benefits	4,156,366	365,586	612,150	419,805	5,553,907	3,752,145
Other expenses						
Advertising	15,018	25,068	-	18,946	59,032	36,236
Application and permit fees	1,620	-	-	-	1,620	2,015
Bad debts	28,100	-	-	-	28,100	26,124
Bank charges	573	8,847	-	11,445	20,865	17,875
Consultants	19,504	2,847	4,647	2,483	29,481	78,138
Depreciation	933,878	11,093	115,347	51,612	1,111,930	1,003,294
Events	3,550	2,814	160,685	-	167,049	61,181
General insurance	124,791	3,523	14,318	13,248	155,880	153,904
Grant expense	59,149	-	-	-	59,149	-
Interest expense	228,999	714	-	-	229,713	188,473
Management fees	6,622	-	-	-	6,622	6,487
Meals and entertainment	4,740	179	656	547	6,122	5,181
Membership dues	10,790	-	1,741	3,458	15,989	10,022
Merger expenses	-	-	-	137,747	137,747	1,000
Office supplies	282,398	6,460	43,158	38,139	370,155	134,490
Participant expenses	116,915	45	379	379	117,718	99,219
Postage	7,324	9	4,274	1,758	13,365	7,804
Printing	16,755	2,745	19,129	2,088	40,717	24,577
Professional fees	53,906	3,500	-	112,417	169,823	182,974
Related entity expense	(159,398)	159,398	-	-	-	-
Rental subsidies	332,270	-	-	-	332,270	298,272
Repairs and maintenance	370,123	34,325	42,145	16,169	462,762	409,132
Shelter expense	166,891	-	-	-	166,891	-
Staff development	31,588	98	4,008	3,340	39,034	23,136
Taxes	313,613	2,307	-	-	315,920	328,184
Technology support	190,132	2,231	28,782	23,666	244,811	65,457
Telephone	88,992	5,056	10,095	8,778	112,921	90,917
Travel	40,914	3,845	5,191	4,222	54,172	44,486
Utilities	512,260	31,461	52,007	17,767	613,495	444,062
VISTA program	320,859	-	-	-	320,859	359,804
Workers' compensation	<u>111,684</u>	<u>14,223</u>	<u>13,229</u>	<u>9,220</u>	<u>148,356</u>	<u>84,544</u>
Total expenses	\$ <u>8,390,926</u>	\$ <u>686,374</u>	\$ <u>1,131,941</u>	\$ <u>897,234</u>	\$ <u>11,106,475</u>	\$ <u>7,939,133</u>

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

FIT/NHNN, INC. AND SUBSIDIARIES

Consolidated Statement of Cash Flows

Year Ended December 31, 2018

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

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

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

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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

Organization

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

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

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

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

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

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

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

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

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

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

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

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

1. Summary of Significant Accounting Policies

Principles of Consolidation

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

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

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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

Comparative Information

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

Use of Estimates

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

Basis of Presentation

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

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

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities.

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

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

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

Cash and Cash Equivalents

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

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

Property and Equipment

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

Volunteer Services

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

Functional Expense Allocation

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

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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

Income Taxes

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

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

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

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

Recently Issued Accounting Pronouncement

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

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

2. Availability and Liquidity of Financial Assets

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

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

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

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

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

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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

3. Property and Equipment

Property and equipment consisted of the following:

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

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

4. Development In Process

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

Family Willows Recovery Housing Program

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

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

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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

Hope House

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

5. Line of Credit

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

6. Long-term Debt

Long-term debt consisted of the following:

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

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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(With Comparative Totals for December 31, 2017)

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

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Notes to Consolidated Financial Statements

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(With Comparative Totals for December 31, 2017)

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

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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(With Comparative Totals for December 31, 2017)

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

FIT/NHHH, INC. AND SUBSIDIARIES

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(With Comparative Totals for December 31, 2017)

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

FIT/NHNNH, INC. AND SUBSIDIARIES

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

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

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

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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

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

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

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

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

7. Net Assets

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

Net assets with donor restrictions were as follows:

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

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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

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

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

8. Commitments

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

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

9. Retirement Plan

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

10. Housing Action New Hampshire

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

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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

11. Noncontrolling Interest

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

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

12. Subsequent Events

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

Bicentennial

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

Outfitters

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

FIT/NHNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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Antoinette Hills

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

SUPPLEMENTARY INFORMATION

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

ASSETS											
	Families In Transition - Operations	Limited Partnerships	Housing Benefits	Family Outlets	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	With Donor Restriction	Eliminations	Total
Current assets											
Cash and cash equivalents	\$ 316,989	\$ 67,491	\$ 178,556	\$ 6,185	\$ 166,840	\$ 1,529	\$ 83,888	\$ 18,726	\$ 757,839	\$ -	\$ 1,598,033
Accounts receivable	96,089	19,792	20,403	-	7,280	-	-	1,056	-	(92,409)	52,211
Grants and contributions receivable	338,563	-	-	-	36,213	6,770	-	-	404,797	-	786,343
Prepaid expenses	43,847	16,319	13,811	-	-	370	742	3,118	-	-	80,907
Due from related party	892,696	-	93,543	138,407	26,443	-	-	-	-	(1,115,466)	35,813
Other current assets	6,374	20,762	20,767	-	-	-	-	-	-	-	48,110
Total current assets	1,696,528	124,371	327,080	144,592	236,776	8,669	84,640	22,900	1,162,636	(1,207,875)	2,600,317
Replacement reserves	62,587	113,005	160,988	-	-	-	-	-	-	-	336,578
Reserve cash designated for properties	54,648	296,424	367,082	-	-	-	-	-	-	-	716,154
Related party notes receivable	1,725,799	-	-	-	-	-	-	-	-	(1,725,799)	-
Accrued interest receivable on related party note	1,066,447	-	-	-	-	-	-	-	-	(1,066,447)	-
Investments	-	-	-	-	1,311,584	-	-	-	25,000	-	1,336,584
Investment in related entities	1,196,347	-	25,051	-	-	-	-	-	-	(1,220,388)	1,000
Asset held for sale	429,779	-	-	-	-	-	-	-	-	-	429,779
Property and equipment, net	4,004,264	9,784,021	13,343,733	30,086	1,362,225	2,887	3,523	-	-	-	28,530,819
Development in process	110,384	-	3,495,066	-	-	-	-	-	-	-	3,605,450
Other assets	28,013	-	141,022	-	28,368	-	-	-	-	-	198,473
Total assets	\$ 10,375,796	\$ 10,317,821	\$ 17,860,090	\$ 174,658	\$ 2,938,953	\$ 11,659	\$ 88,163	\$ 22,900	\$ 1,187,636	\$ (5,220,519)	\$ 37,757,154
LIABILITIES AND NET ASSETS											
Current liabilities											
Current portion of long-term debt	\$ 892,429	\$ 75,090	\$ 116,235	\$ 8,438	\$ 23,988	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,116,180
Accounts payable	135,883	96,901	96,188	4,010	1,825	2,631	2,889	2,191	-	(92,499)	249,907
Accrued expenses	193,127	863,996	269,961	20,577	58,135	6,746	-	-	-	(1,066,447)	348,095
Due to related entities	26,443	118,163	792,031	137,734	-	76,157	-	591	-	(1,115,466)	35,813
Lines of credit	145,000	-	-	-	-	-	-	-	-	-	145,000
Other current liabilities	38,184	22,664	23,067	-	-	-	550	-	-	-	82,475
Total current liabilities	1,431,076	1,176,814	1,297,480	170,759	83,748	85,534	3,439	2,742	-	(2,274,322)	1,977,270
Long-term debt, less current portion, net of unamortized deferred costs	1,249,840	4,620,882	9,224,579	5,536	28,779	-	-	-	-	(1,725,799)	13,694,817
Total liabilities	2,681,016	5,897,796	10,522,059	176,295	112,527	85,534	3,439	2,742	-	(4,000,121)	15,581,287
Net assets											
Net assets without donor restrictions - controlling interest	7,694,780	1,076,331	7,338,031	(1,637)	2,826,426	(73,878)	84,724	20,158	-	(1,220,388)	17,744,537
Net assets without donor restrictions - noncontrolling interest	-	3,243,694	-	-	-	-	-	-	-	-	3,243,694
Total net assets without donor restriction	7,694,780	4,320,025	7,338,031	(1,637)	2,826,426	(73,878)	84,724	20,158	-	(1,220,388)	20,988,231
Net assets with donor restrictions	-	-	-	-	-	-	-	-	1,187,636	-	1,187,636
Total net assets	7,694,780	4,320,025	7,338,031	(1,637)	2,826,426	(73,878)	84,724	20,158	1,187,636	(1,220,388)	22,175,867
Total liabilities and net assets	\$ 10,375,796	\$ 10,317,821	\$ 17,860,090	\$ 174,658	\$ 2,938,953	\$ 11,659	\$ 88,163	\$ 22,900	\$ 1,187,636	\$ (5,220,519)	\$ 37,757,154

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

	Families In Transition - Operating	Limited Partnerships	Housing Benefits	Family Outlets	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	Eliminations	Without Donor Restrictions Total	With Donor Restrictions	Total
Revenue and support												
Federal, state and other grant support	\$ 4,224,260	\$ -	\$ 99,250	\$ -	\$ 328,420	\$ 167,028	\$ -	\$ -	\$ (217,858)	\$ 4,801,300	\$ 513,854	\$ 5,115,154
Rental income, net of vacancies	333,233	813,885	884,102	-	-	6,063	-	63,599	(79,417)	2,021,485	-	2,021,485
Thrift store sales	-	-	-	818,565	-	-	-	-	-	818,565	-	818,565
Public support	253,447	-	17,131	1,517	560,712	-	23,023	-	-	855,830	-	855,830
Tax credit revenue	60,000	-	-	-	-	-	-	-	-	60,000	-	60,000
Special events	175,274	-	-	-	351,638	-	-	-	-	526,912	-	526,912
Property management fees	584,583	-	-	-	-	-	-	-	(584,583)	-	-	-
Developer fees	68,483	-	-	-	-	-	-	-	-	68,483	-	68,483
VISTA program revenue	93,734	-	-	-	-	-	-	-	-	93,734	-	93,734
Unrealized loss on investments	-	-	-	-	(168,848)	-	-	-	-	(168,848)	-	(168,848)
Loss on disposal of assets	-	-	(1,464)	-	(8,651)	-	-	-	-	(10,115)	-	(10,115)
Interest income	97,362	2,304	8,738	-	-	-	-	-	(67,770)	38,634	-	38,634
In-kind donations	13,704	-	-	-	-	725	-	-	-	14,429	-	14,429
Investment income	-	-	-	-	99,783	-	-	-	-	99,783	-	99,783
Forgiveness of debt	-	18,000	131,267	-	-	-	-	-	(18,000)	131,267	-	131,267
Medicaid reimbursements	521,957	-	-	-	-	-	-	-	-	521,957	-	521,957
Other income	252,635	19,901	135,871	18,056	32,085	42,178	5,049	-	(227,455)	279,420	-	279,420
Net assets released from restrictions	287,178	-	-	-	5,748	-	-	-	-	292,926	(292,925)	-
Total revenue and support	6,965,831	854,090	1,272,895	837,138	1,209,863	215,894	28,072	63,599	(1,194,883)	10,043,719	220,929	10,264,648
Expenses												
Program activities	5,474,177	1,210,197	1,314,432	749,070	1,202,828	243,810	17,383	43,441	(1,194,883)	9,060,435	-	9,060,435
Fundraising	814,893	-	168,890	-	348,258	-	-	-	-	1,331,941	-	1,331,941
Management and general	711,303	-	87,840	-	115,156	-	-	-	-	914,099	-	914,099
Total expenses	6,899,173	1,210,197	1,571,062	749,070	1,666,242	243,810	17,383	43,441	(1,194,883)	11,108,475	-	11,108,475
Excess (deficiency) of revenue and support over expenses	185,658	(356,107)	(298,067)	(111,932)	(465,359)	(27,816)	10,709	20,158	-	(1,062,756)	220,929	(841,827)
Grants and contributions for capital projects	-	-	270,857	-	-	-	-	-	-	270,857	289,933	560,790
Net assets released for capital projects	359,812	-	-	-	-	-	-	-	-	359,812	(359,812)	-
Effect of consolidation of affiliate	-	-	-	-	3,291,787	-	-	-	-	3,291,787	139,184	3,430,971
Change in net assets	\$ 525,470	\$ (356,107)	\$ (27,210)	\$ (111,932)	\$ 2,826,428	\$ (27,816)	\$ 10,709	\$ 20,158	\$ -	\$ 2,859,700	\$ 290,214	\$ 3,149,914

FT/NNHH, INC. AND SUBSIDIARIES
Consolidating Statement of Functional Expenses
Year Ended December 31, 2018

	Program Activities										Fundraising	Management and General	Eliminations	Total
	Families In Transition - Operating	Limited Partnerships	Housing Benefits	Family Outfitters	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	Program Activities Total					
Salaries and benefits														
Salaries and wages	\$ 2,333,325	\$ -	\$ 370,212	\$ 316,195	\$ 673,012	\$ 116,026	\$ -	\$ -	\$ 3,808,970	\$ 518,402	\$ 355,442	\$ -	\$ -	\$ 4,682,814
Employee benefits	257,005	-	76,225	24,951	61,064	6,487	-	-	425,732	54,062	37,770	-	-	517,504
Payroll taxes	173,477	-	23,378	24,440	52,129	8,623	-	-	287,250	39,748	20,593	-	-	353,589
Total salaries and benefits	2,764,007	-	472,018	365,586	789,205	131,136	-	-	4,521,952	612,150	413,805	-	-	5,553,907
Advertising	14,111	-	298	25,068	-	-	609	-	40,086	-	18,946	-	-	59,032
Application and permit fees	-	-	1,620	-	-	-	-	-	1,620	-	-	-	-	1,620
Bad debts	1,888	11,897	14,215	-	-	-	-	-	28,100	-	-	-	-	26,100
Bank charges	-	390	-	8,847	-	97	50	36	9,420	-	11,445	-	-	20,065
Consultants	13,862	-	3,518	2,847	-	2,123	-	-	22,351	4,847	2,483	-	-	29,481
Depreciation	171,127	385,718	323,483	11,093	52,378	340	834	-	944,971	115,347	51,812	-	-	1,111,930
Events	-	-	-	2,814	-	-	3,550	-	6,364	160,685	-	-	-	167,049
General insurance	29,119	36,144	30,125	3,523	18,977	5,714	-	4,712	128,314	14,318	13,248	-	-	155,880
Grant expense	23,538	-	-	-	35,811	-	-	-	59,149	-	-	-	-	59,149
Interest expense	66,838	112,236	115,875	714	1,717	-	-	-	297,483	-	-	-	-	602,222
Management fees	74,870	191,065	294,768	-	-	-	-	-	571,204	-	-	-	-	(67,770)
Meals and entertainment	4,284	-	32	179	-	-	-	-	4,919	656	547	-	-	6,122
Membership dues	8,280	-	1,510	-	-	133	311	-	10,790	1,741	3,458	-	-	15,989
Merger expenses	-	-	-	-	-	-	1,000	-	-	-	-	-	-	137,747
Office supplies	243,293	949	21,987	6,460	15,454	149	568	-	288,858	43,158	38,139	-	-	370,155
Participant expenses	58,720	3,078	8,132	45	-	43,987	3,000	-	116,960	379	379	-	-	117,718
Postage	5,734	-	6	9	1,579	-	-	5	7,333	4,274	1,758	-	-	13,365
Printing	15,662	-	-	2,745	-	-	1,083	-	19,500	19,129	2,088	-	-	40,717
Professional fees	8,275	27,743	8,313	3,500	-	5,069	-	1,606	57,406	-	112,417	-	-	169,823
Related entity expenses	795,348	-	(491,776)	159,398	-	-	-	-	462,970	-	144	(463,114)	-	-
Rent	-	-	-	62,696	-	-	-	-	62,696	-	18,721	-	-	(79,417)
Rental subsidies	332,270	-	-	-	-	-	-	-	332,270	-	-	-	-	332,270
Repairs and maintenance	32,636	126,512	185,342	34,325	15,222	22,682	-	7,729	424,448	42,145	18,169	(20,000)	-	462,762
Shelter expense	-	-	-	-	166,891	-	-	-	166,891	-	-	-	-	166,891
Staff development	26,056	-	-	88	741	-	4,781	-	31,686	4,008	3,340	-	-	39,034
Taxes	67,851	113,810	132,002	2,307	-	75	75	-	315,820	-	-	-	-	315,820
Technology support	182,452	485	2,511	2,231	3,008	840	856	-	182,363	28,782	23,866	-	-	244,811
Telephone	62,689	719	16,050	5,056	5,465	2,893	-	1,178	84,048	10,095	8,778	-	-	112,821
Travel	32,932	-	1,874	3,845	5,885	-	623	-	44,739	5,191	4,222	-	-	54,172
Utilities	36,093	197,345	187,198	31,461	75,857	18,186	-	17,781	543,721	52,007	17,787	-	-	613,495
VISTA program	318,534	2,325	-	-	-	-	-	-	320,859	-	-	-	-	320,859
Workers' compensation	62,528	-	24,432	14,223	15,240	8,484	-	-	125,897	13,229	8,220	-	-	148,258
Total expenses	\$ 5,474,177	\$ 1,219,197	\$ 1,314,432	\$ 749,070	\$ 1,202,828	\$ 243,810	\$ 17,383	\$ 43,441	\$ 10,295,318	\$ 1,131,841	\$ 814,099	\$ (1,194,893)	\$ -	\$ 11,106,475

Families in Transition/New Horizons New Hampshire Board of Directors

Board of Directors

Scott W. Ellison, Chair

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

Roy Tilsley, Vice Chair

Bernstein Shur, Shareholder
Board member since 2018

Robert Bartley, Treasurer

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

Frank Saglio, Asst. Treasurer

Howe, Riley & Howe, PLLC.
Board member since 2018

Kristi Scarpone, Secretary

First, Corporate and Foundation Relations
Board member since 2018

Dick Anagnost, At Large

President, Anagnost Companies
Board member since 2018

Heather Whitfield, At Large

Vice President, Commercial Lending, People's United Bank
Board member since 2018

David Cassidy, Past Co-Chair

Senior Vice President, Eastern Bank
Board member since 2018

Charla Bizios Stevens, Past Co-Chair

Director, Litigation Department and Chair of Employment Law Practice Group
McLane Middleton, Professional Association Esquire
Board member since 2018

Colleen Cone,

Sr. Director Employee Relations Greater Boston Area, Comcast
Board member since 2018

Alison Hutcheson

Merchants Fleet Management, Associate Director of Sales Administration

Board member since 2018

AnnMarie French

Executive Director, NH Fiscal Policy Institute

Board member since 2018

Brian Hansen

Team Engineering, Project Manager

Board member since 2018

Brian Mikol

Spectrum Marketing, Co-Owner

Board member since 2018

Jack Olson

Retired

Board member since 2018

Kitten Stearns

Realtor, Coldwell Banker Residential Brokerage

Board member since 2018

Mary Ann Aldrich

Dartmouth Hitchcock, Sr. Advisor Community & Relations

Board member since 2018

Peter Telge

Owner, Stark Brewing Company

Board member since 2018

Roy Ballentine

Executive Chairman, Ballentine Partners, LLC

Board member since 2019

Sarah Jacobs

Manchester School District Coordinator

Board member since 2018

Sean Leighton

Captain – Investigative Division Commander, City of Manchester Police Department

Board member since 2019

Wayne McCormick, CFP

Steward Partners Managing Director Wealth Manager

Board member since 2018

Rev. Gayle Murphy

Minister At Large

Board member since 2020

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Stephanie Savard	COO	100,924	0%	-
Meghan Shea	VP Clinical Services	86,700	0%	-
Sarah Bernier	Program Manager	72,4900	15%	10,874

Stephanie Allain Savard, MSW, LICSW

Education:

- Masters in Social Work, Boston University, 1996.
- Bachelor of Arts – Honors in Psychology, Keene State College, 1992.
- Associate of Science in Chemical Dependency, Keene State College, 1992.

Licensure and Certification:

- New Hampshire Licensed Independent Clinical Social Worker, #941, April, 2000 - Present.
- Boston University Trauma Certificate Program, 2006.
- Low Income Housing Tax Credit Certified Credit Compliance Professional (C3P), 2000.

Awards & Honors:

- New Futures Thomas Fox Memorial Treatment Scholarship – Recognized for Treatment Work in Substance Use Field, 2013.
- Greater Manchester Chamber of Commerce “Leadership Greater Manchester Program,” Class of 2011.
- Union Leader and Business Industry Association “40 Under 40” Leaders of New Hampshire, Class of 2004.
- NH Homeless Service Providers Award, NH Department of Health & Human Services, Office of Homeless & Housing Services, 2003.

Professional Experience:

Chief Operating Officer, Families in Transition, Manchester, NH, December 1996 – Present.

- Oversight of agency operations to ensure seamless systems, fiscal responsibility, quality control and best practices across departments. Provide oversight of development and revision of, adherence to agency policy and procedures.
- Oversee and manage supportive services department with up to 25 staff providing housing (emergency, transitional and permanent) and supportive services with capacity to serve 200 homeless individual and families. Supportive services encompass individual case management, therapy, psycho-educational workshops, pro-social family activities and crisis intervention.
- Collaborate with Board of Directors and Management Team in non-profit development and program growth. Develop and provide clinical oversight of a specialized gender-specific intensive outpatient substance use treatment program specializing in co-occurring disorders, with a focus on trauma histories. Program recognized as the Treatment Provider of the Year by the NH Alcohol and Other Drug Providers Association, 2013.
- Develop and provide clinical oversight of an innovative therapeutic pre-school program for children and families who are homeless with strength-based and family-focused services.
- Provide clinical and administrative supervision for clinical program managers. Oversee a 24-hour crisis line.
- Collaborate with senior management staff in daily operations of Families in Transition, including financial decisions, program and housing development and human resources. Assume responsibilities and decision-making for agency in the absence of the President. Collaborate with President, Board of Directors and management team on strategic planning and implementation for the agency.
- Served on Families in Transition Board of Directors Programs Committee and the primary liaison to Committee chair for agency.

Family Service Worker/Counselor, NFI Midway Residential Shelter, Manchester, NH, 1993 – 1996.

- Provided support and treatment planning with families of children in judicial system. Conducted family assessments and counseling during stay at short-term residential facility.
- Supervised 15 adolescent males utilizing behavior management and normative culture techniques.
- Managed all shifts; development and facilitation of summer activity program.

Clinical Social Worker Intern, CASPAR Emergency Service Center, Cambridge, MA, 1995-1996.

- Assisted in providing treatment services to transitional living program provided within emergency housing program for single adults.
- Completed assessments and provided individual and group therapy to adults who were homeless in early recovery from substance use. Provided case management for substance use, HIV/AIDS and housing needs.

Clinical Social Worker Intern, WorkSource of Work, Inc., Quincy, MA, 1994-1995.

- Provided case management, counseling and crisis intervention to people with chronic mental health disorders.

VISTA Volunteer, Center for Human Services, Seattle, WA, Aug. 1992- Aug. 1993.

- Developed and supervised volunteer program, assisted in agency fundraising and grant writing; designed marketing materials; assisted in coordinating Board of Directors and chaired Board committees.

Professional Expertise and Trainer Experience:

- Brazelton Touchpoints Community Trainer, New Hampshire's Brazelton Touchpoints Site with Families in Transition, 2011 – present.
- "Avoiding Third Degree Burns: A Professional First Aid Kit for Preventing Burnout" Conference Workshop, New Hampshire Division of Children, Youth and Families State-wide Conference, 2014; State of NH Bureau of Housing and Homelessness NH Homeless Provider Conference, 2013; Families in Transition Clinical Department, 2011.
- "Raising Voices: Strategies for Engaging Homeless & Formerly Homeless People in Local and National Advocacy Efforts" Conference Workshop, Institute for Children, Poverty and Homelessness, Beyond Housing: A National Conversation on Child Homelessness and Poverty Conference, NYC, 2014.
- "Dealing with Difficult Conversations" Training, Families in Transition VISTA Program, 2011-2013; Leadership Staff, 2012.
- "Direct Service Training for Volunteers", Families in Transition, 2013.
- "Understanding Homelessness & Poverty" Presentation, St. Anselm's College – Sociology Department, 2011 & 2012.
- "Ethics in Professional Practice" Presentation, Families in Transition, 2009.
- "Relational-Cultural Model with the People Experiencing Homelessness" Conference Workshop, State of NH Bureau of Housing and Homelessness – NH Homeless Providers Conference, 2002.
- Confident public speaker and community collaborator through active participation in multiple community groups, coalitions and associations.

Service in Professional Societies, Government and Local Organizations:

- Appointed Member, NH Governor's Commission on Alcohol and Drug Abuse Prevention, Treatment and Recovery, March 2010 – Present.
- Chair and member, Governor's Commission on Alcohol and Drug Abuse Treatment Taskforce, 2009 – Present.
- Board of Directors Member, National Association of Social Workers –NH Chapter, 2004-2008
 - Vice-President 2006 – 2008
 - Executive Council Member at Large 2004-2005
 - Member 1996-Present.
- Member, Lazarus House Transitional Housing Advisory Council, Lawrence, MA, 2004-2008.
- Board of Directors Member, NH Coalition to End Homelessness, 2000- 2002.
- Member, Manchester Continuum of Care, 2000-2007;
 - Chair – 2000-2001;
 - Community Awareness Committee Chair, 2003-2004 & 2006-2007.

Meghan E. Shea, LICSW, MLADC

OBJECTIVE

Continue to utilize and expand the clinical and management skills have I attained from my professional and academic training to secure a position in a nonprofit setting.

EDUCATION / LICENSURE

Master – Licensed Alcohol and Drug Counselor	September 2010- Present
Licensed Independent Clinical Social Worker	October 22, 2012-Present
Master of Social Work, University of New Hampshire	May 2010
▪ Graduated with an MSW from the Advanced Standing Program	
Bachelor of Art, Social Work, University of New Hampshire	May 2006
▪ Graduated with an BSW with GPA of 3.41	

EMPLOYMENT

Vice President, Clinical & Supportive Services

Families in Transition-New Horizons

December 20th, 2017 – present

- Receivership-Interim Executive Director of Serenity Place
- Oversees all clinical and supportive services at Families in Transition-New Horizons including emergency shelter, transitional and permanent supportive housing, Intensive Outpatient Services, Outpatient services, Recovery Housing and programming.
- Quality of control of healthcare facilities licensure.
- Oversight of fidelity of evidence based practices and models.
- Oversight of staff competencies and required trainings for best practices across the agency.
- Supervision of agency program managers and housing director.
- Provide clinical supervisor for licensure and certifications.
- Quality control of all billing policies and procedures.

Clinical Director

Families in Transition

Sept 1st, 2016- December 2017

- Oversee and manage Sr. Housing Program Manager who supervises the supportive services department with up to 25 staff providing housing (emergency, transitional and permanent) and supportive services with capacity to serve 200 homeless individual and families. Supportive services encompass individual case management, therapy, psycho-educational workshops, pro-social family activities and crisis intervention.
- Oversee the Family Willows Program Manager who supervises 11 clinical staff who conduct co-occurring treatment to women only
- Develop and staff Recovery Housing program and implementation of newest housing and supportive service programming
- Develop and oversight Open Doors outpatient programming for all transitional housing programs of FIT
- Ensure quality programming across Families in Transitions clinical department
- Provide training within the organization and community on substance misuse in NH.
- Administer all program policies and procedure for Families In Transition's various Supportive Service
- Oversight of billing components of all levels of Co-occurring treatment.

Therapist

January 2014- Present

Bedford Family Therapy

- Treat a caseload of 15 clients in a private outpatient group practice

- Utilize various evidence based practices CBT, DBT, and Seeking Safety skills to help clients meet their own individual goals
- Conduct Drug and Alcohol assessments
- Active participant in DWI Offender Program providing mandated outpatient session for individuals coming from the Impaired Drivers Program
- Participate in weekly supervision with other licensed clinicians part of the private group practice.

Clinical & Supportive Service Manager

March 7th, 2016- August 31st, 2016

Families In Transition

- Manage the day to day operations for the Family Willows Substance Use Program including six staff members
- Manage the day to day operations for the Housing program of Families in Transition consisting of over 200 apartment units in New Hampshire.
- Provide clinical and administrative supervision for a total of 14 staff for Families In Transition
- Ensure compliance with budgetary and financial goals.
- Maintain compliance with State, Federal, Accreditation, Contract and Insurance regulations.
- Administer all program policies and procedure for Families In Transition's various Clinical Programs.

Program Manager of the Family Willow Substance Use Treatment Program September 2014-2016

Families In Transition

- Manage the day to day operations for the Family Willows Substance Use Program including six staff members
- Transitioned the program from grant funded to billing all commercial insurances
- Increased accessibility of treatment from 86 clients in 2013 to 250 in 2016.
- Provided clinical and administrative oversight of the FW Substance Use Treatment Program
- Carried a caseload of 12-15 individual clients providing co-occurring evidence base therapeutic interventions.
- Facilitated Intensive Outpatient treatment in a group setting on a weekly basis to group of 12 women.
- Provided training and education to staff on clinical intervention and best practices in the group setting.

Therapist

May 2010- September 2014

Families In Transition

- Facilitated Intensive Outpatient Programming in a group setting daily for up to 12 clients
- Carried a caseload of up to 15 people for individual therapy.
- Provided crisis services for the hotline of Families In Transition
- Conducted Substance Use Disorder Assessments for incoming clients
- Produced treatment plans, progress notes and supporting documentation in a timely manner
- Helped implement new curriculum changes in the treatment programming

MSW Intern

May 2009 to May 2010

Bedford Counseling – Mental Health Center of Greater Manchester

- Conducted intake interviews for new, adult clients and develop comprehensive psycho-social assessments to include diagnosis and substance use assessments
- Provided psychotherapeutic intervention services to twenty-two individuals using brief treatment and cognitive behavioral interventions
- Attended therapeutic workshops pertaining to dual-diagnosis, behavioral health and client driven treatment planning

Case Manager

June 2006- May 2010

Families In Transition

- Provided in home case management services to 30 individuals and families to enhance housing stability among the homeless population.
- Provided crisis hotline coverage for all clinical programming of Families In Transition
- Conducted program interviews for the community support program
- Maintained all files with updated documentation, clear and concise progress notes and treatment plans
- Facilitated workshops to help enhance overall wellness to participants of the program
- Collaborated with community partners to increase referral resources

PROFESSIONAL MEMBERSHIPS

Providers Association Board of Directors- Vice President of Treatment July 2014 to Present

NH Alcohol & Drug Abuse Counselors Association January 2012 to Present

Member of the Manchester Substance Use Collaborative March 2012 to Present

PRESENTATIONS

**NH Association for infant mental health workshop Helping Parents Be Parents:
Addressing Substance Use and Trauma in a Family System- Loon Mountain June 2015**

**Providers Association: Addressing Substance Misuse in the Home Environment March 31st,2016 at
Wentworth Douglas Hospital in Dover, NH**

REFERENCES - AVAILABLE UPON REQUEST

Sarah Bernier, LICSW, MLADC

Skills

Crisis intervention, individual therapy, community outreach, treatment planning, cognitive behavioral therapy, acceptance commitment therapy and motivational interviewing interventions.

Education

Masters in Social Work, May 2012
University of New Hampshire, Manchester NH

**Bachelor's Degree in Social Work and Counseling,
Completed May 2009**

Franklin Pierce University, Rindge NH, GPA 3.78

- Alpha Chi, (2009)
- High Honors in Social Work (Franklin Pierce 2009)
- Outstanding Senior in Social Work Award (Franklin Pierce 2009)

Experience

**Willows Program Manager, Families in Transition, Manchester
June 2018- Present**

- Direct oversight and management of Family Willows programming
- Mentor and engage staff in planning
- Facilitate weekly intensive outpatient groups and provide individual therapy
- Assist in the development of the program through networking and collaboration

**Counselor / Behavioral Health Consultant, Manchester Community
Health Center, Manchester**

February 2015-Present

- Facilitates and organizes the medication assisted treatment program
- Serves as a behavioral health consultant in the clinic working directly with providers to assess and create plans of care for patients with substance use and mental health needs.
- Connecting patients to resources and services
- Individual clinical caseload of adolescents and adult patients
- Supervising clinical notes for the medication assisted treatment program

**PREP Coordinator, Child Health Services, Manchester, NH
May 2012-Present**

- Facilitates, coordinates, recruits and retains adolescent teen girls in an

- evidence-based, sexual health group.
- Mental health counseling with teens; including wrap around case management with clients on caseload.
- Community outreach to promote medical homes

Advanced Clinical Intern, Cynthia Day Family Center, Nashua, August 2011-May 2012

- Providing direct support to women and children in recovery
- Delivered clinical social work skills with clients on caseload
- Completed evidenced-based groups: *Nurturing Parenting* and *Thinking for a Change, Seeking Safety*
- Completed bio-psychosocial assessments, mental health assessments, and Alcohol Severity Index (ASI) with clients

Intern, Teen Health Clinic, Manchester, NH August 2010-May 2011

- Met with patients and assess social service needs
- Made referrals for patients to community resources
- Group work, outreach, and program development

Per Diem Residential Counselor, Brigids Crossing, Lowell, MA 2010-Jan 2012

- Supervising adolescent girls with their children in a residential setting
- Completing daily tasks set up by the program
- Encouraging independent living skills

Intern, Court Appointed Special Advocates, Keene, NH 2008-2009, 2010

- Organized Paperwork and Mail & Resource Cabinet
 - Represented Child in Court including Monthly Visits with Child
-