



Jeffrey A. Meyers
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
603-271-9544 1-800-852-3345 Ext. 9544
Fax: 603-271-4332 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

June 12, 2019

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division For Behavioral Health, to amend an existing **sole source** agreement with Harbor Homes, Inc., (Vendor #155358), 45 High Street, Nashua, NH 03060, to provide supported housing services by increasing the price limitation by \$1,383,937 from \$18,963,173 to \$20,347,110 and by extending the completion date from June 30, 2019 to September 30, 2019, effective upon Governor and Executive Council approval. 100% General Funds.

This agreement was originally approved by the Governor and Executive Council on October 29, 2014 (Item #16), and subsequently amended on June 10, 2015 (Item #7), April 19, 2017 (Item #14B), and January 14, 2019 with an Agreement to Terminate Contract Amendment as signed by the Department and the Contractor.

Funds are available in the accounts included in the attached fiscal details for State Fiscal Year 2019, and are anticipated to be available in State Fiscal Year 2020, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office, if needed and justified.

See attached fiscal details.

EXPLANATION

This request is **sole source** because there are no renewal options available in the current contract. Further, the existing program is being redesigned and this amendment will extend the services for ninety (90) days to ensure a successful transition to the State's ten (10) community mental health centers, who will be administering the program for their regions beginning on October 1, 2019. Administration of the Housing Bridge Subsidy program includes the provision of housing support services and subsidies for individuals with severe mental illness who are at risk of becoming homeless. Services will be provided in accordance with NH Administrative Rule He-M 406, Housing Bridge Subsidy program.

Approximately 400 individuals will be served from July 1, 2019 through September 30, 2019.

The vendor will work with eligible individuals with severe mental illness who are at risk of being homeless to provide them with rental subsidies and supports. Priority will be given to those ready for discharge from New Hampshire Hospital and are in need of stable housing.

The services supported by this amendment are a central component of the Community Mental Health Agreement (Amanda D Settlement), which requires the State to develop and implement measures to meet individuals' needs that support their ability to live in their communities in integrated settings.

The program serves as a bridge to federal Section 8 housing, filling the gap between when someone is approved for Section 8 to when they receive a voucher. Participants in the program are provided subsidies and contribute up to thirty (30) percent of their household income toward rent. The subsidy is \$689 per month with some ability to increase the amount based on housing costs. The program also provides housing support services and case management services for individuals who otherwise do not have case management.

The Department will monitor the effectiveness of Harbor Homes and the delivery of services required under this agreement using the following performance measures:

- Maintaining and ensuring timely Housing Bridge voucher payments to all landlords.
- Provide housing support services for all individuals in order to secure safe and affordable housing in the individual's community of choice and to ensure they maintain safe, stable housing.
- Ensure individuals remain in good standing on the Section 8 Housing Choice Voucher waitlist.
- Assist individuals to identify and transition out of the Housing Bridge Subsidy program into other integrated, permanent housing options.
- Conduct annual housing inspections and income verification reviews.
- Develop annual housing support plans and coordinate with treatment providers, community organizations, and case managers to ensure individuals have access to needed health and social supports.

Should the Governor and Executive Council not authorize this request, the services provided to over 400 individuals with severe mental illness may lose their rental housing and supports and the State will be at risk of not fulfilling the requirements of the Community Mental Health Agreement.

Area served: Statewide

Source of Funds: 100% General

Respectfully submitted,



Jeffrey A. Meyers
Commissioner

Fiscal Details

05-95-92-920010-59450000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, CMH PROGRAM SUPPORT

State Fiscal Year	Class Title	Class Account	Current Amount	Increase/ (Decrease)	Revised Amount
2015	Contracts for Program Services	102-500731	\$2,214,033	\$0	\$2,214,033
2016	Contracts for Program Services	102-500731	\$1,923,160	\$0	\$1,923,160
2017	Contracts for Program Services	102-500731	\$1,923,160	\$0	\$1,923,160
		<i>Subtotal:</i>	\$6,060,353	\$0	\$6,060,353

05-95-92-920010-59450000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, CMH PROGRAM SUPPORT

State Fiscal Year	Class Title	Class Account	Current Amount	Increase/ (Decrease)	Revised Amount
2015	Contracts for Operational Services	103-502664	\$0	\$0	\$0.00
2016	Contracts for Operational Services	103-502664	\$1,689,500	\$0	\$1,689,500
2017	Contracts for Operational Services	103-502664	\$2,289,000	\$0	\$2,289,000
		<i>Subtotal:</i>	\$3,978,500	\$0	\$3,978,500

05-95-49-491510-2989 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, GOVERNOR COMMISSION FUNDS

State Fiscal Year	Class Title	Class Account	Current Amount	Increase/ (Decrease)	Revised Amount
2017	Contracts for Program Services	102-500731	\$500,000	\$0	\$500,000
		<i>Subtotal:</i>	\$500,000	\$0	\$500,000

05-95-92-922010-4117 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: BEHAVIORAL HEALTH DIV OF, BUREAU OF MENTAL HEALTH SERVICES, CMH PROGRAM SUPPORT

State Fiscal Year	Class Title	Class Account	Current Amount	Increase/ (Decrease)	Revised Amount
2018	Contracts for Program Services	102-500731	\$4,212,160	\$0	\$4,212,160
2019	Contracts for Program Services	102-500731	\$4,212,160	\$398,437	\$4,610,597
2020	Contracts for Program Services	102-500731	\$0	\$985,500	\$985,500
		<i>Subtotal:</i>	\$8,424,320	\$1,383,937	\$9,808,257
		Grand Total:	\$18,963,173	\$1,383,937	\$20,347,110



**New Hampshire Department of Health and Human Services
Housing Bridge Subsidy Program**

**State of New Hampshire
Department of Health and Human Services
Amendment #4 to the Housing Bridge Subsidy Program**

This 4th Amendment to the Housing Bridge Subsidy Program contract (hereinafter referred to as "Amendment #4") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Harbor Homes, Inc. (hereinafter referred to as "the Contractor"), a nonprofit with a place of business at 45 High Street, Nashua, NH, 03060.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on October 29, 2014 (Item #16), and as amended on June 10, 2015 (Item #7), April 19, 2017 (Item 14B), and amended on January 14, 2019 with an Agreement to Terminate Contract Amendment as signed by the Department and the Contractor, the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

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

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, the State may modify the scope of work and the payment schedule of the contract upon written agreement of the parties and approval from the Governor and Executive Council; and

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

WHEREAS, all terms and conditions of the Contract and prior amendments not inconsistent with this Amendment #4 remain in full force and effect; and

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

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
September 30, 2019.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$20,347,110.
3. Form P-37, General Provisions, Block 1.9, Contracting Officer for State Agency, to read:
Nathan D. White, Director.
4. Form P-37, General Provisions, Block 1.10, State Agency Telephone Number, to read:
603-271-9631.
5. Delete Exhibit A, Scope of Services in its entirety and replace with Exhibit A Amendment #4, Scope of Services.
6. Modify Exhibit B, Methods and Conditions Precedent to Payment to add:
 - 3.1 Payment for expenses shall be on a cost reimbursement basis only for actual expenditures in accordance with the approved line item expenses in Exhibit B-6, Budget and Exhibit B-7.
7. Add Exhibit B-6, Budget.
8. Add Budget B-7, Budget.



New Hampshire Department of Health and Human Services
Housing Bridge Subsidy Program

This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

6/12/19
Date

[Signature]
Name: Katja Fox
Title: Director

Harbor Homes, Inc.

6/11/19
Date

[Signature]
Name: Peter Kelleher
Title: President & CEO

Acknowledgement of Contractor's signature:

State of New Hampshire, County of Hillsborough on 6/11/2019, before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

[Signature]
Signature of ~~Notary Public~~ or Justice of the Peace

William C Martin
Name and Title of Notary or Justice of the Peace

My Commission Expires: WILLIAM C. MARTIN
Justice of the Peace - New Hampshire
My Commission Expires November 4, 2020

**New Hampshire Department of Health and Human Services
Housing Bridge Subsidy Program**



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

OFFICE OF THE ATTORNEY GENERAL

8/13/19
Date

Anne M. Edwards
Name: Anne M. Edwards
Title: Associate Attorney General

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:



Scope of Services

1. Provisions Applicable to All Services

- 1.1. For the purpose of this Contract, any reference to days shall be a reference to business days.
- 1.2. The Contractor shall provide services to individuals and families who meet the criteria for the Housing Bridge Subsidy, statewide.
- 1.3. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with Limited English Proficiency to ensure meaningful access to their programs and/or services, within ten (10) days of the contract effective date.

2. Scope of Work

- 2.1. The Contractor shall facilitate enrollment for individuals eligible for Housing Bridge Subsidy Program (HBSP) services. The Contractor shall:
 - 2.1.1. Contact the referring agent to schedule a face-to-face meeting with the consumer and the consumer's support team that may include, but not be limited to, the consumer's guardian or other involved family member, as appropriate; the referring agent; a representative from the Bureau of Behavioral Health (BBH); and an appropriate mental health center representative.
 - 2.1.2. Work with the consumer's support team, listed in Section 2.1.1, to:
 - 2.1.2.1. Assess consumer's immediate temporary housing needs.
 - 2.1.2.2. Create an individualized housing plan within five (5) business days from the date the initial referral for services is received. Housing plans shall include, but not be limited to, supportive services; access to behavioral health care, as needed; access to psychiatric health care, as appropriate; and access to primary health care, as appropriate.
 - 2.1.3. Ensure successful acquisition of consumer housing services within fourteen (14) days of receiving the initial referral. The Contractor shall:
 - 2.1.3.1. Assess consumer housing preferences and housing history.
 - 2.1.3.2. Assist consumers with identifying available housing units in consumers' communities of choice.
 - 2.1.3.3. Assist consumers with obtaining, completing and submitting housing applications.
 - 2.1.3.4. Assist consumers with attending housing provider meetings, as appropriate, which includes, but is not limited to, performing housing unit inspections; and assisting consumers with identifying initial rental needs and resources.
 - 2.1.3.5. Work with the consumer and the consumer's support team identified in Section 2.1.1, to facilitate paperwork needed to verify income and program eligibility, which includes but is not limited to:



Exhibit A Amendment #4

- 2.1.3.5.1. Credit reports.
 - 2.1.3.5.2. Landlord references.
 - 2.1.3.5.3. Criminal background checks.
 - 2.1.3.5.4. Income.
 - 2.1.3.5.5. Asset documentation.
- 2.2. The Contractor shall provide housing support by assisting eligible consumers with securing safe and affordable housing in the consumer's community of choice. The Contractor shall:
- 2.2.1. Assist consumers with identifying initial rental needs and resources, such as security deposits, utilities and furniture.
 - 2.2.2. Ensure selected housing meets the U.S. Housing and Urban Development (HUD), Section 8 requirements.
 - 2.2.3. Use HUD's habitability standards form to complete housing inspections.
 - 2.2.4. Assist consumers with applying for and obtaining benefits for which the consumer may be eligible, including but not limited to, security and utility deposit assistance, food stamps, SSI/SSDI and Section 8 housing assistance.
 - 2.2.5. Remain in close communication with the consumer for the first ninety (90) days of the consumer obtaining housing. The Contractor shall:
 - 2.2.5.1. Revise housing and support services plan, if necessary.
 - 2.2.5.2. Identify resources within the community that can assist consumers, including but not limited to, peer support agencies; faith-based groups; transportation services; primary care services; homemaker/personal care services; legal aid; and meals-on-wheels.
 - 2.2.5.3. Identify consumers' needs through treatment team meetings; self-observations; and feedback from landlords and the local mental health center case managers.
 - 2.2.6. ~~The Contractor shall communicate and collaborate with the Department and the NHHFA on an annual basis and as needed, to ensure each individual has responded to communications from NHHFA and remains in good standing on the Housing Choice Voucher waitlist.~~
- 2.3. The Contractor shall administer HBSP services, which includes, but is not limited to:
- 2.3.1. Finding housing for current consumers, as described in Section 2.2.
 - 2.3.2. ~~The Contractor shall review the individual's income and assets on an annual basis, and on occasions when the contractor has been made aware of, or the individual has reported, changes in income and/or assets.~~
 - 2.3.3. Completing annual inspections of consumers' apartments.
 - 2.3.4. Being the point of contact for landlords.
 - 2.3.5. Ensuring timely rental payments to landlords.

PH
6/11/19



2.4. ~~The Contractor shall ensure sufficient staffing to provide housing placement and support services to a minimum of four hundred (400) consumers. The Contractor shall ensure:~~

- 2.4.1. All staffing and volunteers undergo NH Criminal background checks.
- 2.4.2. All staffing and volunteer names are submitted to the Bureau of Adult and Elderly Services for review against the State Consumer Protective Service Registry.

2.5. The Contractor shall ensure all complaints regarding the HBSP services are investigated by the Complaint Investigator within fifteen (15) days of receiving the complaint. The Contractor shall ensure:

- 2.5.1. All parties relevant to the complaint are interviewed by the Complaint Investigator.
- 2.5.2. A determination is made by the Complaint Investigator as to whether the complaint is founded or unfounded.
- 2.5.3. The complainant is notified, in writing, of the finding.
- 2.5.4. All identities of any complainants are kept confidential.
- 2.5.5. Complainants are aware of the Contractor's process to request an appeal of findings.

3. Reporting Requirement

3.1. The Contractor shall submit annual performance reports (APR) to the Department as indicated below. The APR must be in narrative form summarizing the results of project activities and showing in particular how project activities were performed for the previous twelve months.

Federal Fiscal Year	Dates Included in Report	Due Date
2015	10/1/14-9/30/15	10/15/15
2016	10/1/15-9/30/16	10/17/16
2017	10/1/16-9/30/17	10/15/17
2018	10/1/17-9/30/18	10/15/18
2019	10/1/18-9/30/19	10/15/19

3.2. The Contractor shall submit monthly progress reports to the Department, as indicated below. Quarterly reports shall include, but not be limited to:

- 3.2.1. The number of participating consumers' assisted.
- 3.2.2. The number of consumers who exited the project.
- 3.2.3. The number of consumers who attained stable housing.
- 3.2.4. Demographic consumer information.
- 3.2.5. Barriers experienced by the program

[Handwritten Signature]
 Date *10/11/19*



3.2.6. Solutions to avoiding barriers identified.

State Fiscal Year	Dates Included in Report	Due Date
2015	10/1/14 – 12/31/14	1/4/15
2015	1/1/15 – 3/31/15	4/3/15
2015	4/1/15 – 6/30/15	7/3/15
2016	7/1/15 – 9/30/15	10/5/15
2016	10/1/15 – 12/31/15	1/6/16
2016	1/1/16 – 3/31/16	4/5/16
2016	4/1/16 – 6/30/16	6/30/16
2017	7/1/16 – 9/30/16	10/5/16
2017	10/1/16 – 12/31/16	1/6/17
2017	1/1/17 – 3/31/17	4/5/17
2017	4/1/17 – 6/30/17	6/30/17
2018	7/1/17 – 9/30/17	10/5/17
2018	10/1/17 – 12/31/17	1/6/18
2018	1/1/18 – 3/31/18	4/5/18
2018	4/1/18 – 6/30/18	6/30/18
2019	7/1/18 – 9/30/18	10/5/18
2019	10/1/18 – 12/31/18	1/6/19
2019	1/1/19 – 3/31/19	4/5/19
2019	4/1/19 – 6/30/19	6/30/19
2020	7/1/19 – 9/30/19	10/5/19

3.3. The Contractor shall submit monthly progress reports, no later than three (3) business days after the conclusion of the month, specifying the amount of funds expended and the balance of funds remaining for HBSP services.

3.4. The Contractor shall provide monthly reports, quarterly reports and APRs that are based on Section 4, Requirements of Delivery of Services.

4. Requirements of Delivery of Services

4.1. The Contractor shall provide HBSP services to a minimum of four hundred (400) consumers currently in the program.

4.2. The Contractor shall ensure:

4.2.1. Ninety (90) percent of consumers secure housing in their community of choice.

PH
 Date *6/11/19*



- 4.2.2. Ninety (90) percent of consumers maintain housing for a minimum of 18 months.
- 4.2.3. Ninety (90) percent of consumers decrease their hospital utilization to zero over an 18 month period.
- 4.2.4. Ninety (90) percent of consumers increase the number of days within the community over 18 months to at least ninety five (95) percent of the days in the 18 month period.
- 4.2.5. One hundred (100) percent of consumers are referred to and receive ongoing community mental health services.

5. Maintenance of Fiscal Integrity

- 5.1. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor. Program-level Profit and Loss Statement shall include all revenue sources and all related expenditures. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. Statements shall be submitted within thirty (30) calendar days after each month end. The Contractor will be evaluated on the following:
 - 5.1.1. Days of Cash on Hand:
 - 5.1.1.1. Definition: The days of operating expenses that can be covered by the unrestricted cash on hand.
 - 5.1.1.2. Formula: Cash, cash equivalents and short-term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period. The short-term investments as used above must mature within three (3) months and should not include common stock.
 - 5.1.1.3. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) calendar days with no variance allowed.
 - 5.1.2. Current Ratio:
 - 5.1.2.1. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.
 - 5.1.2.2. Formula: Total current assets divided by total current liabilities.
 - 5.1.2.3. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.
 - 5.1.3. Debt Service Coverage Ratio:
 - 5.1.3.1. Rationale: This ratio illustrates the Contractor's ability to cover the cost of its current portion of its long-term debt.
 - 5.1.3.2. Definition: The ratio of Net Income to the year to date debt service.
 - 5.1.3.3. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.

[Handwritten Signature]
Date *6/11/19*



Exhibit A Amendment #4

- 5.1.3.4. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).
- 5.1.3.5. ~~Performance Standard: The Contractor shall maintain a minimum standard of 1:2:1 with no variance allowed.~~
- 5.1.4. Net Assets to Total Assets:
 - 5.1.4.1. Rationale: This ratio is an indication of the Contractor's ability to cover its liabilities.
 - 5.1.4.2. Definition: The ratio of the Contractor's net assets to total assets.
 - 5.1.4.3. Formula: Net assets (total assets less total liabilities) divided by total assets.
 - 5.1.4.4. Source of Data: The Contractor's Monthly Financial Statements.
 - ~~5.1.4.5. Performance Standard: The Contractor shall maintain a minimum ratio of 30:1 with a 20% variance allowed.~~
- 5.2. In the event that the Contractor does not meet either:
 - 5.2.1. ~~The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or~~
 - 5.2.2. ~~Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months; then~~
 - 5.2.3. ~~The Department may require that the Contractor meet with Department staff to explain the reasons that the Contractor has not met the standards.~~
 - 5.2.4. The Department ~~may~~ require the Contractor to submit a comprehensive corrective action plan within thirty (30) calendar days of notification that 5.2.1 and/or 5.2.2 have not been met.
 - 5.2.4.1. The Contractor shall update the corrective action plan at least every thirty (30) calendar days until compliance is achieved.
 - 5.2.4.2. The Contractor shall provide additional information to assure continued access to services as requested by the Department. The Contractor shall provide requested information in a timeframe agreed upon by both parties.
- 5.3. The Contractor shall inform the Department by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with the Department.
- 5.4. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) calendar days after the end of each month.

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2/11/19

Exhibit B-4, Budget

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

Bidder/Program Name: Harbor Homes Inc.
Budget Request for: Housing Bridge Subsidy
Phase of RFP:
Budget Period: SPY 18

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages									
2. Employee Benefits									
3. Consultants									
4. Equipment									
Honoraria									
Repairs and Maintenance									
Purchase/Depreciation									
5. Supplies									
Educational									
Lab									
Pharmacy									
Medical									
Office									
6. Travel									
7. Computer	378,464	18,873	397,337				378,464	18,873	397,337
8. Current Expenses									
Telephone									
Postage									
Subscriptions									
Fuel and Travel									
Insurance									
Board Expenses									
Software									
9. Materials/Communications									
10. Housing/Communications									
11. Staff Education and Training									
12. Subcontractor/Agreements									
13. Other (see the detail mandator)									
TOTAL	378,464	18,873	397,337				378,464	18,873	397,337
Indirect As A Percent of Direct		5.0%							

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6/4/14

Exhibit B-7, Budget

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

Bidder/Program Name: Harbor Homes Inc.

Budget Request for: Housing Bridge Subsidy
Fiscal Year: 2019

Budget Period: July 1, 2019 - September 30, 2019

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salaries/Wages	131,832	-	131,832	-	-	-	131,832	-	131,832
2. Employee Benefits	30,541	-	30,541	-	-	-	30,541	-	30,541
3. Consultants	-	-	-	-	-	-	-	-	-
4. Equipment	-	-	-	-	-	-	-	-	-
5. Supplies	-	-	-	-	-	-	-	-	-
6. Travel	400	-	400	-	-	-	400	-	400
7. Out-of-Pocket	1,188	-	1,188	-	-	-	1,188	-	1,188
8. Other	760,000	3,800	763,800	-	-	-	760,000	3,800	763,800
9. Contract Expenses	771	-	771	-	-	-	771	-	771
10. Telephone	133	-	133	-	-	-	133	-	133
11. Postage	-	-	-	-	-	-	-	-	-
12. Subscriptions	-	-	-	-	-	-	1,852	-	1,852
13. Audit and Legal	1,852	-	1,852	-	-	-	-	-	-
14. Insurance	-	-	-	-	-	-	-	-	-
15. Board Expenses	-	-	-	-	-	-	-	-	-
16. Salaries	-	-	-	-	-	-	-	-	-
17. Membership/Contributions	-	-	-	-	-	-	-	-	-
18. Staff Education and Training	-	-	-	-	-	-	-	-	-
19. Subcontractor Agreements	-	-	-	-	-	-	-	-	-
20. Other	133	-	133	-	-	-	133	-	133
Staff/Contract pay - covered record check/physically	-	21,000	21,000	-	-	-	-	21,000	21,000
Indirect As A Percent of Direct	-	26,000	26,000	-	-	-	26,000	-	26,000
TOTAL	800,000	26,000	826,000	-	-	-	800,000	26,000	826,000

CONTRACTOR INITIALS: *PK*
Date: *6/11/19*

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 HARBOR HOMES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on February 15, 1980. 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: 62778
Certificate Number : 0004097603



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 14th day of May A.D. 2018.

William M. Gardner
Secretary of State

Filing History

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Business Name	Business ID
HARBOR HOMES, INC.	62778

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0003185107	10/30/2015	10/30/2015	Annual Report	2015
0000649754	11/15/2010	11/15/2010	Annual Report	2010
0000649753	10/08/2010	10/08/2010	Reminder Letter	N/A
0000649752	11/30/2006	11/30/2006	Change of Business Address	N/A
0000649751	12/16/2005	12/16/2005	Annual Report	2005
0000649750	05/08/2003	05/08/2003	Amendment	N/A
0000649749	03/15/2000	03/15/2000	Annual Report	2000
0000649748	12/21/1995	12/21/1995	Annual Report	2011
0000649747	11/09/1990	11/09/1990	Annual Report	1990
0000649746	02/15/1980	02/15/1980	Business Formation	N/A

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NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of Harbor Homes, Inc.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of the Agency duly held on 6/11/19:
(Date)

RESOLVED: That the President & CEO
(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 11th day of June, 2019.
(Date Contract Signed)

4. Peter Kelleher is the duly elected President & CEO
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

David Aponovich
(Signature of the Elected Officer)

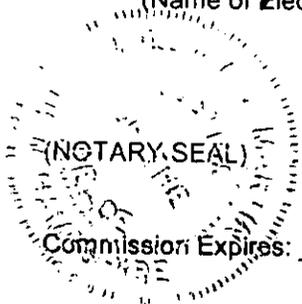
STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 11 day of June, 2019.

By David Aponovich
(Name of Elected Officer of the Agency)

William C. Martin
(Notary Public/Justice of the Peace)



WILLIAM C. MARTIN
Justice of the Peace - New Hampshire
My Commission Expires November 4, 2020



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/30/2018

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 Eaton & Berube Insurance Agency, Inc. 11 Concord Street Nashua NH 03064	CONTACT NAME: Kimberly Gutekunst
	PHONE (A/C, No, Ext): 603-882-2766 FAX (A/C, No):
	E-MAIL ADDRESS: kgutekunst@eatonberube.com
	INSURER(S) AFFORDING COVERAGE
	INSURER A: Hanover Insurance
	INSURER B: Philadelphia Insurance Companies
	INSURER C: Eastern Alliance Insurance Group
	INSURER D: Selective Insurance Group
	INSURER E:
	INSURER F:

INSURED HARHO
Harbor Homes, Inc
77 Northeastern Boulevard
Nashua NH 03062

COVERAGES CERTIFICATE NUMBER: 1724279025 REVISION NUMBER:
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
D	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Abuse GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:	Y		S2288207	7/1/2018	7/1/2019	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 \$
D	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			306871	7/1/2018	7/1/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
D	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			306873	7/1/2018	7/1/2019	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	01000011752	11/26/2018	11/26/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A B D	Professional Liability Management Liability Crime			L1VA966006 PHSD1258460 S2288207	7/1/2018 7/1/2018 7/1/2018	7/1/2019 7/1/2019 7/1/2019	Professional "Gap" \$1,000,000 D&O \$1,000,000 Employee Dishonesty \$510,000

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

Additional Named Insureds:
Harbor Homes, Inc. - FID# 020351932
Harbor Homes II, Inc.
Harbor Homes III, Inc.
Healthy at Homes, Inc. -FID# 043364080
Milford Regional Counseling Service, Inc. -FID# 222512360
Southern New Hampshire HIV/AIDS Task Force -FID# 020447280
Welcoming Light, Inc. -FID# 020481648
See Attached...

CERTIFICATE HOLDER CANCELLATION

DHHS, State of NH 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>W. Berube</i>

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ADDITIONAL REMARKS SCHEDULE

AGENCY Eaton & Berube Insurance Agency, Inc.		NAMED INSURED Harbor Homes, Inc 77 Northeastern Boulevard Nashua NH 03062	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

HH Ownership, Inc.
 Greater Nashua Council on Alcoholism dba Keystone Hall -FID# 222558859
 Boulder Point, LLC - Map 213/Lot 5.3, Boulder Point Drive, Plymouth, NH 03264

HARBOR HOMES, INC.

Consolidated Financial Statements

For the Year Ended June 30, 2018

(With Independent Auditors' Report Thereon)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Harbor Homes, Inc.

Additional Offices:
Andover, MA
Greenfield, MA
Manchester, NH
Ellsworth, ME

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Harbor Homes, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 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 Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We did not audit the financial statements of Healthy at Home, Inc., whose statements reflect total assets constituting 1% of consolidated total assets at June 30, 2018, and total revenues constituting 5% of consolidated total revenues for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Healthy at Home, Inc., is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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, based on our audit and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Harbor Homes, Inc. as of June 30, 2018, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Harbor Homes, Inc.'s fiscal year 2017 financial statements, including the fiscal year 2017 financial statements of the entities included in these consolidated financial statements (except for Healthy at Home, Inc. which was audited by other auditors who expressed an unmodified audit opinion on those audited financial statements), and we expressed unmodified audit opinions on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Consolidating Statement of Financial Position and the Consolidating Statement of Activities are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing

and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2018 on our consideration of Harbor Homes, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Harbor Homes, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Harbor Homes Inc.'s internal control over financial reporting and compliance.

Melanson Heath

December 20, 2018

HARBOR HOMES, INC.

Consolidated Statement of Financial Position
June 30, 2018
(With Comparative Totals as of June 30, 2017)

	<u>2018</u>	<u>2017</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 480,242	\$ 754,353
Restricted cash	1,096,661	614,739
Accounts receivable, net	2,060,419	2,784,965
Patient receivables, net	1,301,048	1,079,605
Promises to give	-	8,000
Investments	192,731	493,543
Inventory	123,078	67,277
Other assets	71,155	101,770
Total Current Assets	<u>5,325,334</u>	<u>5,904,252</u>
Noncurrent Assets:		
Property and equipment, net	30,968,341	30,353,542
Deferred compensation plan assets	16,800	-
Total Noncurrent Assets	<u>30,985,141</u>	<u>30,353,542</u>
Total Assets	<u>\$ 36,310,475</u>	<u>\$ 36,257,794</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Lines of credit	\$ 1,285,423	\$ 1,094,935
Current portion of capital leases payable	-	18,304
Current portion of mortgages payable	496,608	450,736
Accounts payable	865,390	1,289,475
Accrued expenses	1,742,169	1,464,378
Deferred revenue	341,071	33,017
Other liabilities	12,077	5,582
Total Current Liabilities	<u>4,742,738</u>	<u>4,356,427</u>
Long-Term Liabilities:		
Security deposits	68,918	67,636
Deferred compensation plan liabilities	16,800	-
Mortgages payable, tax credits	158,237	79,280
Mortgages payable, net of current portion	15,783,030	16,245,171
Mortgages payable, deferred	8,571,209	7,618,496
Total Long-Term Liabilities	<u>24,598,194</u>	<u>24,010,583</u>
Total Liabilities	29,340,932	28,367,010
Unrestricted Net Assets	6,851,238	7,561,606
Temporarily Restricted Net Assets	118,305	329,178
Total Net Assets	<u>6,969,543</u>	<u>7,890,784</u>
Total Liabilities and Net Assets	<u>\$ 36,310,475</u>	<u>\$ 36,257,794</u>

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

HARBOR HOMES, INC.

Consolidated Statement of Activities
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

	<u>Unrestricted</u> <u>Net Assets</u>	<u>Temporarily</u> <u>Restricted</u> <u>Net Assets</u>	<u>2018</u> <u>Total</u>	<u>2017</u> <u>Total</u>
Public Support and Revenue:				
Public Support:				
State and local grants	\$ 11,380,392	\$ -	\$ 11,380,392	\$ 7,395,645
Federal grants	7,496,411	80,300	7,576,711	8,074,192
Contributions	73,663	613,018	686,681	1,044,621
Other grants	217,794	451,324	669,118	217,600
Fundraising events, net	20,857	28,097	48,954	33,283
Net assets released from restriction	<u>1,383,612</u>	<u>(1,383,612)</u>	<u>-</u>	<u>-</u>
Total Public Support	20,572,729	(210,873)	20,361,856	16,765,341
Revenue:				
Patient services revenues (other), net	5,686,860	-	5,686,860	5,512,169
Patient services revenues (FQHC), net	3,664,163	-	3,664,163	2,430,161
Department of Housing and Urban Development programs	3,429,882	-	3,429,882	3,420,327
Veterans Administration programs	2,213,701	-	2,213,701	2,160,799
Contracted services	1,039,097	-	1,039,097	1,044,751
Rent and service charges, net	867,249	-	867,249	825,519
Outside rent	555,551	-	555,551	432,905
Fees for services	344,456	-	344,456	318,808
Miscellaneous	177,075	-	177,075	27,768
Investment income (loss)	40,632	-	40,632	26,437
Total Revenue	<u>18,018,666</u>	<u>-</u>	<u>18,018,666</u>	<u>16,199,644</u>
Total Public Support and Revenue	38,591,395	(210,873)	38,380,522	32,964,985
Expenses:				
Program	33,423,301	-	33,423,301	27,777,021
Administration	3,754,447	-	3,754,447	3,176,798
Fundraising	667,731	-	667,731	670,846
Total Expenses	<u>37,845,479</u>	<u>-</u>	<u>37,845,479</u>	<u>31,624,665</u>
Change in net assets before depreciation	745,916	(210,873)	535,043	1,340,320
Depreciation	<u>(1,456,284)</u>	<u>-</u>	<u>(1,456,284)</u>	<u>(1,354,446)</u>
Change in net assets	(710,368)	(210,873)	(921,241)	(14,126)
Net Assets, Beginning of Year	<u>7,561,606</u>	<u>329,178</u>	<u>7,890,784</u>	<u>7,904,910</u>
Net Assets, End of Year	<u>\$ 6,851,238</u>	<u>\$ 118,305</u>	<u>\$ 6,969,543</u>	<u>\$ 7,890,784</u>

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

HARBOR HOMES, INC.

Consolidated Statement of Functional Expenses
 For the Year Ended June 30, 2018
 (With Comparative Totals for the Year Ended June 30, 2017)

	<u>Program</u>	<u>Administration</u>	<u>Fundraising</u>	<u>2018 Total</u>	<u>2017 Total</u>
Expenses:					
Salaries and wages	\$ 14,520,100	\$ 2,272,110	\$ 435,102	\$ 17,227,312	\$ 14,123,846
Client rental assistance	6,475,207	-	-	6,475,207	5,793,879
Employee benefits	1,822,234	291,863	43,725	2,157,822	1,516,722
Contracted services	1,930,543	67,920	5,586	2,004,049	2,134,126
Occupancy	1,753,278	176,775	4,022	1,934,075	1,733,130
Payroll taxes	1,157,347	171,856	34,646	1,363,849	1,059,527
Client insurance assistance	923,931	-	-	923,931	459,578
Operational supplies	799,811	6,456	219	806,486	354,235
Grants and donations	518,300	39,641	71,553	629,494	752,534
Interest expense	804,073	126,025	2,768	932,866	739,534
Office expenses	472,217	73,943	38,674	584,834	349,044
Other client assistance	460,267	50	-	460,317	123,926
Retirement contributions	324,433	122,669	6,605	453,707	323,890
Information technology	253,023	47,632	3,505	304,160	602,080
Client food and nutrition services	243,474	519	-	243,993	217,641
Travel	218,521	16,835	1,194	236,550	221,188
Insurance	152,556	10,724	228	163,508	251,962
Professional fees	119,833	51,595	6,426	177,854	163,910
Miscellaneous	137,963	66,459	1,393	205,815	127,572
Legal fees	29,722	81,685	226	111,633	122,421
Accounting fees	1,040	105,769	-	106,809	115,000
Conferences, conventions, and meetings	86,759	12,227	1,181	100,167	151,668
Advertising and promotion	83,847	4,576	9,979	98,402	24,842
Client counseling and support services	60,218	367	-	60,585	106,044
Staff expenses	33,117	4,518	699	38,334	10,830
Membership dues	20,772	2,233	-	23,005	30,190
Client medical assistance	20,715	-	-	20,715	15,346
Total Expenses	<u>33,423,301</u>	<u>3,754,447</u>	<u>667,731</u>	<u>37,845,479</u>	<u>31,624,665</u>
Depreciation	<u>1,337,587</u>	<u>114,639</u>	<u>4,058</u>	<u>1,456,284</u>	<u>1,354,446</u>
Total Functional Expenses	<u>\$ 34,760,888</u>	<u>\$ 3,869,086</u>	<u>\$ 671,789</u>	<u>\$ 39,301,763</u>	<u>\$ 32,979,111</u>

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

HARBOR HOMES, INC.

Consolidated Statement of Cash Flows
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

	<u>2018</u>	<u>2017</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ (921,241)	\$ (14,126)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	1,456,284	1,354,446
(Increase) Decrease In:		
Accounts receivable	724,546	(1,304,307)
Patient receivables	(221,443)	(242,996)
Promises to give	8,000	(8,000)
Inventory	(55,801)	(67,277)
Other assets	30,615	76,667
Increase (Decrease) In:		
Accounts payable	(424,085)	792,902
Accrued expenses	277,791	381,422
Deferred revenue	308,054	5,739
Other liabilities	6,495	(257,701)
Net Cash Provided by Operating Activities	<u>1,189,215</u>	<u>716,769</u>
Cash Flows From Investing Activities:		
Security deposits	1,282	25,993
Purchase of fixed assets	(2,071,083)	(640,938)
Sale of investments	300,812	(340,897)
Net Cash Used by Investing Activities	<u>(1,768,989)</u>	<u>(955,842)</u>
Cash Flows From Financing Activities:		
Borrowings from lines of credit, net	190,488	807,868
Payments on capital leases	(18,304)	(43,127)
Proceeds from long-term borrowings	1,007,713	200,000
Payments on long-term borrowings	(471,269)	(422,991)
Proceeds from tax credits	100,000	-
Payments on tax credits	(21,043)	(21,043)
Net Cash Provided by Financing Activities	<u>787,585</u>	<u>520,707</u>
Net Increase in Cash and Cash Equivalents	207,811	281,634
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	<u>1,369,092</u>	<u>1,087,458</u>
Cash, Cash Equivalents, and Restricted Cash, End of Year	<u>\$ 1,576,903</u>	<u>\$ 1,369,092</u>
Supplemental disclosures of cash flow information:		
Interest paid	<u>\$ 932,866</u>	<u>\$ 660,327</u>
Non-cash financing activities	<u>\$ -</u>	<u>\$ 4,950,000</u>

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

HARBOR HOMES, INC.

Notes to the Consolidated Financial Statements

1. Organization:

The consolidated financial statements of Harbor Homes, Inc. include the following related entities. All inter-entity transactions have been eliminated. Unless otherwise noted, these consolidated entities are hereinafter referred to as the "Organization".

Harbor Homes, Inc. - Creates and provides quality residential and supportive services for persons (and their families) challenged by mental illness and/or homelessness in the State of New Hampshire. Programs include mainstream housing, permanent housing, transitional housing, and emergency shelter, as well as comprehensive support services that include behavioral healthcare, peer support programs, job training, a paid employment program, and social and educational activities. Harbor Homes, Inc. also runs a health care clinic that is a Federally Qualified Health Center (FQHC) offering primary medical services to the homeless and/or low-income individuals.

Harbor Homes Plymouth, LLC - A single-member, New Hampshire Limited Liability Company, created to develop and manage a new permanent supportive housing facility in Plymouth, New Hampshire (Boulder Point, LLC) for homeless veterans. Harbor Homes, Inc. is the sole member and the manager of Harbor Homes Plymouth, LLC.

Boulder Point, LLC - A New Hampshire Limited Liability Company, whose purpose is to acquire, own, develop, construct and/or rehabilitate, manage, and operate a new veterans housing project in Plymouth, New Hampshire. Harbor Homes Plymouth, LLC is a 0.01% investor member and the manager member.

Harbor Homes II, Inc., Harbor Homes III, Inc., and HH Ownership, Inc. - Provides residential services to the chronically mentally ill.

Greater Nashua Council on Alcoholism - Provides recovery support services which are evidence-based, gender-specific, and culturally competent, including residential, transitional housing, outpatient, intensive outpatient, family-based substance abuse services, pregnant and parenting women and children, and offender re-entry services initiative.

Healthy at Home, Inc. - Provides home healthcare services to residents of Nashua and surrounding communities and strives to enhance the lives of people with illness or injury through a cooperative relationship with the community, professional medical service providers, and associations that

serve people in need of healthcare. Homecare, rehabilitative, and private-duty nursing services are provided in the individual's home setting.

Welcoming Light, Inc. – Provides residential services to the elderly and disabled and offers training for substance abuse and mental health issues and training for nonprofit agencies in New Hampshire.

Southern New Hampshire HIV/Aids Task Force, Inc. – Provides educational case management, mental health and alternative therapy assistance, housing assistance, food and nutritional guidance, substance abuse counseling, and other related support services to people in the Southern New Hampshire region infected with the HIV/Aids virus.

Milford Regional Counseling, Inc. – Operates a regional counseling center serving the Greater Souhegan Valley area and provides counseling, guidance, and consultation to individuals, groups, children, adults, and families.

2. Significant Accounting Policies:

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with Accounting Principles Generally Accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with the audited financial statements for the year ended June 30, 2017, from which the summarized information was derived.

Cash and Cash Equivalents

All cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents.

Accounts Receivable, Net

Accounts receivable consist primarily of noninterest-bearing amounts due for services and programs. The allowance for uncollectable accounts receivable is based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable.

Patient Receivables, Net

Patient receivables relate to health care services provided by the Organization's Federally Qualified Health Care Center. Additions to the allowance for doubtful accounts result from the provision for bad debts. Accounts written off as uncollectible are deducted from the allowance for doubtful accounts. The amount of the allowance for doubtful accounts is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in Medicare and Medicaid health care coverage, and other indicators.

For receivables associated with services provided to patients who have third-party coverage, which includes patients with deductible and copayment balances due for which third-party coverage exists for part of the bill, the Organization analyzes contractually due amounts and provides an allowance for doubtful collections and a provision for doubtful collections, if necessary. For receivables associated with self-pay patients, the Organization records a significant provision for doubtful collections in the period of service on the basis of its past experience, which indicates that many patients are unable to pay the portion of their bill for which they are financially responsible. The difference between the billed rates and the amounts actually collected after all reasonable collections efforts have been exhausted is charged off against the allowance for doubtful collections.

Inventory

Inventory is comprised primarily of pharmacy items, and is stated at the lower of cost or net realizable value determined by the first-in, first-out method.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Consolidated Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Consolidated Statement of Activities.

Property and Equipment

Property and equipment additions over \$5,000 are recorded at cost, if purchased, and at fair value at the date of donation, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 40 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation is removed, and any resulting gain or loss is included in the Consolidated Statement of Activities. Costs of maintenance and repairs

that do not improve or extend the useful lives of the respective assets are expensed.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment in fiscal year 2018.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets available for use in general operations.

Temporarily Restricted Net Assets – Net assets subject to donor restrictions that may or will be met by expenditures or actions and/or the passage of time. Contributions are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Consolidated Statement of Activities as net assets released from restrictions.

Permanently Restricted Net Assets – Net assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed. The restrictions stipulate that resources be maintained permanently, but permit expending of the income generated in accordance with donor stipulations.

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively.

Patient Services Revenues, Net

Patient services revenues, net is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered. Self-pay revenue is recorded at published charges with charitable allowances

deducted to arrive at net self-pay revenue. All other patient services revenue is recorded at published charges with contractual allowances deducted to arrive at patient services, net. Reimbursement rates are subject to revisions under the provisions of reimbursement regulations. Adjustments for such revisions are recognized in the fiscal year incurred. Included in third-party receivables are the outstanding uncompensated care pool payments.

Charity Care

The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Since the Organization does not pursue collection of amounts determined to qualify as charity care, these amounts are reported as deductions from revenue.

Accounting for Contributions

Contributions are recognized when received. All contributions are reported as increases in unrestricted net assets unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in either temporarily restricted or permanently restricted net assets, consistent with the nature of the restriction. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as temporarily restricted until the payment is due unless the contribution is clearly intended to support activities of the current fiscal year or is received with permanent restrictions. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

Gifts-in-Kind Contributions

The Organization periodically receives contributions in a form other than cash or investments. Contributed property and equipment is recognized as an asset at its estimated fair value at the date of gift, provided that the value of the asset and its estimated useful life meets the Organization's capitalization policy. Donated use of facilities is reported as contributions and as expenses at the estimated fair value of similar space for rent under similar conditions. If the use of the space is promised unconditionally for a period greater than one year, the contribution is reported as a contribution and an unconditional promise to give at the date of gift, and the expense is reported over the term of use. Donated supplies are recorded as contributions at the date of gift and as expenses when the donated items are placed into service or distributed.

The Organization benefits from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the Organization's program operations and in its fund-

raising campaigns. However, the majority of the contributed services do not meet the criteria for recognition in financial statements. Generally Accepted Accounting Principles allow recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills.

Grant Revenue

Grant revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Grant revenue from federal agencies is subject to independent audit under the Office of Management and Budget's, *Uniform Grant Guidance*, and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, the Organization's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the Organization.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the Consolidated Statement of Activities. The Consolidated Statement of Functional Expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Administration expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. Additionally, advertising costs are expensed as incurred.

Change in Net Assets Before Depreciation

Due to the significance of depreciation expense that is included in the Organization's change in net assets, the change in net assets before depreciation has been provided in the Consolidated Statement of Activities.

Income Taxes

The entities included in these consolidated financial statements (with the exception of Harbor Homes Plymouth, LLC and Boulder Point, LLC) have been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code (IRC) Section 501(a) as organizations described in IRC Section 501(c)(3), qualify for charitable

contribution deductions, and have been determined not to be private foundations. A Return of Organization Exempt from Income Tax (Form 990), is required to be filed with the IRS for each entity. In addition, net income that is derived from business activities that are unrelated to an entity's exempt purpose is subject to income tax. In fiscal year 2018, Harbor Homes, Inc. and Milford Regional Counseling Services, Inc. were subject to unrelated business income tax and filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Harbor Homes Plymouth, LLC is a single-member, New Hampshire Limited Liability Company, with Harbor Homes, Inc. as its sole member. Harbor Homes Plymouth, LLC has elected to be treated as a corporation.

Boulder Point, LLC is a New Hampshire Limited Liability Company and has elected to be treated as a partnership.

Estimates

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

Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits. To date, no losses have been experienced in any of these accounts. Credit risk associated with receivables is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and entities supportive of the Organization's mission. Investments are monitored regularly by the Organization. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Organization believes that its investment strategies are prudent for the long-term welfare of the Organization.

Fair Value Measurements and Disclosures

Certain assets and liabilities are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly

to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. However, Level 1 inputs are not available for many of the assets and liabilities that the Organization is required to measure at fair value (for example, unconditional contributions receivable and in-kind contributions).

The primary uses of fair value measures in the Organization's financial statements are:

- Initial measurement of noncash gifts, including gifts of investment assets and unconditional contributions receivable.
- Recurring measurement of investments – Note 4.
- Recurring measurement of lines of credit – Note 9.
- Recurring measurement of mortgages payable – Notes 10 – 12.

The carrying amounts of cash, cash equivalents, restricted cash, receivables, inventory, other assets, accounts payable, accrued expenses, deferred revenue, and other liabilities, approximate fair value due to the short-term nature of the items.

Reclassifications

Certain accounts in the prior year comparative totals have been reclassified for comparative purposes to conform to the presentation in the current year consolidated financial statements.

3. Restricted Cash:

Restricted cash at June 30, 2018 consists of escrow and reserve accounts which are held for various purposes, and are comprised of the following:

Construction escrows	\$	471,769
Reserve for replacements		547,792 *
Residual receipt deposits		13,062 *
Security deposits		<u>64,038</u>
Total	\$	<u>1,096,661</u>

*Required by the Department of Housing and Urban Development.

4. Investments:

Investments consist of the following at June 30, 2018:

	Fair Value	Level 1	Level 3
Equities	\$ 19,426	\$ 19,426	\$ -
Other investments	<u>173,305</u>	<u>-</u>	<u>173,305</u>
Total	<u>\$ 192,731</u>	<u>\$ 19,426</u>	<u>\$ 173,305</u>

	<u>Fair Value</u> <u>Measurements</u> <u>Using Significant</u> <u>Unobservable Inputs</u> <u>Level 3</u> <u>Other Investments</u>
Beginning Balance, July 1, 2017	\$ 161,946
Additions	11,359
Reductions	-
Transfers in to Level 3	-
Ending Balance, June 30, 2018	<u>\$ 173,305</u>

5. Accounts Receivable, Net:

Accounts receivable at June 30, 2018 consist of the following:

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Grants	\$ 1,497,960	\$ -	\$ 1,497,960
Residents	59,701	(39,280)	20,421
Other	284,876	-	284,876
Medicaid	246,632	-	246,632
Pledges	8,000	-	8,000
Security deposits	2,530	-	2,530
Total	<u>\$ 2,099,699</u>	<u>\$ (39,280)</u>	<u>\$ 2,060,419</u>

6. Patient Receivables, Net:

Patient receivables, related to the Organization's Federally Qualified Health Care Center, consists of the following at June 30, 2018:

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Medicaid	\$ 811,024	\$ (58,810)	\$ 752,214
Medicare	235,566	(85,358)	150,208
Other	767,453	(368,827)	398,626
Total	<u>\$ 1,814,043</u>	<u>\$ (512,995)</u>	<u>\$ 1,301,048</u>

7. Property, Equipment, and Depreciation:

A summary of the major components of property and equipment as of June 30, 2018 is presented below:

Land	\$ 4,338,288
Land improvements	36,394
Buildings	27,785,977
Building improvements	7,031,206
Software	840,669
Vehicles	404,192
Furniture, fixtures, and equipment	725,786
Dental equipment	150,405
Medical equipment	58,022
Construction in progress	<u>1,292,454</u>
Subtotal	42,663,393
Less: accumulated depreciation	<u>(11,695,052)</u>
Total	<u>\$ 30,968,341</u>

Depreciation expense for the year ended June 30, 2018 totaled \$1,456,284.

8. Accrued Expenses:

Accrued expenses at June 30, 2018 include the following:

Mortgage interest	\$ 84,503
Payroll and related taxes	827,156
Compensated absences	784,710
Other	<u>45,800</u>
Total	<u>\$ 1,742,169</u>

9. Lines of Credit:

At June 30, 2018, the Organization had the following lines of credit available:

Harbor Homes, Inc. - \$1,000,000 of credit available from TD Bank, N. A. due October 31, 2018, secured by all business assets. The Organization is required, at a minimum, to make monthly interest payments to TD Bank, N. A. at the bank's base rate plus 1% adjusted daily. As of June 30, 2018, the credit line had an outstanding balance of \$261,746 at an interest rate of 6.00%.

Harbor Homes, Inc. - \$500,000 line of credit available from TD Bank, N. A. due October 31, 2018, secured by all business assets. The Organization is required, at a minimum, to make monthly interest payments to TD Bank, N. A. at the bank's base rate plus 1% adjusted daily. As of June 30, 2018, the credit line had an outstanding balance of \$440,462 at an interest rate of 6.00%.

Greater Nashua Council on Alcoholism - \$750,000 line of credit available from Merrimack County Savings Bank, due on demand, and secured by all business assets. The Organization is required, at a minimum, to make monthly interest payments at the Wall Street Journal Prime Rate plus 1.00% (6.00% at June 30, 2018) to Merrimack County Savings Bank. As of June 30, 2018, the credit line had an outstanding balance of \$348,779.

Healthy at Home, Inc. - \$250,000 of credit available from TD Bank, N. A., due October 31, 2018, secured by all business assets. The interest rate is the Wall Street Journal Prime Rate plus 1% (6.00% at June 30, 2018). The outstanding balance on the line of credit was \$234,436 at June 30, 2018.

Lines of credit are categorized in the fair value hierarchy as Level 2.

10. Mortgages Payable, Tax Credits:

Mortgages payable, tax credits consist of mortgages payable by Harbor Homes, Inc. to the Community Development Finance Authority through the Community Development Investment Program, payable through the sale of tax credits to donor organizations, maturing in 2020, secured by real property located at 59 Factory Street in Nashua, NH. This amount is amortized over ten years at zero percent interest. The amount due at June 30, 2018 is \$58,237.

Mortgages payable, tax credits also includes \$100,000 of Low Income Housing Tax Credits (LIHTC) to Boulder Point, LLC.

Mortgages payable, tax credits are categorized in the fair value hierarchy as Level 2.

11. Mortgages Payable:

Mortgages payable as of June 30, 2018 consisted of the following:

<u>Principal Balance</u>	<u>Payment Amount</u>	<u>Payment Frequency</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Property/Security</u>
\$ 3,653,055	\$ 19,635	Monthly	4.00%	09/15/42	615 Amherst Street in Nashua, NH
3,375,000	-	Interest only	4.00%	02/28/19	75-77 Northeastern Boulevard in Nashua, NH
1,146,876	7,879	Monthly	6.77%	12/05/33	335 Somerville Street in Manchester, NH
1,125,000	-	Interest only	6.00%	11/22/18	75-77 Northeastern Boulevard in Nashua, NH
1,118,886	6,193	Monthly	4.57%	12/05/33	335 Somerville Street in Manchester, NH
1,041,850	7,768	Monthly	7.05%	10/01/40	59 Factory Street in Nashua, NH
631,152	5,126	Monthly	6.97%	12/12/36	46 Spring Street in Nashua, NH
602,012	5,324	Monthly	4.38%	08/12/30	45 High Street in Nashua, NH
584,714	3,996	Monthly	4.75%	12/12/36	46 Spring Street in Nashua, NH
443,434	2,692	Monthly	4.75%	10/01/40	59 Factory Street in Nashua, NH
374,102	5,276	Monthly	9.25%	12/01/26	Allds Street in Nashua, NH
348,728	5,387	Monthly	4.75%	03/29/21	14 Maple Street in Nashua, NH
272,543	2,077	Monthly	4.83%	06/29/35	189 Kinsley Street in Nashua, NH
256,339	3,369	Monthly	9.28%	01/01/28	Chestnut Street in Nashua, NH
243,747	1,425	Monthly	4.75%	04/06/42	45 High Street in Nashua, NH
214,679	1,731	Monthly	7.00%	09/28/36	7 Trinity Street in Claremont, NH
192,497	3,184	Monthly	9.25%	05/01/25	North Main Street in Nashua, NH
154,223	3,419	Monthly	1.00%	04/05/22	Mobile van
150,933	3,419	Monthly	1.00%	03/05/22	615 Amherst Street in Nashua, NH
109,834	1,144	Monthly	4.64%	11/10/29	24 Mulberry Street in Nashua, NH
98,762	2,385	Monthly	9.25%	08/01/22	3 Winter Street in Nashua, NH
90,208	779	Monthly	4.32%	04/11/37	4 New Haven Drive, Unit 202 in Nashua, NH
55,000	-	Interest only	3.08%	10/31/19	Boulder Point Drive in Plymouth, NH
45,227	299	Monthly	3.89%	10/01/35	59 Factory Street in Nashua, NH
20,058	1,552	Monthly	4.50%	07/13/19	15 Union Street in Milford, NH
\$ 16,348,859	Subtotal				
(69,221)	Less debt issuance costs				
(496,608)	Less amount due within one year				
\$ 15,783,030	Mortgages payable, net of current portion				

The following is a summary of future payments on the previously mentioned long-term debt.

<u>Year</u>	<u>Amount</u>
2019	\$ 496,608
2020	504,104
2021	531,444
2022	543,121
2023	501,920
Thereafter	<u>13,771,662</u>
Total	\$ <u>16,348,859</u>

Mortgages payable are categorized in the fair value hierarchy as Level 2.

12. Mortgages Payable, Deferred:

The Organization has deferred mortgages outstanding at June 30, 2018, totaling \$8,571,209. These loans are interest free, and are not required to be repaid unless the Organization is in default with the terms of the loan agreements or, for certain loans, if an operating surplus occurs within that program.

Deferred mortgages payable at June 30, 2018 are as follows:

City of Manchester:	
Somerville Street property	\$ <u>300,000</u>
Total City of Manchester	300,000
City of Nashua:	
Factory Street property	580,000
Spring Street property	491,000
Strawberry Bank condominiums	80,000
High Street fire system	<u>65,000</u>
Total City of Nashua	1,216,000
Department of Housing and Urban Development:	
Strawberry Bank condominiums	<u>436,400</u>
Total Department of Housing and Urban Development	436,400
Federal Home Loan Bank (FHLB):	
Boulder Point property	952,713
Factory Street property	400,000
Somerville Street property	400,000
Spring Street property	398,747
Amherst Street property	<u>385,000</u>
Total FHLB	2,536,460
NHHFA:	
Amherst Street property	1,500,000
Factory Street property	1,000,000
Spring Street property	550,000
Charles Street property	32,349
Somerville Street property	<u>1,000,000</u>
Total NHHFA	<u>4,082,349</u>
Total Mortgages Payable, Deferred	<u>\$ 8,571,209</u>

Deferred mortgages payable are categorized in the fair value hierarchy as Level 2.

13. Temporarily Restricted Net Assets:

Temporarily restricted net assets are available for the following purposes at June 30, 2018:

<u>Purpose</u>	<u>Amount</u>
Special events	\$ 40,224
Housing	20,439
Client services	39,216
Clinic	2,656
Dental	10,000
Miscellaneous	<u>5,770</u>
Total	<u>\$ 118,305</u>

Net assets are released from restrictions by incurring expenses satisfying the restricted purpose or by the passage of time.

14. Patient Services Revenue (FQHC), Net:

The Organization recognizes patient services revenue associated with services provided through its FQHC to patients who have Medicaid, Medicare, third-party payor, and managed care plans coverage on the basis of contractual rates for services rendered. For uninsured self-pay patients that do not qualify for charity care, the Organization recognizes revenue on the basis of its standard rates for services provided or on the basis of discounted rates if negotiated or provided by the Organization's policy. Charity care services are computed using a sliding fee scale based on patient income and family size. On the basis of historical experience, a significant portion of the Organization's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Organization records a provision for bad debts related to uninsured patients in the period the services are provided.

The Organization accepts patients regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies, which define charity services as those costs for which no payment is anticipated. The Organization uses federally established poverty guidelines to assess the level of discount provided to the patient. The Organization is required to provide a full discount to patients with annual incomes at or below 100% of the poverty guidelines, but may charge a nominal copay. If the patient is unable to pay the copay, the amount is written off to charity care. All patients are charged in accordance with a sliding fee discount program based on household size and household income. No discounts may be provided to patients with incomes over 200% of federal poverty guidelines.

Patient services revenue (FQHC), net of provision for bad debts and contractual allowances and discounts, consists of the following:

	2018			2017	
	Gross Charges	Contractual Allowances	Charitable Care Allowances	Net Patient Service Revenue	Net Patient Service Revenue
Medicaid	\$ 1,788,985	\$ (283,487)	\$ -	\$ 1,505,498	\$ 1,470,902
Medicare	1,649,191	(624,839)	-	1,024,352	284,040
Third-party	1,597,970	(528,963)	-	1,069,007	560,456
Sliding fee/free care	443,680	-	(440,720)	2,960	18,900
Self-pay	427,971	-	(124,171)	303,800	301,645
Subtotal	\$ 5,907,797	\$ (1,437,289)	\$ (564,891)	3,905,617	2,635,943
Provision for bad debts				(241,454)	(205,782)
Total				\$ 3,664,163	\$ 2,430,161

15. Client Rental Assistance:

The Organization has multiple grants requiring the payment of rents on behalf of the consumer. Rent expense totaling approximately \$6.5 million is comprised of leases held in the Organization's name and the responsibility of the Organization, leases in consumers' names, or rents paid as client assistance.

16. Plymouth NH Veterans Housing Project:

The Plymouth NH Veterans Housing project is a planned permanent supportive housing development of twenty-five one-bedroom apartments for homeless veterans, and five two-bedroom apartments for low-income families located on Boulder Point Drive in Plymouth, New Hampshire. The New Hampshire Community Development Finance Authority has awarded Harbor Homes, Inc. \$700,000 in state tax credits for the project. Harbor Homes, Inc. is serving as the developer of the \$7 million project and will receive a developer fee, net of expenses in the amount of \$472,000. When completed, the 29,000 square foot apartment building will not only offer affordable, permanent supportive housing for in-need veterans, but staff from Harbor Homes, Inc. and White River Junction VA Medical Center will also provide essential supportive services and case management on-site.

17. Deferred Compensation Plan:

In fiscal year 2018, the Organization offered a 401(k) retirement plan. Upon meeting the eligibility criteria, employees can contribute a portion of their wages to the 401(k) plan. The Organization matches a percentage of the employee contribution based on years of service. Total matching contributions paid by the Organization for the year ended June 30, 2018 were \$454,960.

The Organization maintains a deferred compensation plan for certain directors (the "SA Plan"). The deferred compensation liability under the SA Plan was \$16,800 as of June 30, 2018 and was recorded as a long-term liability. This liability is offset by a corresponding long-term asset in the same amount.

18. Concentration of Risk:

The Organization received revenue as follows:

Federal grants	\$	30%
State, local, and other agencies		20%
Patient services revenues (other), net		15%
Patient services revenues (FQHC), net		10%
Department of Housing and Urban Development		9%
Department of Veterans Affairs		6%
All other support and revenue		<u>10%</u>
Total	\$	<u>100%</u>

19. Contingencies:

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations is subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments for patient service previously billed. Management is not aware of any material incidents of noncompliance; however, the possible future financial effects of this matter on the Organization, if any, are not presently determinable.

20. Supplemental Disclosure of Cash Flow Information:

The Organization has adopted Accounting Standard Update (ASU) No. 2016-18, *State of Cash Flows (Topic 203): Restricted Cash*. The amendments in this update require that the Consolidated Statement of Cash Flows explain the change during the fiscal year of restricted cash as part of the total of cash and cash equivalents.

The following table provides a reconciliation of cash and cash equivalents, and restricted cash reported in the Consolidated Statement of Financial

Position to the same such amounts reported in the Consolidated Statement of Cash Flows.

Cash and Cash Equivalents	\$ 480,242
Restricted Cash	<u>1,096,661</u>
Total Cash, Cash Equivalents, and Restricted Cash shown in the Consolidated Statement of Cash Flows	\$ <u>1,576,903</u>

21. Change in Accounting Principle:

Effective July 1, 2017, the Organization adopted FASB ASU 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*, which simplifies the subsequent measurement of inventory by replacing the lower of cost or market test with a lower of cost or net realizable value test. Net realizable value is defined as estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Prior to fiscal year 2018, the Organization reported inventory at the lower of cost or market. This guidance is applied prospectively as determined by the standard. There is no prior year or current year effect to the financial statements as a result of this change.

22. Subsequent Events:

Subsequent events have been evaluated through December 20, 2018, which is the date the financial statements were available to be issued.

On August 29, 2019, Harbor Homes, Inc. signed a \$400,000 short-term note with a local bank. Interest on the note is required at 2.5% above the bank's base rate for six months. The note is secured by two properties.

In October of 2018, Harbor Homes, Inc. sold two properties. The proceeds were used to pay down the short-term note in the amount of \$319,000.

Subsequent to year end, and upon completion of the Plymouth NH Veterans Housing project, additional Low Income Housing Tax Credits (LIHTC) funding of approximately \$2.6 million will be provided to Boulder Point, LLC.

The New Hampshire Community Development Finance Authority has awarded Harbor Homes, Inc. \$700,000 in state tax credits for the Plymouth NH Veterans Housing project which will be received in fiscal years 2019 and 2020 and will consist of mortgages payable totaling \$560,000 to the Community Development Investment Program.

HARBOR HOMES, INC.

Consolidating Statement of Financial Position
June 30, 2018
(With Comparative Totals as of June 30, 2017)

** Includes Harbor Homes, Inc., Harbor Homes Plymouth, LLC, and Boulder Point, LLC

	** Harbor Homes, Inc.	Harbor Homes II, Inc.	Harbor Homes III, Inc.	HH Ownership, Inc.	Greater Nashua Council on Alcoholism	Healthy # Home, Inc.	Welcoming Lives, Inc.	Southern NH HIV/AIDS Task Force, Inc.	Milford Regional Counseling Services, Inc.	Subtotal	Eliminations	2018 Total	2017 Total
ASSETS													
Current Assets:													
Cash and cash equivalents	\$ 2,275	\$ 903	\$ 2,508	\$ 1,556	\$ 315,659	\$ 39,447	\$ 9,572	\$ 95,156	\$ 13,166	\$ 480,242	\$ -	\$ 480,242	\$ 754,353
Restricted cash	891,720	29,332	69,272	13,256	29,752	-	64,329	-	-	1,096,661	-	1,096,661	614,739
Accounts receivable, net	1,336,150	1,379	553	-	555,874	-	952	152,267	13,244	2,060,419	-	2,060,419	2,784,965
Patient receivables, net	1,023,946	-	-	-	-	277,102	-	-	-	1,301,048	-	1,301,048	1,079,605
Promises to give	-	-	-	-	-	-	-	-	-	-	-	-	8,000
Due from related organizations	145,432	-	-	-	-	-	-	-	2,320	147,752	(147,752)	-	-
Investments	192,731	-	-	-	-	-	-	-	-	192,731	-	192,731	493,543
Inventory	123,078	-	-	-	-	-	-	-	-	123,078	-	123,078	67,277
Other assets	53,481	-	-	-	-	16,824	-	750	-	71,155	-	71,155	101,770
Total Current Assets	3,768,813	30,614	72,333	14,812	901,285	333,473	74,853	248,173	28,730	5,473,086	(147,752)	5,325,334	5,904,252
Noncurrent Assets:													
Property and equipment, net	24,214,377	320,659	200,980	311,803	5,605,937	12,581	213,186	6,536	152,282	31,038,341	(70,000)	30,968,341	30,353,542
Due from related organizations	1,403,059	-	-	-	266,004	-	121,479	82,988	-	1,873,530	(1,873,530)	-	-
Deferred compensation plan assets	16,800	-	-	-	-	-	-	-	-	16,800	-	16,800	-
Prepaid land lease	285,000	-	-	-	-	-	-	-	-	285,000	(285,000)	-	-
Total Noncurrent Assets	25,919,236	320,659	200,980	311,803	5,871,941	12,581	334,665	89,524	152,282	33,213,671	(2,228,530)	30,885,141	30,353,542
Total Assets	29,688,049	\$ 351,273	\$ 273,313	\$ 326,615	\$ 6,773,226	\$ 346,054	\$ 409,518	\$ 337,697	\$ 181,012	\$ 38,686,757	\$ (2,376,282)	\$ 36,310,475	\$ 36,257,794
LIABILITIES AND NET ASSETS													
Current Liabilities:													
Lines of credit	\$ 702,208	\$ -	\$ -	\$ -	\$ 348,779	\$ 234,436	\$ -	\$ -	\$ -	\$ 1,285,423	\$ -	\$ 1,285,423	\$ 1,094,935
Current portion of capital leases payable	-	-	-	-	-	-	-	-	-	-	-	-	18,304
Current portion of mortgages payable	281,658	29,957	17,444	-	128,006	-	21,289	-	18,254	496,608	-	496,608	450,736
Accounts payable	731,227	5,484	2,005	357	45,128	-	3,526	77,498	165	865,390	-	865,390	1,289,475
Accrued expenses	1,375,281	3,275	1,853	1,079	214,127	109,260	2,741	27,289	7,264	1,742,169	-	1,742,169	1,464,378
Due to related organizations	17,952	-	5,781	5,917	-	115,762	-	2,320	-	147,752	(147,752)	-	-
Deferred revenue	621,395	-	-	-	-	4,676	-	-	-	626,071	(285,000)	341,071	33,017
Other liabilities	12,077	-	-	-	-	-	-	-	-	12,077	-	12,077	5,582
Total Current Liabilities	3,741,798	38,716	27,083	7,353	736,040	464,154	27,556	107,107	25,683	5,175,490	(432,752)	4,742,738	4,356,427
Long-Term Liabilities:													
Due to related organizations	1,320,108	175,463	-	-	27,012	-	291,480	-	59,467	1,873,530	(1,873,530)	-	-
Security deposits	57,660	4,018	2,494	1,317	-	-	1,079	-	2,350	68,918	-	68,918	67,636
Deferred compensation plan liabilities	16,800	-	-	-	-	-	-	-	-	16,800	-	16,800	-
Mortgages payable, tax credits	158,237	-	-	-	-	-	-	-	-	158,237	-	158,237	79,260
Mortgages payable, net of current portion	11,420,217	344,145	238,895	-	3,606,761	-	171,208	-	1,804	15,783,030	-	15,783,030	18,245,171
Mortgages payable, deferred	6,169,809	-	-	516,400	1,885,000	-	-	-	-	8,571,209	-	8,571,209	7,618,496
Total Long-Term Liabilities	19,142,831	523,626	241,389	517,717	5,518,773	-	463,787	-	63,621	26,471,724	(1,873,530)	24,598,194	24,010,583
Total Liabilities	22,884,629	562,342	268,472	525,070	6,254,813	464,154	491,323	107,107	89,304	31,647,214	(2,306,282)	29,340,932	28,367,010
Unrestricted Net Assets (Deficit)													
Unrestricted Net Assets (Deficit)	6,685,115	(211,069)	4,841	(198,455)	518,413	(118,100)	(81,805)	230,590	91,708	6,821,238	(70,000)	6,851,238	7,561,606
Temporarily Restricted Net Assets	118,305	-	-	-	-	-	-	-	-	118,305	-	118,305	329,178
Total Net Assets	6,803,420	(211,069)	4,841	(198,455)	518,413	(118,100)	(81,805)	230,590	91,708	7,039,543	(70,000)	6,969,543	7,890,784
Total Liabilities and Net Assets	\$ 29,688,049	\$ 351,273	\$ 273,313	\$ 326,615	\$ 6,773,226	\$ 346,054	\$ 409,518	\$ 337,697	\$ 181,012	\$ 38,686,757	\$ (2,376,282)	\$ 36,310,475	\$ 36,257,794

See Independent Auditors' Report.

HARBOR HOMES, INC.

Consolidating Statement of Activities
For the Year Ended June 30, 2018
(With Comparative Totals for the Year Ended June 30, 2017)

** Includes Harbor Homes, Inc., Harbor Homes Plymouth, LLC, and Boulder Point, LLC

	** Harbor Homes, Inc.	Harbor Homes II, Inc.	Harbor Homes III, Inc.	HH Ownership, Inc.	Greater Nashua Council on Alcoholism	Healthy at Home, Inc.	Welcoming Light, Inc.	Southern NH HIV/AIDS Task Force, Inc.	Milford Regional Counseling Services, Inc.	Subtotal	Eliminations	2018 Total	2017 Total
Public Support and Revenue:													
Public Support:													
State and local grants	\$ 9,833,151	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,547,241	\$ -	\$ 11,380,392	\$ -	\$ 11,380,392	\$ 7,395,845
Federal grants	3,494,823	-	-	-	3,492,617	-	-	589,171	-	7,576,711	-	7,576,711	8,074,192
Contributions	622,406	-	-	-	2,231	3,622	7,173	33,854	17,365	686,681	-	686,681	1,044,621
Other grants	669,118	-	-	-	-	-	-	-	-	669,118	-	669,118	217,600
Fundraising events, net	39,196	-	-	-	-	-	-	9,758	-	48,954	-	48,954	33,283
Total Public Support	14,658,794	-	-	-	3,494,848	3,622	7,173	2,180,054	17,365	20,361,856	-	20,361,856	16,765,341
Revenue:													
Patient services revenues (other), net	1,903,590	-	-	-	2,020,077	1,763,193	-	-	-	5,686,860	-	5,686,860	5,512,169
Patient services revenues (FQHC), net	3,664,163	-	-	-	-	-	-	-	-	3,664,163	-	3,664,163	2,430,161
Department of Housing and Urban Development programs	3,058,843	115,280	104,663	21,353	-	-	129,743	-	-	3,429,882	-	3,429,882	3,420,327
Veterans Administration programs	2,213,701	-	-	-	-	-	-	-	-	2,213,701	-	2,213,701	2,160,799
Contracted services	719,154	-	-	-	298,483	-	-	-	21,460	1,039,097	-	1,039,097	1,044,751
Rent and service charges, net	735,691	41,301	31,442	21,600	-	-	30,476	-	6,739	867,249	-	867,249	825,519
Outside rent	554,851	-	-	-	-	-	700	-	-	555,551	-	555,551	432,905
Fees for services	139,400	-	-	-	-	-	150	36,186	168,720	344,456	-	344,456	318,808
Miscellaneous	198,608	-	-	-	6,885	-	36,926	1,856	-	247,075	(70,000)	177,075	27,768
Investment income (loss)	40,354	7	38	5	50	-	16	162	-	40,832	-	40,832	28,437
Management fees, net	37,406	-	-	-	-	-	-	-	-	37,406	(37,406)	-	-
Total Revenue	13,295,763	158,588	136,143	42,958	2,325,495	1,763,193	201,011	38,004	198,919	18,128,074	(107,408)	18,018,666	16,199,644
Total Public Support and Revenue	27,924,557	158,588	136,143	42,958	5,820,343	1,766,815	208,184	2,218,058	214,284	38,487,930	(107,408)	38,380,522	32,964,985
Expenses:													
Program	23,954,954	134,424	100,048	35,840	5,051,627	1,832,128	145,743	2,050,379	155,566	33,460,708	(37,406)	33,423,301	27,777,021
Administration	2,614,520	10,576	7,850	10,657	667,460	223,787	21,316	148,749	49,532	3,754,447	-	3,754,447	3,178,798
Fundraising	559,731	-	-	-	82,259	-	14,066	7,669	4,006	667,731	-	667,731	670,846
Total Expenses	27,129,205	145,000	107,898	46,497	5,801,346	2,055,915	181,125	2,206,797	209,104	37,882,887	(37,406)	37,845,479	31,624,665
Change in net assets before depreciation	795,352	11,588	28,245	(3,539)	18,997	(289,100)	27,059	11,261	5,180	605,043	(70,000)	535,043	1,340,320
Depreciation	1,133,113	25,469	21,398	14,134	230,582	3,009	25,571	503	2,517	1,458,284	-	1,458,284	1,354,446
Change in net assets	(337,761)	(13,881)	6,859	(17,673)	(211,585)	(292,109)	1,488	10,758	2,663	(851,241)	(70,000)	(921,241)	(14,126)
Net Assets (Deficit), Beginning of Year	7,141,181	(197,188)	(2,018)	(180,782)	729,998	174,009	(83,293)	219,832	89,045	7,690,784	-	7,690,784	7,904,810
Net Assets (Deficit), End of Year	\$ 6,803,420	\$ (211,069)	\$ 4,841	\$ (198,455)	\$ 518,413	\$ (118,100)	\$ (81,805)	\$ 230,590	\$ 91,708	\$ 7,039,543	\$ (70,000)	\$ 6,969,543	\$ 7,890,784

See Independent Auditors' Report.

CURRENT BOARD OF DIRECTORS LIST (6/12/19)

Officers

Dan Sallet, Chair
Trent Smith, Vice-Chair
David Aponovich, Asst. Treasurer
Jared Freilich, Treasurer
Joel Jaffe, Secretary
Laurie Goguen, Asst. Secretary

Directors

Thomas I. Arnold, III
Jack Balcom
Vijay Bhatt
Vince Chamberlain
Phil Duhaime
Lynn King
Ed McDonough
Rick Plante
Rick Carvalho

PETER J. KELLEHER, CCSW, LICSW

77 Northeastern Blvd

Nashua, NH 03062

Telephone: (603) 882-3616

Mobile: [REDACTED]

Fax: (603) 595-7414

E-mail: p.kelleher@nhpartnership.org

PROFESSIONAL EXPERIENCE

2006-Present President & CEO, Southern NH HIV Task Force

2002-Present President & CEO, Greater Nashua Council on Alcoholism, Inc./ Keystone Hall, Nashua, NH

1997-Present President & CEO, Healthy At Home, Inc., Nashua, NH

1995-Present President & CEO, Welcoming Light, Inc., Nashua, NH

1982-Present President & CEO, Harbor Homes, Inc., Nashua, NH

Currently employed as Chief Executive Officer of five nonprofit corporations (Partnership for Successful Living) creating and providing residential and supportive services, mental health care, primary/preventive health care, substance use disorder treatment and prevention services, supported employment and workforce development, professional training, and in-home health care to individuals and families who are homeless, living with disabilities, and/or are underserved/members of vulnerable populations. Responsible for initiation, development, and oversight of more than 80 programs comprising a \$42,000,000 operating budget; proposal development resulting in approximately \$200,000,000 in grants; oversight of 400 management and direct care professionals.

2003-2006 Consultant

Provided consultation and technical assistance throughout the State to aid service and mental health organizations.

1980 - 1982 Real Estate Broker, LeVaux Realty, Cambridge, MA

Successful sales and property management specialist.

1979 - 1980 Clinical Coordinator, Task Oriented Communities, Waltham, MA

Established and provided comprehensive rehabilitation services to approximately 70 individuals with mental and/or developmental disabilities. Hired, directly supervised, and trained a full-time staff of 20 residential coordinators. Developed community residences for the above clients in three Boston suburbs. Provided emergency consultation on a 24-hour basis to staff dealing with crisis management in six group homes and one sheltered workshop. Administrative responsibilities included some financial management, quality assurance, and other accountability to state authorities.

1978 - 1979 Faculty, Middlesex Community College, Bedford, MA

Instructor for an introductory group psychotherapy course offered through the Social Work Department.

1977 - 1979 Senior Social Worker/Assistant Director, Massachusetts Tuberculosis Treatment Center II, a unit of Middlesex County Hospital, Waltham, MA

Functioned as second in command and chief clinical supervisor for eight interdisciplinary team members, and implemented a six-month residential program for individuals afflicted with recurring tuberculosis and alcoholism. Provided group and individual therapy, relaxation training.

1976 Social Worker, Massachusetts Institute of Technology, Out-Patient Psychiatry, Cambridge, MA

Employed in full-time summer position providing out patient counseling to individuals and groups of the MIT community.

1971 - 1976 Program Counselor/Supervisor, Massachusetts Institute of Technology, MIT/Wellesley College Upward Bound Program, Cambridge and Wellesley, MA

Major responsibilities consisted of psycho educational counseling of Upward Bound students, supervision of tutoring staff, teaching, conducting evaluative research for program policy development.

EDUCATIONAL EXPERIENCE

- 1975 - 1977 Simmons College School of Social Work, Boston, MA
Cambridge-Somerville Community Mental Health Program, MSW
- 1971 - 1975 Clark University, Worcester, MA. Received Bachelor of Arts Degree in Psychology

LICENSES AND CERTIFICATIONS

- 1979 Licensed Real Estate Broker – Massachusetts
- 1989 Academy of Certified Social Workers – NASW
- 1990 Licensed Independent Clinical Social Worker - Massachusetts
- 1994 State of New Hampshire Certified Clinical Social Worker, MA LICSW

PLACEMENTS

- 1976 - 1977 Cambridge Hospital, In-Patient Psychiatry, Cambridge, MA
Individual, group, and family counseling to hospitalized patients.
- 1975 - 1976 Massachusetts Institute of Technology, Social Service Department, Cambridge, MA
Similar to above.

FIELD SUPERVISION

- 1983 - 1984 Antioch/New England Graduate School, Department of Professional Psychology, Keene, NH
- 1983 - 1984 Rivier College, Department of Psychology, Nashua, NH
- 1990 – 1991 Rivier College, Department of Psychology, Nashua, NH
- 1978 - 1979 Middlesex Community College, Social Work Associates Program, Bedford, MA

AWARDS

- High School Valedictorian Award
- National Institute of Mental Health Traineeship in Social Work
- University of New Hampshire Community Development 2003 Community Leader of the Year
- NAMI NH 2007 Annual Award for Systems Change
- Peter Medoff AIDS Housing Award 2007
- The Walter J. Dunfey Corporate Fund Award for Excellence in Non Profit Management 2009
- NH Magazine Business Excellence Award 2010
- Nashua Telegraph Humanitarian of the Year Award 2015
- Lionel W. Johnson Housing Award, Champion of Human Rights 2015
- Military Officers Association Granite State Warriors Award 2016

MEMBERSHIPS

- Former Member of the Department of Veterans Affairs Advisory Committee on Homeless Veterans
- Board Member, Bi-State Primary Care Association
- National Association of Social Workers
- Former Board Member, National Healthcare for the Homeless
- Former Chair, Governor's State Interagency Council on Homelessness/New Hampshire Policy Academy
- Former Chair, Greater Nashua Continuum of Care
- Former Board Member, New Futures, Concord, NH
- Former Board Member, Community Health Access Network (CHAN)

Patricia A. Robitaille, CPA

TEL: [REDACTED]

PROFILE

- 12 years experience in Public Accounting
- Management experience
- Diversified industry exposure
- Counselor and mentor
- Training experience
- Knowledge of multiple computer programs
- Excellent client rapport
- Tax preparation experience

PROFESSIONAL EXPERIENCE

June 2009 – Present *Chief Financial Officer* Harbor Homes, Inc. and related Partnership for Successful Living entities

- Directly responsible for developing and managing budgets in excess of \$44M, planning, cash management, Controller, grants and contracts falling under the business/accounting office
- Reviews and analyzes the monthly, quarterly and annual financial reports
- Analyzes results of cash-flows, budget expenditures and grant restrictions
- Assists the President/CEO with financial planning
- Coordinates financing for bonds, long term commercial loans
- Financial oversight of capital improvement projects
- Responsible for the annual financial and single audits of the Organization and all related entities
- Reviews Federal 990 tax returns and state returns

Jan. 2007 – Oct. 2008 *Audit Manager* Ernst Young LLP, Manchester, NH

- Managed audits of private corporations with revenues up to \$200 million
- Assisted as manager of audits for public corporations with revenues up to \$400 million
- Reviewed and assisted preparation of financial statements, 10Q quarterly filings and 10K annual filings
- Analyzed and reviewed internal control under Section 404 of the Sarbanes Oxley Act
- Prepared management comments in conjunction with material weakness or significant deficiencies

Jun. 1997 – Jan. 2007 *Audit Supervisor* Melanson Heath & Company, P.C., Nashua, NH

- Supervise/train various teams for commercial, not-for-profit, and municipal audits and agreed upon procedures
- Audit services include balance sheet reconciliation including inventory control
- Preparation and presentation of financial statements
- Preparation of management comment letters for internal quality improvement
- Assist clients with all aspects of accounting
- Preparation of budgets and cash forecasting
- Consulting services to clients including maximization of profits

- Extensive corporate tax preparation experience

1993 – 1997 *Accounting/Office Manager* Hammar Hardware Company, Nashua, NH

- Management of a five-person staff
- Oversaw accounts receivable, accounts payable and general ledger reconciliation
- Responsible for inventory management, preparation for year-end audit and collaboration with external auditors
- Prepared monthly internal financial statements
- Responsible for payroll including quarterlies and year-end reporting

EDUCATION

1988-1991 Rivier College, Nashua, NH – Bachelor of Science, Accounting

OTHER ACHIEVEMENTS

Licensed Certified Public Accountant in the State of New Hampshire
Member of the New Hampshire Society of Certified Public Accountants
Member of the American Institute of Certified Public Accountants

SOFTWARE EXPERIENCE

Excel, Word, Powerpoint, Pro-Fx Tax software, Pro-Fx Trial balance software, Quickbooks, Peachtree, Abila Accounting Software, T-Value, various auditing software programs

ANA PANCINE

Education

Southern NH University 2015 – 2017

Masters of Business Administration & Finance

Hesser College 2001 – 2005

Bachelor of Science, Business Administration – Minor in Finance

- Trained Medical Interpreter: Portuguese & Spanish
- Trained Translator: Portuguese
- Skilled USCIS Interpreter

Experience

Harbor Homes Inc. Nashua, NH November 2007 – Present

Chief Revenue Officer August 2018 – Present

- Supervise and Manage Business/Finance Office team composed by 15 staff members, performing duties such as: A/R, A/P, Staff Accountant, Senior Staff Accountant, Credentialing, Medicare/Medicaid/Private/Self-pay Billing.
- Internal and external reports for State & Federal projects.
- Prepare complex financial statements, internal/annual reports for planning and oversight of each program within organization
- Review for accuracy all profit and loss, general ledger, trial balance reports for all 92 cost centers on a monthly basis
- Knowledge of planning techniques, test and sampling methods involved in conducting audits.
- Extensive experience with Financial Statements audits, reviews, compilations and audits for Governmental organizations (A-133).
- Managed annual external audit resulting in no findings and no management comments on A-133 audits.
- Provide support to CFO on all special projects, as well as current back up for this position.
- Provide oversight/approval for all general ledger entries, revenue recognition, purchase orders approvals, as well as all day to day accounting concerns/issues.
- Prepare all budgets for Development Department to be submitted for competitive State, Federal and Local grant applications
- Provide support to all program managers to ensure program compliances and financial requirements are met.
- Review all financial requirements and financial accuracy for new and renewed contracts
- Prepare, review and update all Finance/Accounting policies and procedure to ensure compliance with new Federal regulations.

Financial Controller

November 2007 – August 2018

- Budget development for 92 cost centers and 8 affiliated agencies with annual expenses and revenue over \$22m
- Prepare operational and variance analysis for financial presentation based on organization, State and Federal guideline.

- Prepare and review for accuracy all profit and loss, general ledger, trial balance reports for all 92 cost centers on a monthly basis
- Maintain accurate accounts including cash, inventory, prepaid, fixed assets, accounts payable, accrued expenses and line of credit transactions.
- Chair of the Greater Nashua Continuum Care (GNCOOC), as well as, Chair of the GNCOOC Board of Directors, composed by representatives of the Federal, State, and City Governments, housing program directors, local hospitals, social services agencies, financial institutions, private sector and religious institutions.

**Hewlett-Packard
Business Analyst**

Various locations

**August 2001 – November 2007
February 2004 – November 2007**

- Accountable for all metric reports for the PER Event team contracts on a monthly basis.
- Responsible for revenue recognition for two US districts, Latin America and Canada.
- Accountable to update, present and distribute all reports related to the department, which included financial reports, risk reports, contract metric reports.
- Responsible for all billing for Latin America and prepared currency translation reporting.
- Managed ten cost centers with annual expenses of \$9m and revenue of \$18m.
- Variance reporting monthly for +/-1 % of forecasted to report to senior management.
- Maintained global reporting of 200 employees with emphasis on geographic alignment, individual line counts, and organizational charts for account utilization and resource mapping
- Main contact for all customers and service providers located in the Latin America territory.
- Provided Financial Support for account closing.

Quality Controller/ System Support Admin

June 2003 – February 2004

- Main contact between administrators and system support to prioritize technical errors.
- Responsible for weekly, monthly and quarterly quality review reporting, geography reports
- Maintain all employee related spreadsheets updated.
- Managed quality review reports to ensure policies and procedures are being followed.
- Mentored new hires and provided support for team members with problem solving.

Per Event Administrator

August 2001 – June 2003

- Responsible for billing revenue.
- Maintenance of contracts, including service changes and billing.
- Data Entry
- Revenue booking and customer assistance for Latin America/Caribbean territory.
- Assistance and service provided for all customer located in the Latin America/Caribbean/Europe territory

Skills

Computer: Windows, Microsoft Office, SIFT – Financial Database, Fundware/F9
Finance related: PEARS/CHAMP/WFM, NCAS/SAP, SAGE – MIP,
Language: Fluent Portuguese, Proficient Spanish

(mobile) ~

Vanessa J. Talasazan

Education

2018 *M.S. Community Economic Development* *Southern NH University*
-Outstanding Student Award, 4.0 GPA

2007 *B.A in English with a focus in Communications* *University of New Hampshire*

1999 – Current *Licensed New Hampshire Real Estate Agent* *Continuing Education Ongoing*

Career History

April 2008-Current Partnership for Successful Living Affiliates Nashua, NH

Background on Agencies/Employer: A unique partnership amongst 6 non-profit organizations with a combined annual operating budget of \$42 million that share the same CEO, Board of Directors, and back-end administration: Harbor Homes, Inc.; Southern NH HIV/AIDS Task Force, Greater Nashua Council on Alcoholism (Keystone Hall); Welcoming Light; Healthy at Home, and Milford Regional Counseling Services. Together, the agencies serve over 8,000 individuals and families annually. Named NH's most innovative nonprofit organization by The NH Center for Nonprofits.

CURRENT ROLE: CHIEF STRATEGY OFFICER/ CHIEF OF STAFF

Primary Responsibilities: Key member of C-suite leadership across six companies, a hybrid role that encompasses two complementary positions: that of the Chief Strategy Officer (CSO) and that of Chief of Staff (COS).

CHIEF STRATEGY OFFICER RESPONSIBILITIES: Responsible for formalizing the organization's strategic-planning processes, leading the development of the strategy, translating it for people across functions and business units, driving organizational change, forging new working relationships and synergies across the organization, and establishing greater transparency and accountability for those people carrying out the organization's strategy. In addition responsible for assessing whether strategic initiatives, at all levels of the organization, are in line with the company's standards and objectives.

Key duties include:

- Supervise the grant department: responsible for implementing and achieving an annual grant fundraising campaign of approximately \$20 million. Manage team of writers and special project coordinators to achieve new and repeat grant funding opportunities, effectively balancing the grants' strategic impact to the PSL.
- Design and initiate new programs and services from conception and funding to launch, ensuring alignment with the organization's strategic plan.
- Serve as the lead staff person of the Housing Development Project Management Team: plan and implement the construction of healthcare facilities and low-income housing developments including emergency, transitional, and permanent supportive initiatives.

CHIEF OF STAFF RESPONSIBILITIES: Primary responsibility is to enable the CEO to work most effectively with internal and external stakeholders and fulfill his commitments to the Partnership for Successful Living's partners, funders, and Board of Directors. Key duties include acting as a gatekeeper to the CEO; advising the CEO; autonomously competing tasks in place of the CEO; and organizing the CEO's direct reports and other staff members toward common goals.

Key duties include:

- Preparing for, and facilitating, "critical path" CEO meetings (e.g., with PSL executive leadership, current or potential PSL partners, funders, community and business leaders, government officials, and peer executives).
- Coordinating projects or commitments directly involving the CEO and his direct reports
- Independently leading special CEO-initiated projects, ranging from written products to be authored by the CEO to convening thought leaders on various topics.
- Developing draft communication on behalf of the CEO ranging from: the CEO update at Board meetings, to follow up correspondence related to the CEO's various meetings with PSL funders, partners and staff, to various speaking engagements involving external audiences.
- Understanding, communicating, and accurately representing the CEO's point of view on a wide range of topics at internal and external meetings when appropriate and as requested.
- Proactively identifying issues that could impact the successful execution of the CEO's commitments, elevating issues the CEO should be aware of, and framing/positioning ideas to resolve the problem/mitigate the risk
- Supporting the needs of the executive staff in their ability to raise critical issues with the CEO and receive needed responses, guidance, and decisions.
- Managing critical projects and bring them to successful outcomes by deftly bringing together internal and external stakeholders for a common purpose, facilitating these individuals to set aside personal goals and replace them with team goals, and helping them collaborate.

PREVIOUS ROLE: VICE PRESIDENT OF DEVELOPMENT AND GRANT COMPLIANCE

Primary Responsibilities: Key member of intercompany management team; lead all grant writing, efforts; supervise a team of development staff and interns; identify, write, and submit federal, state, corporate, and foundation grant requests; new program development and strategic planning; create and implement evaluations, outcome measurements, and data analysis tools to ensure grant compliance; create corrective action plans to remedy identified compliance issues; expertise in the creation and execution of events, capital campaigns, and individual and corporate giving activities; liaison with board of directors and major donors.

Achievements include program design leading to more than \$120 million in federal, state and foundation grant funding obtained since 2008, including grants from:

- US Department of Veteran Affairs
- US Department of Housing & Urban Development
- US Department of Labor
- US Department of Health Resources Services Administration
- US Department of Substance Abuse and Mental Health Services Administration
- Federal Home Loan Bank of Boston

- NH Community Development Finance Authority
- NH Housing Finance Authority
- NH Bureau of Drug and Alcohol Services
- NH Bureau of Homeless and Housing Services
- NH Department of Justice
- NH Charitable Foundation

2000 – 2008

Assist2Sell Buyers & Sellers Realty

Nashua, NH

LICENSED NH REAL ESTATE AGENT

Primary Responsibilities: Created and negotiated successful contract agreements related to the sale of residential and commercial properties as an Exclusive Buyer Agent, Seller Agent, or Dual Agent; and upheld fiduciary duties to the respected parties. Regularly achieved more than \$10 million in sales annually.

Heather Nelson

[REDACTED]

[REDACTED]

[REDACTED]

h.nelson@nhpartnership.org

OBJECTIVE

To obtain a position in senior management that is challenging and offers an opportunity to advance in my career.

EXPERIENCE

Director HUD Housing

2018-present

Interim Co-Program Manager – HBS

10/18-present

Assistant Director HUD Housing

2017-present

Harbor Homes Inc. Nashua, NH

- Oversee operation and management of all HUD funded housing programs as well as Project Based Vash
- Work collaboratively with business office to decrease spending and increase revenues
- Monitor rent revenue on a monthly basis to ensure residents are paying their rent
- Represent Harbor Homes Inc. whenever possible in the case of an eviction
- Oversee HIC, PIC, & APR data for all HUD funded projects
- Provide guidance to team members on progress of all cases. Ensure HUD compliance and professionalism
- Maintain inventory of upcoming/current vacancies in HUD housing programs
- Oversee budget, planning, and all activities of the S.C.O.A.P. program
- Participate as chairperson of the GNCOC

Permanent Housing Program Manager

2007-2017

Harbor Homes Inc. Nashua, NH

- Manage & oversee 7 Permanent Housing programs
- Oversee assistant program manager and provide supervision and routine assessment of performance
- Monitor the implementation of residential service plans and services for program participants
- Coordinate verification of eligibility requirements and maintain financial documentation as required by HUD
- Coordinate services with community resources for program participants
- Monitor the quality of all resident files & and ensure accuracy and HUD compliance
- Oversee & facilitate all entries & exits from the program
- Oversee budget, planning, and all activities of the S.C.O.A.P. program

Permanent Housing Program Assistant Manager

2006-2007

Harbor Homes Inc. Nashua, NH

- Provide symptom management to 25-28 consumers on a weekly basis
- Provide documentation of interactions with consumers
- Responsible for staff scheduling with consumers
- Work collaboratively with all members of treatment teams

- Assist residents to set goals and work towards achieving desired outcomes
- Assist Program Manager to complete daily tasks as needed
- Complete quarterly reports on services provided to the local community health center

Permanent Housing Case Manager **2004-2006**

GNCA Inc., Harbor Homes Inc. Nashua, NH

- Assist clients with ADL skills
- Assist clients to set goals and take necessary steps towards achieving desired outcome
- Assist clients with money management and budgeting skills
- Keep documentation of all client interactions
- Report to a team of individuals on a weekly basis to discuss consumers and their individual needs

Office Manager/Volunteer Coordinator **2005-2006**

GNCA Inc., Nashua, NH

- Oversee and document all Federal Drug screens
- Responsible for all client wait lists, coordinating services & communication for all departments
- Direct all public contacts to the appropriate department and/or staff member
- Provide documentation for the courts regarding client participation and compliance
- Coordinate & Maintain database of referral services
- Supervise and coordinate volunteer program
- Interview & train all volunteers

EDUCATION

NH Community Technical College, Nashua, NH **2003-2005**

- Human Service Major
 - Graduate with a 3.75 GPA
 - Magna Cum Laude
 - Member of Phi Theta Kappa
 - Received Human Service Worker of the Future Award
 - Received award for Highest Cumulative GPA in Human Services
 - Who's Who Among Students in American Jr. Colleges
-

Erin Sawicki, MPH

Education

2004 – 2006 University of Massachusetts, Amherst
Master of Public Health, Community Health Education concentration

2000- 2004 University of Vermont, Burlington
Bachelor of Arts, Anthropology major

Experience

Grants Manager – Partnership for Successful Living

2019- present

- Prepare and review monthly, quarterly, and annual sponsor/internal financial and programmatic reports
- Review budgets and monthly expenditure reconciliations
- Ensure files are prepared for random and scheduled audits
- Ensure compliance with grant requirements and internal policies and procedures

Senior Research Associate – Barker Bi-Coastal Health Consultants, Inc.

2016 – 2019

- Collected and analyzed data to inform funding decisions at Robert Wood Johnson Foundation
- Wrote evaluation reports to aid in strategic planning at the Robert Wood Johnson Foundation
- Collaborated with stakeholders at all levels to gather feedback and identify opportunities for growth
- Managed research associates in evaluation of policy implementation

Grant Writer – Child and Family Services

2016 – 2018

- Drafted and edited foundation grant applications, budgets, and progress reports
- Collaborated with donors and development team to develop grant application strategies

Site Manager – Planned Parenthood of Northern New England

2013 – 2016

- Tracked and evaluated program outcome data to inform strategic planning and grant deliverables
- Initiated community and stakeholder partnerships to promote services and create referral network
- Led quality improvement and performance measurement initiatives in the health center
- Oversaw operational systems and processes to ensure compliance for internal and external audits
- Maintained financial records, reconciled expenditures, and managed health center budget

HIV Program Manager – Project Protection, Children's Hospital Boston
2010 – 2013

- Developed, implemented, and managed evidence-based work plan from pre-award to post-award
 - Liaised with grant writer to research, write, and submit grant proposals
 - Approved expenditures, monitored budget, and submitted reports for \$750,000 grant
 - Hired, trained, and supervised direct service staff
- Communicated with funders/auditors to ensure grant deliverables were met and exceeded
- Collaborated with community stakeholders to grow the program and secure referrals

Program Support Officer – Office of the Global AIDS Coordinator, US State Department
2009 – 2010

- Managed the technical review and balanced budgets of HIV/AIDS Country Operational Plans
- Collaborated with U.S. government team in Rwanda to resolve program issues

District AIDS Coordinator – United States Peace Corps, Botswana
2007 – 2009

- Conducted program development, community organizing and needs assessments in 23 villages
- Fostered networks and alliances between community stakeholders and government institutions
- Promoted and facilitated the first life skills training/education curriculum for Botswana youth

Health Educator – UMass Extension Family Nutrition Program
2004 – 2006

- Developed and taught nutrition classes for youth in low-income communities
- Wrote and managed proposals and evaluations

Publications

Sawicki E, Barker DC, Gutman MA, Caughlan I, Yochelson M, Grob G. A Menu to Evaluate Factors Influencing Implementation of Obesity Prevention Early Care and Education Regulations. *Journal of Public Health Management and Practice*. 2018:1. doi:10.1097/phh.0000000000000796.

Awards

2018 American Evaluation Association Outstanding Evaluation

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Peter Kelleher	President and CEO	\$338,146	0%	\$0
Patricia Robitaille	CFO	\$150,000	0%	\$0
Ana Pancine	Chief Revenue Officer	\$115,000	0%	\$0
Vanessa Talasazan	Chief Strategy Officer	\$115,000	0%	\$0
Heather Nelson	Housing Director	\$73,500	17%	\$12,495
Erin Sawicki	Grants Manager	\$60,000	5%	\$3,000



AGREEMENT TO TERMINATE CONTRACT AMENDMENT

This Agreement to Terminate Contract Amendment (the "Agreement") is hereby made by and between the State of New Hampshire, Department of Health and Human Services, Bureau of Drug and Alcohol Services (hereinafter "Department"), of 129 Pleasant Street, Concord, New Hampshire 03301 and Harbor Homes, Inc. (hereinafter "Contractor"), of 45 High Street, Nashua, New Hampshire 03060. The Department and the Contractor are mutually referred to as "the Parties."

WHEREAS, on October 29, 2014 (Item #14), the Governor and Executive Council approved a contract between the Parties for administration of the Housing Bridge Subsidy Program, which provides housing services and subsidies for rent for persons with mental illness who are at risk of being homeless. This contract was amended by agreement on June 10, 2015 (Item #7);

WHEREAS, the parties entered into a sole source agreement to amend the Housing Bridge Subsidy Program contract, in order to expand the program to provide housing services to former inmates with substance use disorders who are re-entering the community, which was approved by the Governor and Executive Council on April 19, 2017 (Item #14B);

WHEREAS, the parties agree that the sole source agreement to amend the Housing Bridge Subsidy Program contract shall be terminated and that the remainder of the contract and contract amendments remain unchanged. The only services and funding to be terminated are related to the amendment approved on April 19, 2017 (Item #14B) regarding the expansion of the Housing Bridge subsidy program to provide housing services to former inmates (hereinafter the "Contract Amendment");

WHEREAS, Subparagraph 10 of the General Provisions and Paragraph 2 of Exhibit C-1 of the Housing Bridge Subsidy Program contract permit termination prior to the completion date of services;

WHEREAS, the Parties agree that an early termination of the Contract Amendment regarding the provision of housing services to former inmates is in the best interests of the Department and the Contractor;

WHEREAS, the Contractor agrees to waive the formal thirty (30) day written notification required for termination under the Housing Bridge Subsidy Program contract;

NOW THEREFORE, in consideration of the terms and conditions contained herein, the Parties agree and acknowledge as follows:

1. Effective date. The Parties agree that the Contract Amendment is terminated effective December 31, 2018, with the exception of the Contractor's obligation to make lease payments for existing clients for the months of January, 2019 and February, 2019.

2. Outstanding Invoices and Reports. On or before February 28, 2019, the Contractor must submit all outstanding invoices for all work completed, and costs incurred through the Contract Amendment termination date of December 31, 2018. The Contractor must also submit invoices for lease payments referenced in paragraph 1 above by February 28, 2019. The Department will not pay invoices submitted after February 28, 2019. The Contractor agrees that the remaining

Agreement to Terminate Contract Amendment
New Hampshire Department of Health and Human Services
Harbor Homes, Inc./Housing Bridge Subsidy Services for Former Inmates



contract balance will not be paid to them. The Contractor must submit all required reports on or before February 28, 2019.

3. Survival. The terms of the Contract that either explicitly or by their nature are intended to survive the termination of the Contract Amendment, including but not limited to Contractor's obligations to defend and indemnify the State, shall survive this agreement.

4. Transition of Services. The Contractor shall cooperate fully with the Department and with any subsequent vendor in the transition of services including, but not limited to, obtaining authorization from clients and transferring treatment records as authorized by law.

5. Release and Waiver of Claims. The Contractor agrees that payment of the outstanding invoices referenced in paragraph 2 above represents the sole financial obligation of the Department to the Contractor under this Contract Amendment. Except for payment of outstanding invoices, the Contractor hereby agrees to waive and release all claims, demands, payments, or liabilities that it had or may have against the Department arising out of or relating to its work under the Contract Amendment. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of sovereign immunity of the State, which immunity is hereby reserved to the State.

6. General. This Agreement constitutes the entire understanding between the Department and the Contractor with respect to the subject matter hereof and cannot be modified except by mutual written agreement between the Parties. This Agreement, its validity, construction and effect will be governed by the laws of the State of New Hampshire. Venue for any action between the parties shall be in Merrimack County, State of New Hampshire. Waiver of any breach of this Agreement shall not be a waiver of any subsequent breach, nor shall it be a waiver of the underlying obligation.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Agreement on the Effective Date.

STATE OF NEW HAMPSHIRE
DHHS, BDAS

HARBOR HOMES

By: [Signature]
Name: Katja S Fox
Title: Director DBIT
Date: 1/14/19

By: [Signature]
Name: Peter Kelleher
Title: President & CEO
Date: 1/8/19



Acknowledgement of Contractor's signature:

State of NH, County of Hillsborough on 1/8/19, before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

A handwritten signature in black ink, appearing to read "Patrick B. Broderick".

Signature of Notary Public or Justice of the Peace

Name and Title of Notary or Justice of the Peace
PATRICK B. BRODERICK, Notary Public
State of New Hampshire
My Commission Expires June 29, 2021

My Commission Expires: _____



Jeffrey A. Meyers
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
603-271-9544 1-800-852-3345 Ext. 9544
Fax: 603-271-4332 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

April 7, 2017

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

REQUESTED ACTION

- (1) Authorize the New Hampshire Department of Health and Human Services to exercise a renewal option to an existing agreement with Harbor Homes, Inc., (Vendor #155358), 45 High Street, Nashua, NH 03060, by increasing the price limitation by \$8,424,320 from \$10,038,853 to \$18,463,173 and by extending the contract completion date from June 30, 2017 to June 30, 2019, effective July 1, 2017. Governor and Executive Council approved the original agreement on October 29, 2014 (Item #16) and a subsequent amendment on June 10, 2015 (Item# 7). **Funding is 100% General Funds.**

Funds are anticipated to be available in the following account in State Fiscal Year 2017 and anticipated to be available in State Fiscal Year 2018 and State Fiscal Year 2019 upon the availability and continued appropriation of funds in the future operating budget with the ability to adjust encumbrances between State Fiscal Years through the Budget Office, if needed and justified. **05-95-92-922010-41170000-102 HEALTH AND SOCIAL SERVICES, DEPT. OF HEALTH AND HUMAN SERVICES, HHS: BUREAU OF BEHAVIORAL HEALTH**

Vendor	Vendor Number	Current Amount	Increase/Decrease Amount	Revised Amount
Harbor Homes, Inc.	155358	\$10,038,853	\$8,424,320	\$18,463,173

- (2) Contingent upon the approval of Requested Action (1), further authorize the New Hampshire Department of Health and Human Services to enter into a **Sole Source** Amendment with Harbor Homes, Inc., to expand the Housing Bridge Subsidy program to provide housing services to former inmates with substance use disorders who are re-entering the community, as defined in Exhibit A-1, by increasing the price limitation by \$500,000 from \$18,463,173 to \$18,963,173 with no change to the contract completion date of June 30, 2019, effective upon Governor and Executive Council approval. **Funding is 100% Governor Commission Funds.**

Funds are available in the following account in State Fiscal Year 2017. **05-95-49-491510-29890000-102 HEALTH AND SOCIAL SERVICES, DEPT. OF HEALTH AND HUMAN SERVICES, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, GOVERNOR COMMISSION FUNDS**

APR 11 2017 10:30 AM

14B mac

Vendor	Vendor Number	Current Amount	Increase/Decrease Amount	Revised Amount
Harbor Homes, Inc.	155358	\$18,463,173	\$500,000	\$18,963,173

SEE ATTACHED FINANCIAL DETAILS

EXPLANATION

The Division of Behavioral Health is New Hampshire's single state mental health authority. The Division seeks to promote full community inclusion for adults (18 years or older) having severe mental illness, severe and persistent mental illness or who are severely mentally disabled. The State places a high emphasis on supporting individuals in their community with a broad range of supports and services that reduce the need for inpatient care.

Requested Action (1), supports New Hampshire's compliance with the Supported Housing provisions contained within the Community Mental Health Agreement (Amanda D. Settlement). Under the Agreement, the State must develop and implement measures to ensure that supported housing meets individuals' needs. Supported Housing overlays client-specific mental health services to support an individual's ability to live within the community with housing supported by any subsidies from any source, included State-funded rental subsidies through the Housing Bridge Subsidy program. The Agreement requires the State to develop, by June 30, 2017, 450 supported housing units.

The Department, in collaboration with the New Hampshire Housing Finance Authority (NHHFA), established a cooperative agreement that identified consumers with a severe mental illness who have been admitted to New Hampshire Hospital as a new priority group to gain access to federal Section 8/Housing Choice Vouchers. The Housing Bridge Subsidy Program provides housing services and subsidies for individuals with severe mental illness, who are at risk of becoming homeless, through the provision of tenant-based rental assistance made available until such time that a Section 8 voucher becomes available for the individual. Since the program is modeled after the Section 8 program therefore participants are responsible to pay 30% of their income toward their rent.

If approved, Requested Action (1) will authorize Harbor Homes, Inc. to deliver the required Housing Bridge Subsidy program, and ensure that services will be delivered in accordance with Administrative Rule He-M 406, Housing Bridge Subsidy program. Under this contract, up to \$689 per month per individual will be provided for safe and affordable housing, and housing placement services will be provided for up to 450 consumers throughout the state. A consumer does not have to participate in community mental health services in order to receive rental assistance.

If approved, Requested Action (2) will authorize the inclusion of an additional scope of services (Exhibit A-1) into the agreement with Harbor Homes, Inc. to expand housing services to former inmates of the New Hampshire Department of Corrections who have a Substance Use Disorder that are re-entering the community. The additional scope requires Harbor Homes, Inc. to work with the Department and the New Hampshire Department of Corrections to assist the transition of justice-involved individuals with a Substance Use Disorder into housing and housing supports. These services are being incorporated per a one-time funding allocation for alternative sentencing appropriated to the Governor's Commission on Alcohol and Drug Abuse Prevention Treatment and Recovery created by SB 533. This one time funding must be expended by June 30, 2017.

This Amendment is **sole source**, because Harbor Homes, Inc. is uniquely positioned to implement the Substance Use Disorder re-entry program given its existing relationships with landlords and community partners that participate in the Bridge Subsidy Program. Harbor Homes, Inc. will be responsible for providing rental assistance, for individuals with Substance Use Disorder re-entering the

community from incarceration, for a period of up to three (3) months. Similar to the scope of work for the Housing Bridge Subsidy Program, Harbor Homes, Inc. will also work with treatment providers, community organizations, and case managers to ensure individuals have access to needed health and social supports, including assistance with finding employment and securing housing following the three-month subsidy.

Harbor Homes, Inc. has fulfilled the requirements of the original contract. Under this amendment, the contractor will continue to work collaboratively with the Department in order to provide housing services and subsidies for New Hampshire's individuals with mental illness and/or justice-involved individuals with Substance Use Disorders.

The original contract was competitively bid. The original contract had a two (2) year option to renew and the Department is exercising that option.

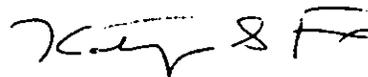
Should the Governor and Executive Council not approve these requested actions, individuals with severe mental illness who are homeless and ready for discharge from an institution; individuals with a Substance Use Disorder who are ready for discharge from an institution; and individuals who are graduating or timing out of transitional housing may either remain in their current more costly environments without being able to return to the community of their choice; remain homeless; or become homeless.

Area served: Statewide

Source of funds for Requested Item #1, 100% General Funds.

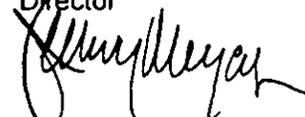
Source of funds for Requested Item #2, 100% Governor Commission Funds

Respectfully submitted,



Katja S. Fox
Director

Approved by:



Jeffrey A. Meyers
Commissioner

Financial Details

05-95-92-920010-59450000 HEALTH AND SOCIAL SERVICES, DEPT. OF HEALTH AND HUMAN SERVICES, HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, CMH PROGRAM SUPPORT

Fiscal Year	Class/ Object	Class Title	Activity Code	Current Budget	Increase / Decrease	Modified Budget
2015	102-500731	Contracts for Program Services	92205945	\$2,214,033	\$0	\$2,214,033
2016	102-500731	Contracts for Program Services	92205945	\$1,923,160	\$0	\$1,923,160
2017	102-500731	Contracts for Program Services	92205945	\$1,923,160	\$0	\$1,923,160
			Sub-Total:	\$6,060,353	\$0	\$6,060,353

05-95-92-920010-59450000 HEALTH AND SOCIAL SERVICES, DEPT. OF HEALTH AND HUMAN SERVICES, HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, CMH PROGRAM SUPPORT

Fiscal Year	Class/ Object	Class Title	Activity Code	Current Budget	Increase / Decrease	Modified Budget
2015	103-502664	Contracts for Operational Services	92204000	\$0	\$0	\$0
2016	103-502664	Contracts for Operational Services	92204000	\$1,689,500	\$0	\$1,689,500
2017	103-502664	Contracts for Operational Services	92204000	\$2,289,000	\$0	\$2,289,000
			Sub-Total:	\$3,978,500	\$0	\$3,978,500

05-95-92-922010-41170000 HEALTH AND SOCIAL SERVICES, DEPT. OF HEALTH AND HUMAN SERVICES, HHS: BUREAU OF BEHAVIORAL HEALTH

Fiscal Year	Class/ Object	Class Title	Activity Code	Current Budget	Increase / Decrease	Modified Budget
2018	102-500731	Contracts for Program Services	92204117	\$0	\$4,212,160	\$4,212,160
2019	102-500731	Contracts for Program Services	92204117	\$0	\$4,212,160	\$4,212,160
			Sub-Total:	\$0	\$8,424,320	\$8,424,320

05-95-49-491510-29890000 HEALTH AND SOCIAL SERVICES, DEPT. OF HEALTH AND HUMAN SERVICES, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, GOVERNOR COMMISSION FUNDS

Fiscal Year	Class/ Object	Class Title	Activity Code	Current Budget	Increase / Decrease	Modified Budget
2017	102-500731	Contracts for Program Services	49158503	\$0	\$500,000	\$500,000
			Sub-Total:	\$0	\$500,000	\$500,000
			Grand Total	\$10,038,853	\$8,924,320	\$18,963,173



**Amendment #2 to the Harbor Homes Inc. Contract for
Housing Bridge Subsidy Program**

**State of New Hampshire
Department of Health and Human Services
Amendment #2 to the Housing Bridge Subsidy Program Contract**

This second Amendment to the Housing Bridge Subsidy Program contract (hereinafter referred to as "Amendment #2") dated this 31st day of January, 2017, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Harbor Homes, Inc. (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 45 High Street, Nashua, New Hampshire 03060.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on October 29, 2014 (Item #16), and Amendment #1 approved by the Governor and Executive Council on June 10, 2015 (Item #7) the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

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

WHEREAS, pursuant to the General Provisions, Paragraph 18 this agreement may be amended only by an instrument in writing signed by the parties hereto and only after approval of such amendment by the Governor and Executive Council of the State of New Hampshire;

WHEREAS the State and the Contractor have agreed to extend the term of the agreement, increase the price limitation, and to add services;

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

To amend as follows:

1. Form P-37, General Provisions, Item 1.6, Account Number to add:
095-092-92210-41170000-500731
2. Form P-37, General Provisions, Item 1.7, Completion date to read:
June 30, 2019.
3. Form P-37, General Provisions, Item 1.8 Price Limitation, to read:
\$18,963,173
4. Delete Exhibit A, Section 4, paragraph 4.1 and replace with the following:
4.1 The Contractor shall provide HBSP services to a minimum of 450 consumers.
5. Add Exhibit A-1, Amendment #2.
6. Add Exhibit B-1, Amendment #2.
7. Add Exhibit B-4 (SFY 2018 budget) and B-5 (SFY 2019 budget).



**Amendment #2 to the Harbor Homes Inc. Contract for
Housing Bridge Subsidy Program**

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

State of New Hampshire
Department of Health and Human Services

4/7/17
Date

Katja S. Fox
Katja S. Fox
Director

3/6/2017
Date

Harbor Homes, Inc.
[Signature]
Name/Title

Acknowledgement:

State of New Hampshire, County of Hillsborough on 3/6/2017, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

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

WILLIAM C. MARTIN
Justice of the Peace - New Hampshire
My Commission Expires November 4, 2020

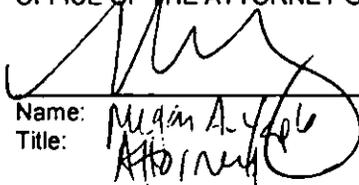


**Amendment #2 to the Harbor Homes Inc. Contract for
Housing Bridge Subsidy Program**

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

OFFICE OF THE ATTORNEY GENERAL

Date 4/7/17


Name: Megan A. York
Title: Attorney

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:



Scope of Services

1. Provisions Applicable to All Services

- 1.1. For the purpose of this Contract, any reference to days shall be a reference to business days.
- 1.2. The Contractor shall provide services to individuals and families who meet the criteria for the Substance Use Disorder (SUD) Re-Entry Housing Subsidy, statewide.
- 1.3. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with Limited English Proficiency to ensure meaningful access to their programs and/or services, within ten (10) days of the contract effective date.

2. Scope of Work

- 2.1. The Contractor shall facilitate housing placement for individuals eligible for the SUD Re-Entry Housing Subsidy Program. The Contractor shall:
 - 2.1.1. Contact the consumer's or their designated agent correctional institution to schedule a face-to-face meeting with the consumer and the consumer's support team that may include, but is not limited to the consumer's guardian or other involved family member; the referring agent; a representative from the Division for Behavioral Health (DBH); and an appropriate substance use disorder treatment provider.
 - 2.1.2. Work with the consumer's support team, listed in Section 2.1.1, to:
 - 2.1.2.1. Assess consumer's immediate temporary housing needs.
 - 2.1.2.2. Create an individualized housing plan within fifteen (15) days from the date the initial referral for services is received. Housing plans may include, but are not limited to, supportive services; access to substance use disorder services and behavioral health care; and access to primary health care.
 - 2.1.3. Ensure successful acquisition of consumer housing services within ten (10) days of receiving the initial referral. The Contractor shall:
 - 2.1.3.1. Assess consumer housing preferences and housing history.
 - 2.1.3.2. Assist consumers with identifying available housing units in consumers' communities of choice.
 - 2.1.3.3. Assist consumers with obtaining, completing and submitting housing applications.
 - 2.1.3.4. Assist consumers with attending housing provider meetings, as appropriate, which include, but are not limited to, performing housing unit inspections; and assisting consumers with identifying initial rental needs and resources.



- 2.1.3.5. Work with the consumer and the consumer's support team identified in Section 2.1.1, to facilitate paperwork needed to verify income and program eligibility.
- 2.1.4. Assist consumers with identifying initial rental needs and resources, such as security deposits, utilities and furniture.
- 2.1.5. Use HUD's habitability standards form to complete housing inspections.
- 2.1.6. Assist consumers with applying for and obtaining benefits for which the consumer may be eligible, including but not limited to, security and utility deposit assistance, TANF, food stamps, and SSI/SSDI.
 - 2.1.6.1. The Contractor shall work with the Department to maintain regular communication with appropriate benefit eligibility staff to ensure eligibility is not impacted by subsidy receipt.
- 2.1.7. Remain in close communication with the consumer for the full ninety (90) days of the consumer obtaining housing. The Contractor shall:
 - 2.1.7.1. Revise housing and support services plan, if necessary.
 - 2.1.7.2. Identify resources within the community that can assist consumers, including but not limited to, peer support agencies; faith-based groups; transportation services; primary care services; homemaker/personal care services; legal aid; and meals-on-wheels.
 - 2.1.7.3. Identify consumers' needs through treatment team meetings; self- observations; and feedback from landlords and the local substance use disorder services case managers.
 - 2.1.7.4. Work with the consumer to identify long-term sustainable housing options to plan for expiration of subsidy terms.
 - 2.1.7.5. Work with the Department to identify benefit eligibility restrictions and impacts based on subsidy receipt.
- 2.2. The Contractor shall administer SUD Re-entry Housing Subsidy services, which may include, but are not limited to:
 - 2.2.1. Finding housing for current consumers, as described in Section 2.1.3.
 - 2.2.2. Completing monthly inspections of consumers' apartments.
 - 2.2.3. Being the point of contact for landlords.
 - 2.2.4. Ensuring timely rental payments to landlords.
 - 2.2.5. Ensuring timely payment to utility companies.
 - 2.2.6. Ensuring consistent communication with the consumer's parole officer.
- 2.3. The Contractor shall provide funding for up to ninety (90) days to provide rent, security deposits, and essential utility bills (i.e. heat, hot water and electricity). Any additional essential bills will require Department approval.

AW
3/6/17



- 2.4. The Contractor shall ensure sufficient staffing to provide housing placement and support services to a minimum of seventy-five (75) consumers. The Contractor shall ensure:
 - 2.4.1. All staffing and volunteers undergo New Hampshire criminal background checks.
 - 2.4.2. All staffing and volunteer names are submitted to the Bureau of Adult and Elderly Services for review against the State Consumer Protective Service Registry.
- 2.5. The Contractor shall ensure all complaints regarding SUD Re-Entry Housing Subsidy services are investigated by the Complaint Investigator within fifteen (15) days of receiving the complaint. The Contractor shall ensure:
 - 2.5.1. All parties relevant to the complaint are interviewed by the Complaint Investigator.
 - 2.5.2. A determination is made by the Complaint Investigator as to whether the complaint is founded or unfounded.
 - 2.5.3. The complainant is notified, in writing, of the finding.
 - 2.5.4. All complainants' identities are kept confidential.
 - 2.5.5. Complainants are aware of the Contractor's process to request an appeal of findings.
- 2.6. The Contractor shall provide monthly reports to the Department that are based on Section 3, Reporting Requirements.

3. Reporting Requirements

- 3.1. The Contractor shall submit monthly progress reports to the Department. The reports must be in narrative form summarizing the results of project activities and showing in particular how project activities were performed for the previous month. Monthly reports shall include, but are not limited to:
 - 3.1.1. The number of participating consumers' assisted during the month.
 - 3.1.2. The number of consumers who exited the project during the month.
 - 3.1.3. The number of consumers who attained stable housing.
 - 3.1.4. The number of consumers referred to and participating in substance use disorder and behavioral health services
 - 3.1.5. Demographic consumer information.
 - 3.1.6. Barriers experienced by the program
 - 3.1.7. Solutions to avoiding barriers identified.

4. Deliverables

- 4.1. The Contractor shall provide housing placement services to a minimum of seventy-five (75) consumers. The Contractor shall ensure:



- 4.1.1. Eighty (80) percent of consumers secure housing in their community of choice or the community approved by the Parole Board.
- 4.1.2. Seventy (70) percent of consumers maintain housing for a minimum of three (3) months.
- 4.1.3. One hundred (100) percent of consumers are referred to and enrolled in SUD and behavioral health care as deemed appropriate by a clinical assessment and individualized treatment plan.
- 4.1.4. Seventy-five (75) percent of consumers receive ongoing SUD treatment in accordance with an appropriate clinical assessment and individualized treatment plan.



Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Price Limitation on Form P37, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. This contract is funded with general funds, Governor and Commission Funds, anticipated to be available based upon continued appropriation, which are conditioned upon continued support of the program by the state and federal governments.
3. Payment for expenses shall be on a cost reimbursement basis only for actual expenditures. Expenditures shall be in accordance with the approved line item budgets shown in Exhibits B-1 and B-2.
4. Payment for services shall be made as follows:
 - 4.1. The Contractor must submit monthly invoices for reimbursement by the 20th of each month for services specified in Exhibit A, Scope of Services. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.
 - 4.2. The invoices must:
 - 4.2.1. Clearly identify the amount requested and the services performed during that period.
 - 4.2.2. Include a detailed account of the work performed, and a list of deliverables completed during that prior month, as outlined in Exhibit A, Scope of Services.
 - 4.2.3. Separately identify any work and amount of attributable and performed by an approved contractor, if applicable.
 - 4.3. Invoices and reports identified in Section 4.1 and 4.2 must be submitted to:

NH Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
5. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A.
6. A final payment request shall be submitted no later than sixty (60) days after the Contract ends. Failure to submit the invoice, and accompanying documentation could result in nonpayment.
7. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
8. Notwithstanding paragraph 18 of Form P-37, General Provisions, an amendment limited to the adjustment of the amounts between budget line items and/or State Fiscal Years, related items, and amendments of related budget exhibits, can be made by written agreement of both parties and do not required additional approval of the Governor and Executive Council.

AW

Exhibit B1, Budget, Amendment #2

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

Bidder/Program Name: Harbor Homes, Inc.

Budget Request for: Housing Bridge Subsidy Program, Addendum - SUD_Criminal Justice Involved Individuals
(Name of RFP)

Budget Period: 03/22/2017 - 6/30/2017

Line Item	Total Program Costs			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	\$ 39,433.00	\$ 11,931.98	\$ 51,364.98	\$ -	\$ -	\$ -	\$ 39,433.00	\$ 11,931.98	\$ 51,364.98
2. Employee Benefits	\$ 8,667.00	\$ 1,040.04	\$ 9,707.04	\$ -	\$ -	\$ -	\$ 8,667.00	\$ 1,040.04	\$ 9,707.04
3. Consultants	\$ 3,000.00	\$ 390.00	\$ 3,390.00	\$ -	\$ -	\$ -	\$ 3,000.00	\$ 390.00	\$ 3,390.00
4. Equipment									
Rental	\$ 500.00	\$ 80.00	\$ 580.00	\$ -	\$ -	\$ -	\$ 500.00	\$ 80.00	\$ 580.00
Repair and Maintenance									
Purchase/Depreciation	\$ 5,000.00	\$ 600.00	\$ 5,600.00	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 600.00	\$ 5,600.00
5. Supplies:									
Educational	\$ 5,000.00	\$ 600.00	\$ 5,600.00	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 600.00	\$ 5,600.00
Lab									
Pharmacy									
Medical									
Office	\$ 1,500.00	\$ 180.00	\$ 1,680.00	\$ -	\$ -	\$ -	\$ 1,500.00	\$ 180.00	\$ 1,680.00
6. Travel	\$ 1,250.00	\$ 150.00	\$ 1,400.00	\$ -	\$ -	\$ -	\$ 1,250.00	\$ 150.00	\$ 1,400.00
7. Occupancy	\$ 350,000.00	\$ 42,000.00	\$ 392,000.00	\$ -	\$ -	\$ -	\$ 350,000.00	\$ 42,000.00	\$ 392,000.00
8. Current Expenses									
Telephone	\$ 500.00	\$ 80.00	\$ 580.00	\$ -	\$ -	\$ -	\$ 500.00	\$ 80.00	\$ 580.00
Postage	\$ 150.00	\$ 18.00	\$ 168.00	\$ -	\$ -	\$ -	\$ 150.00	\$ 18.00	\$ 168.00
Subscriptions									
Audit and Legal	\$ 500.00	\$ 80.00	\$ 580.00	\$ -	\$ -	\$ -	\$ 500.00	\$ 80.00	\$ 580.00
Insurance	\$ 500.00	\$ 80.00	\$ 580.00	\$ -	\$ -	\$ -	\$ 500.00	\$ 80.00	\$ 580.00
Board Expenses	\$ 500.00	\$ 80.00	\$ 580.00	\$ -	\$ -	\$ -	\$ 500.00	\$ 80.00	\$ 580.00
9. Software	\$ 2,500.00	\$ 300.00	\$ 2,800.00	\$ -	\$ -	\$ -	\$ 2,500.00	\$ 300.00	\$ 2,800.00
10. Marketing/Communications	\$ 1,800.00	\$ 120.00	\$ 1,920.00	\$ -	\$ -	\$ -	\$ 1,800.00	\$ 120.00	\$ 1,920.00
11. Staff Education and Training	\$ 2,500.00	\$ 300.00	\$ 2,800.00	\$ -	\$ -	\$ -	\$ 2,500.00	\$ 300.00	\$ 2,800.00
12. Subcontracts/Agreements									
13. Other (specific details mandatory):									
Client Education and Training in financial literacy	\$ 17,500.00	\$ 2,100.00	\$ 19,600.00	\$ -	\$ -	\$ -	\$ 17,500.00	\$ 2,100.00	\$ 19,600.00
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 440,000.00	\$ 60,000.00	\$ 500,000.00	\$ -	\$ -	\$ -	\$ 440,000.00	\$ 60,000.00	\$ 500,000.00

Indirect As A Percent of Direct

12.0%

Contractor Initials: 
Date: 5/16/17

Exhibit B-4, Budget

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

Bidder/Program Name: Harbor Homes, Inc.

Budget Request for: Housing Bridge Subsidy Program
(Item of RFP)

Budget Period: 7/1/2017-6/30/2018

Line Item	Total Program Cost			Contractor Share / Match			Funded by DPH contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	\$ 432,000.00	\$ 300,000.00	\$ 732,000.00	\$ -	\$ -	\$ -	\$ 432,000.00	\$ 300,000.00	\$ 732,000.00
2. Employee Benefits	\$ 120,960.00	\$ 84,000.00	\$ 204,960.00	\$ -	\$ -	\$ -	\$ 120,960.00	\$ 84,000.00	\$ 204,960.00
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ 5,000.00	\$ -	\$ 5,000.00
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 1,240.00	\$ 2,400.00	\$ 3,640.00	\$ -	\$ -	\$ -	\$ 1,240.00	\$ 2,400.00	\$ 3,640.00
6. Travel	\$ 20,000.00	\$ 700.00	\$ 20,700.00	\$ -	\$ -	\$ -	\$ 20,000.00	\$ 700.00	\$ 20,700.00
7. Occupancy	\$ 3,151,700.00	\$ 15,000.00	\$ 3,166,700.00	\$ -	\$ -	\$ -	\$ 3,151,700.00	\$ 15,000.00	\$ 3,166,700.00
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 4,500.00	\$ 5,000.00	\$ 9,500.00	\$ -	\$ -	\$ -	\$ 4,500.00	\$ 5,000.00	\$ 9,500.00
Postage	\$ 457.00	\$ 500.00	\$ 957.00	\$ -	\$ -	\$ -	\$ 457.00	\$ 500.00	\$ 957.00
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ 4,000.00	\$ 4,000.00	\$ -	\$ -	\$ -	\$ -	\$ 4,000.00	\$ 4,000.00
Insurance	\$ 15,000.00	\$ 19,703.00	\$ 34,703.00	\$ -	\$ -	\$ -	\$ 15,000.00	\$ 19,703.00	\$ 34,703.00
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ 5,000.00	\$ 15,000.00	\$ 20,000.00	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 15,000.00	\$ 20,000.00
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specific details mandatory)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 3,780,857.00	\$ 451,303.00	\$ 4,232,160.00	\$ -	\$ -	\$ -	\$ 3,780,857.00	\$ 451,303.00	\$ 4,232,160.00

Indirect As A Percent of Direct

12.0%

Contractor Initials: *[Signature]*

Date: 3/6/17

Exhibit B-5, Budget

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

State/Program Name: Harbor Home, Inc.
Budget Request for: Housing Bridge Subsidy Program
(Type of Use)
Budget Period: 11/0000-01/0001

Line Item	Quantity	Unit Price	Total	Agency	State	Federal	Other	Total	Agency	State	Federal	Other	Total
1. Total Expenditures			412,000.00	300,000.00				712,000.00	412,000.00	300,000.00			712,000.00
2. Personnel Benefits			120,000.00	82,000.00				202,000.00	120,000.00	82,000.00			202,000.00
3. Computation													
4. Equipment													
5. Supplies			3,000.00					3,000.00	3,000.00				3,000.00
6. Travel			1,200.00	2,400.00				3,600.00	1,200.00	2,400.00			3,600.00
7. Contingency			3,121,700.00	11,000.00				3,132,700.00	3,121,700.00	11,000.00			3,132,700.00
8. Current Expenses			4,300.00	3,000.00				7,300.00	4,300.00	3,000.00			7,300.00
9. Depreciation			15,000.00	14,700.00				29,700.00	15,000.00	14,700.00			29,700.00
10. Repairs/Restoration			3,000.00	15,000.00				18,000.00	3,000.00	15,000.00			18,000.00
11. Start Expenses and Training			3,000.00	3,000.00				6,000.00	3,000.00	3,000.00			6,000.00
12. Subcontract/Services													
13. Other (specify items separately)													
TOTAL			3,780,000.00	481,300.00				4,261,300.00	3,780,000.00	481,300.00			4,261,300.00

Contractor Initial: *MD*
Date: *1/16/17*



STATE OF NEW HAMPSHIRE
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 OFFICE OF MEDICAID BUSINESS AND POLICY

Nicholas A. Toumpas
 Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
 603-271-9422 1-800-852-3345 Ext. 9422
 Fax: 603-271-8431 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Kathleen A. Dunn
 Associate Commissioner
 Medicaid Director

May 4, 2015

G&C Approved

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

Date 6/10/15
 Item # 7

Requested Action

Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health to amend an existing agreement with Harbor Homes, Inc. (Vendor #155358), 45 High Street, Nashua, NH 03060, by adding units to the Housing Bridge Subsidy Program, which provides housing services and subsidies for rent for persons with severe mental illness who are at risk of becoming homeless, and by increasing the price limitation by \$90,833 from \$9,948,020 in an amount not to exceed \$10,038,853, with no change to the contract end date of June 30, 2017. The Governor and Executive Council approved the original agreement on October 29, 2014 (Item #16). 100% General Funds.

Funds to support this request are available in the following account in State Fiscal Year 2015, and anticipated to be available in State Fiscal Year 2016 and State Fiscal Year 2017, upon availability and continued appropriation of funds in the future operating budget, with the ability to adjust encumbrances between State Fiscal Years through the Budget Office without Governor and Executive Council approval, if needed and justified.

05-95-092-920010-59450000-102-500731-92205945 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, CMH PROGRAM SUPPORT

Fiscal Year	Class/ Object	Class Title	Activity Code	Current Budget	Increase / Decrease	Modified Budget
2015	102-500731	Contracts for Program Services	92205945	\$2,123,200	\$90,833	\$2,214,033
2016	102-500731	Contracts for Program Services	92205945	\$3,612,660	(\$1,689,500)	\$1,923,160
2017	102-500731	Contracts for Program Services	92205945	\$4,212,160	(\$2,289,000)	\$1,923,160
			Sub-Total:	\$9,948,020	(\$3,887,667)	\$6,060,353

05-95-092-920010-59450000-103-502664-92204000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, CMH PROGRAM SUPPORT

Fiscal Year	Class/ Object	Class Title	Activity Code	Current Budget	Increase / Decrease	Modified Budget
2015	103-502664	Contracts for Operational Services	92204000	\$0	\$0	\$0
2016	103-502664	Contracts for Operational Services	92204000	\$0	\$1,689,500	\$1,689,500
2017	103-502664	Contracts for Operational Services	92204000	\$0	\$2,289,000	\$2,289,000
			Sub-Total:	\$0	\$3,978,500	\$3,978,500
			Grand Total	\$9,948,020	\$90,833	\$10,038,853

Explanation

The purpose of this amendment is to provide an additional fifty (50) units to the Housing Bridge Subsidy Program which is administered by Harbor Homes, Inc. The Housing Bridge Subsidy Program provides housing services and subsidies or rent for persons with severe mental illness (SMI) who are at risk of becoming homeless. Over eighty-nine percent (89%) of this funding will provide direct housing services and rent subsidies to individuals with severe mental illness who are at risk of becoming homeless, the remaining portion will pay for the administration of the program.

The program was expanded in the State Fiscal Year 2015 budget for the "10 year plan". In addition, the Community Mental Health Agreement (Amanda D. Settlement) calls for increased supportive housing opportunities for individuals by increasing capacity to 450 units by the January 2016. This contract will allow the State to fulfill the requirement and meet other terms of the Agreement, which read, in part:

- (b) *all new supported housing created pursuant to this Settlement Agreement will be scattered-site supported housing, with no more than two units or 10 percent of the units in a multi-unit building with 10 or more units, whichever is greater, and no more than two units in any building with fewer than 10 units known by the State to be occupied by individuals in the Target Population;*
- (c) *all new support housing created pursuant to this Settlement Agreement will be single occupancy or single family housing unless the individual prefers to live with a roommate; if the individual chooses to live with a roommate, there will be a private bedroom for each person; the individual will be able to select his or her roommate.*

The Housing Bridge Subsidy Program is a highly successful program. To date, the program has provided housing subsidies and supported three hundred and fifteen (315) consumers across the State of New Hampshire. Early outcome assessments of those participating in the program reflected a reduction in the use of New Hampshire Hospital bed days of 82%.

The Bureau of Behavioral Health (BBH), in collaboration with New Hampshire Housing Finance Authority (NHHFA), established a cooperative agreement. The cooperative agreement establishes consumers with a severe mental illness who have been admitted to New Hampshire Hospital as a new priority population to gain access to Section 8/Housing Choice Vouchers.

Housing Bridge Subsidy Program provides tenant based rental assistance until a Section 8 voucher becomes available for the individual. As the program is modeled after the Section 8 program, participants are also responsible for paying 30% of their income towards their rent and the Bureau of Behavioral Health funds up to \$689 per month to provide sufficient funding for safe affordable housing. The rental subsidy is not contingent upon a consumer accepting community mental health services.

The contractor shall work collaboratively with the Bureau of Behavioral Health on a variety of initiatives designed to sustain a high quality system of services and supports for people with mental illness including continuous quality improvement activities, safeguarding the rights of people involved in services, and provision of ongoing staff training.

The original contract was competitively bid. The Department of Health and Human Services published a Request for Proposals on July 11, 2014, two proposals were received. The proposals were evaluated by a team of Department of Health and Human Services' employees with knowledge of the Housing Bridge Subsidy program requirements. The team also included members with significant business and management expertise. Harbor Homes, Inc. was awarded the contract.

Should Governor and Executive Council determine not to approve this request, individuals with severe mental illness who are homeless and ready for discharge from an institution, or who are graduating or timing out of transitional housing would either remain in their current and more costly environments without being able to return to the community of their choice; remain homeless; or become homeless. People who are without housing and resources will resort to seeking local shelter in places not fit for habitation, or will attempt to travel to shelters in other communities. This will increase the likelihood that homeless people will be in danger of injury or death, and will be cut off from basic supports for health, education and treatment.

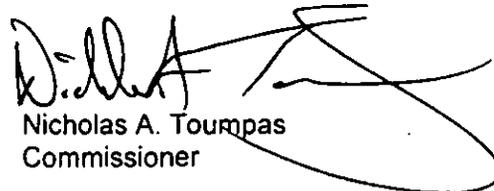
Area served: Statewide

Source of funds: 100% General Funds

Respectfully submitted,


Kathleen A. Dunn, MPH
Associate Commissioner
Medicaid Director

Approved by:


Nicholas A. Toumpas
Commissioner

**Amendment #1 to the Harbor Homes Inc. Contract for
Housing Bridge Subsidy Program**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Housing Bridge Subsidy Program Contract**

This first Amendment to the Housing Bridge Subsidy Program contract (hereinafter referred to as "Amendment #1") dated this 20th day of April, 2015, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Harbor Homes, Inc. (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 45 High Street, Nashua, New Hampshire 03060.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on October 29, 2014 (Item #16), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

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

WHEREAS, pursuant to the General Provisions, Paragraph 18 this agreement may be amended only by an instrument in writing signed by the parties hereto and only after approval of such amendment by the Governor and Executive Council of the State of New Hampshire;

WHEREAS the State and the Contractor have agreed to amend Exhibit A, Scope of Services to include 50 additional units and increase the price limitation of the contract;

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

To amend as follows:

1. Form P-37, General Provisions, Item 1.8 Price Limitation, to read:
\$10,038,853
2. Replace Exhibit A, Scope of Services, Section 2, Scope of Work, paragraph 2.4, with:
The Contractor shall ensure sufficient staffing to provide housing placement and support services to a minimum of six hundred and fifty (650) consumers. The Contractor shall ensure:
3. Replace Exhibit A, Scope of Services, Section 4. Requirements of Delivery, paragraph 4.1 with:
4.1 The Contractor shall provide HBSP services to the 240 consumers currently in the program and increase housing assistance to additional consumers as indicated in the table, below:

Number of Additional Units	Period During which Housing Units Must be Filled
50	July 1, 2014 – December 31, 2014
100	January 1, 2015 – June 30, 2015
110	July 1, 2015 – June 30, 2016
150	July 1, 2016 – June 30, 2017

4. Replace Exhibit B-1, Budget Period October 1, 2014 – June 30, 2015 with:
Exhibit B-1 – Amendment #1, Budget Period October 1, 2014 – June 30, 2015.

**Amendment #1 to the Harbor Homes Inc. Contract for
Housing Bridge Subsidy Program**



5. Replace Standard Exhibit G, Certification Regarding the Americans with Disabilities Act Compliance with:

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

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



**Amendment #1 to the Harbor Homes Inc. Contract for
Housing Bridge Subsidy Program**

This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

5/4/15
Date

Kathleen A. Dunn
Kathleen A. Dunn, MPH
Associate Commissioner
Medicaid Director

4/22/15
Date

Harbor Homes, Inc.
Peter Kelleher
Name/Title Peter Kelleher, President & CEO

Acknowledgement:
State of NH, County of Hillsborough on 4/22/15, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Wendy Nichols
Name and Title of Notary or Justice of the Peace



Amendment #1 to the Harbor Homes Inc. Contract for
Housing Bridge Subsidy Program



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

OFFICE OF THE ATTORNEY GENERAL

Date 5/15/15


Name: Megan A. J. O'Connell
Title: Attorney

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

OFFICE OF THE SECRETARY OF STATE

Date _____

Name: _____
Title: _____

Exhibit B-1 - Amendment #1 Budget Period October 1, 2014 - June 30, 2015

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

Bidder/Program Name: Harbor Homes Inc.

Budget Request for: Housing Bridge Subsidy Program for Consumers with Severe Mental Illness

Budget Period: October 1, 2014 - June 30, 2015

1. Total Salary/Wages	\$ 158,400.00	\$ 19,008.00	\$ 177,408.00	\$ -	\$ -	\$ -	\$ 158,400.00	\$ 19,008.00	\$ 177,408.00
2. Employee Benefits	\$ 44,352.00	\$ 5,322.00	\$ 49,674.00	\$ -	\$ -	\$ -	\$ 44,352.00	\$ 5,322.00	\$ 49,674.00
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ 8,000.00	\$ 960.00	\$ 8,960.00	\$ -	\$ -	\$ -	\$ 8,000.00	\$ 960.00	\$ 8,960.00
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 3,800.00	\$ 432.00	\$ 4,032.00	\$ -	\$ -	\$ -	\$ 3,800.00	\$ 432.00	\$ 4,032.00
6. Travel	\$ 35,000.00	\$ 4,200.00	\$ 39,200.00	\$ -	\$ -	\$ -	\$ 35,000.00	\$ 4,200.00	\$ 39,200.00
7. Occupancy	\$ 1,716,233.00	\$ 205,800.00	\$ 1,922,033.00	\$ -	\$ -	\$ -	\$ 1,716,233.00	\$ 205,800.00	\$ 1,922,033.00
8. Current Expenses:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 4,320.00	\$ 518.00	\$ 4,838.00	\$ -	\$ -	\$ -	\$ 4,320.00	\$ 518.00	\$ 4,838.00
Postage	\$ 748.00	\$ 90.00	\$ 838.00	\$ -	\$ -	\$ -	\$ 748.00	\$ 90.00	\$ 838.00
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 6,336.00	\$ 714.00	\$ 7,050.00	\$ -	\$ -	\$ -	\$ 6,336.00	\$ 714.00	\$ 7,050.00
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL:	\$ 1,976,989.00	\$ 237,044.00	\$ 2,214,033.00	\$ -	\$ -	\$ -	\$ 1,976,989.00	\$ 237,044.00	\$ 2,214,033.00

Indirect As A Percent of Direct

12.0%



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

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

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

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

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

Exhibit G

Contractor Initials

PK

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

4/22/15

New Hampshire Department of Health and Human Services
Exhibit G



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

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

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

Contractor Name: Harbor Homes Inc.

Name: Peter Kelleher
Title: President & CEO

4/22/15
Date

Exhibit G

Contractor Initials PK

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

Date 4/22/15



STATE OF NEW HAMPSHIRE
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 DIVISION OF COMMUNITY-BASED CARE SERVICES

Nicholas A. Toumpas
 Commissioner

Diane Langley
 Director

BUREAU OF BEHAVIORAL HEALTH
 105 PLEASANT STREET, CONCORD, NH 03301
 603-271-5007 1-800-852-3345 Ext. 5007
 Fax: 603-271-5058 TDD Access: 1-800-735-2964

October 3, 2014

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

Retroactive

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health to enter into a **retroactive** agreement with Harbor Homes, Inc. (Vendor # 155358), 45 High Street, Nashua, NH 03060, to administer the Housing Bridge Subsidy Program which provides housing services and subsidies for rent for persons with mental illness who are at risk of becoming homeless in an amount not to exceed \$9,948,020, effective October 1, 2014 upon Governor and Executive Council approval, through June 30, 2017. *100% General Funds*

Funds are available in State Fiscal Year 2015, and anticipated to be available in State Fiscal Year 2016 and State Fiscal Year 2017, in the following account with the ability to adjust encumbrances in each of the State Fiscal Years through the Budget Office, without further approval from the Governor and Executive Council, if needed and justified.

05-95-092-920010-59450000-102-500731-92205945 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, CMH PROGRAM SUPPORT

SFY	Class/Object	Class Title	Job Number	Budget
2015	102-500731	Contracts for Program Services	92205945	\$2,123,200
2016	102-500731	Contracts for Program Services	92205945	\$3,612,660
2017	102-500731	Contracts for Program Services	92205945	\$4,212,160
			Total:	\$9,948,020

EXPLANATION

This request is **retroactive** because internal program area discussions created a delay in sending the contract to the vendor. The purpose of this request is to administer the Housing Bridge Subsidy Program which provides housing services and rent subsidies for individuals with mental illness who are at risk of becoming homeless. Of the \$9,948,020 available for this program, \$8,882,202 will be used to provide direct housing services and rent subsidies to individuals with mental illness who are at risk of becoming homeless.

The Housing Bridge Subsidy Program is a highly successful program that provides rental subsidies to individuals with serious mental illness who are homeless or at risk of becoming

homeless. To receive the rental subsidies, individuals must be eligible and on the waiting list for a Section 8 housing voucher.

To date, the program has provided housing subsidies and supported three hundred and fifteen (315) consumers across the State of New Hampshire. Early outcome assessments of those participating in the program reflected a reduction in the use of New Hampshire Hospital bed days of 82%.

The Bureau of Behavioral Health (BBH), in collaboration with New Hampshire Housing Finance Authority (NHHFA), established a cooperative agreement. The cooperative agreement establishes consumers with a severe mental illness who have been admitted to New Hampshire Hospital as a new priority population to gain access to Section 8/Housing Choice Vouchers.

Housing Bridge Subsidy Program is available on a statewide basis, and consumers are given the full opportunity to choose in which community they would like to reside. All consumers served have a severe mental illness, and are connected with community mental health services in their local community. These efforts help support the individual in maintaining their apartment, prevent a further episode of homelessness, and promote the consumer independence and personal recovery goals.

Housing Bridge Subsidy Program provides tenant based rental assistance until a Section 8 voucher becomes available for the individual. As the program is modeled after the Section 8 program, participants are also responsible for paying 30% of their income towards their rent and Bureau of Behavioral Health funds up to \$689 per month to provide sufficient funding for safe affordable housing. The rental subsidy is not contingent upon a consumer accepting community mental health services.

The program is monitored through the required submission of monthly, quarterly, and annual reports regarding its performance and the individuals it serves, and through the Homeless Management Information data reporting system.

The contractor shall work collaboratively with the Bureau of Behavioral Health on a variety of initiatives designed to sustain a high quality system of services and supports for people with mental illness including continuous quality improvement activities, safeguarding the rights of people involved in services, and provision of ongoing staff training.

This contract was competitively bid. On July 11, 2014 the Department issued a Request for Proposals for qualified vendors to administer the Housing Bridge Subsidy Program. Housing Bridge Subsidy Program provides housing services and subsidies for rent in order to "bridge" the gap between institutional living and independent living with a permanent rental subsidy such as Section 8 Housing Choice Voucher or comparable rental subsidy. The request for proposals was available on the Department of Health and Human Services' website from July 11, 2014 through August 11, 2014. A total of two (2) proposals were submitted.

The proposals were evaluated by a team of six (6) Department of Health and Human Services employees with knowledge of the Housing Bridge Subsidy program requirements. The team also included staff with significant business and management expertise. The proposals were evaluated based on the criteria published in the Request for Proposals. Harbor Homes, Inc. was selected. The bid summary is attached.

The attached contract calls for the provision of these services for two years and reserves the Department's right to renew the agreement for up to two additional years, based upon the satisfactory delivery of services, continued availability of supporting funds, and Governor and Executive Council approval.

Should Governor and Executive Council determine not to approve this request, individuals with mental illness who are homeless and ready for discharge from an institution, or who are graduating or timing out of transitional housing would either remain in their current and more costly environments without being able to return to the community of their choice; remain homeless; or become homeless. People who are without housing and resources will resort to seeking local shelter in places not fit for habitation, or will attempt to travel to shelters in other communities. This will increase the likelihood that homeless people will be in danger of injury or death, and will be cut off from basic supports for health, education and treatment.

Area served: Statewide

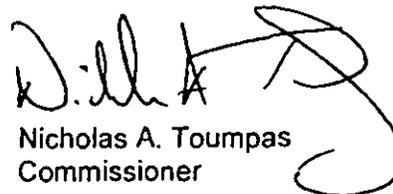
Source of funds: 100% General Funds

Respectfully submitted,



Geoffrey C. Souther
Director

Approved by:



Nicholas A. Toumpas
Commissioner



**New Hampshire Department of Health and Human Services
Office of Business Operations
Contracts & Procurement Unit
Summary Scoring Sheet**

**Housing Bridge Subsidy Program for
Consumers with Severe Mental Illness**

15-DHHS-DCBCS-BBH-02

RFP Name

RFP Number

Reviewer Names

Bidder Name

1.	Harbor Homes, Inc.
2.	NFI North, Inc.
3.	0
4.	0

Pass/Fail	Maximum Points	
	235	
	235	
	235	
	235	

1. Beth Nichols, BBH, Planning Analyst & Program Coordinator
2. Dolly Foster, NHH, Assistant Administrator
3. Patricia Jackson, BHHS, Program Planning & Review Specialist
4. Tom Grinley, BBH, Program Planner I
5. Ann Driscoll, BEAS/BBH, Administrator II
6. Peter Reid, BBH, Administrator III

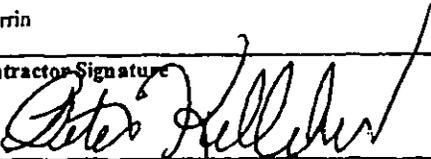
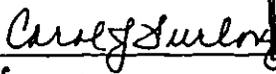
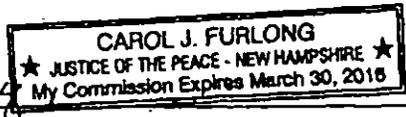
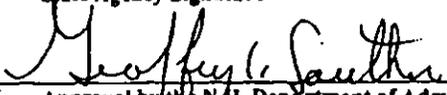
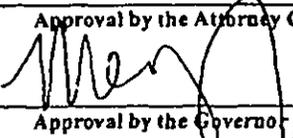
Subject: Housing Bridge Subsidy Program

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Health & Human Services Bureau of Behavior Health Services		1.2 State Agency Address 129 Pleasant St. Concord, NH 03301	
1.3 Contractor Name Harbor Homes, Inc.		1.4 Contractor Address 45 High Street Nashua, NH 03060	
1.5 Contractor Phone Number (603) 882-3616	1.6 Account Number 05-095-092-920010- 59450000-102-500731- 92205945	1.7 Completion Date June 30, 2017	1.8 Price Limitation \$9,948,020
1.9 Contracting Officer for State Agency Eric D. Borin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Peter Kellohar, President & CEO	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Hillsborough</u> On <u>10/14/14</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal]  			
1.13.2 Name and Title of Notary or Justice of the Peace CAROL J. FURLONG, LCMHC, VP, OPERATIONS - HHI			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Geoffrey C. Soether, Technical Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Megan A. Yule - Attorney On: 10/13/14			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

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

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

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

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

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

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

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

Contractor Initials: JK
Date: 9/16/14

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

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

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

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

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

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



Scope of Services

1. Provisions Applicable to All Services

- 1.1. For the purpose of this Contract, any reference to days shall be a reference to business days.
- 1.2. The Contractor shall provide services to individuals and families who meet the criteria for the Housing Bridge Subsidy, statewide.
- 1.3. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with Limited English Proficiency to ensure meaningful access to their programs and/or services, within ten (10) days of the contract effective date.

2. Scope of Work

- 2.1. The Contractor shall facilitate enrollment for individuals eligible for Housing Bridge Subsidy Program (HBSP) services. The Contractor shall:
 - 2.1.1. Contact the referring agent to schedule a face-to-face meeting with the consumer and the consumer's support team that may include, but not be limited to, the consumer's guardian or other involved family member, as appropriate; the referring agent; a representative from the Bureau of Behavioral Health (BBH); and an appropriate mental health center representative.
 - 2.1.2. Work with the consumer's support team, listed in Section 2.1.1, to:
 - 2.1.2.1. Assess consumer's immediate temporary housing needs.
 - 2.1.2.2. Create an individualized housing plan within five (5) business days from the date the initial referral for services is received. Housing plans shall include, but not be limited to, supportive services; access to behavioral health care, as needed; access to psychiatric health care, as appropriate; and access to primary health care, as appropriate.
 - 2.1.3. Ensure successful acquisition of consumer housing services within fourteen (14) days of receiving the initial referral. The Contractor shall:
 - 2.1.3.1. Assess consumer housing preferences and housing history.
 - 2.1.3.2. Assist consumers with identifying available housing units in consumers' communities of choice.
 - 2.1.3.3. Assist consumers with obtaining, completing and submitting housing applications.
 - 2.1.3.4. Assist consumers with attending housing provider meetings, as appropriate, which includes, but is not limited to, performing housing unit inspections; and assisting consumers with identifying initial rental needs and resources.
 - 2.1.3.5. Work with the consumer and the consumer's support team identified in Section 2.1.1, to facilitate paperwork needed to verify income and program eligibility, which includes but is not limited to:

New Hampshire Department of Health and Human Services
Housing Bridge Subsidy Program

Exhibit A



- 2.1.3.5.1. Credit reports.
 - 2.1.3.5.2. Landlord references.
 - 2.1.3.5.3. Criminal background checks.
 - 2.1.3.5.4. Income.
 - 2.1.3.5.5. Asset documentation.
- 2.2. The Contractor shall provide housing support by assisting eligible consumers with securing safe and affordable housing in the consumer's community of choice. The Contractor shall:
- 2.2.1. Assist consumers with identifying initial rental needs and resources, such as security deposits, utilities and furniture.
 - 2.2.2. Ensure selected housing meets the U.S. Housing and Urban Development (HUD), Section 8 requirements.
 - 2.2.3. Use HUD's habitability standards form to complete housing inspections.
 - 2.2.4. Assist consumers with applying for and obtaining benefits for which the consumer may be eligible, including but not limited to, security and utility deposit assistance, food stamps, SSI/SSDI and Section 8 housing assistance.
 - 2.2.5. Remain in close communication with the consumer for the first ninety (90) days of the consumer obtaining housing. The Contractor shall:
 - 2.2.5.1. Revise housing and support services plan, if necessary.
 - 2.2.5.2. Identify resources within the community that can assist consumers, including but not limited to, peer support agencies; faith-based groups; transportation services; primary care services; homemaker/personal care services; legal aid; and meals-on-wheels.
 - 2.2.5.3. Identify consumers' needs through treatment team meetings; self-observations; and feedback from landlords and the local mental health center case managers.
- 2.3. The Contractor shall administer HBSP services, which includes, but is not limited to:
- 2.3.1. Finding housing for current consumers, as described in Section 2.2.
 - 2.3.2. Reviewing consumers' income every ninety (90) days to calculate the consumer's 30% portion of rent.
 - 2.3.3. Completing annual inspections of consumers' apartments.
 - 2.3.4. Being the point of contact for landlords.
 - 2.3.5. Ensuring timely rental payments to landlords.
- 2.4. The Contractor shall ensure sufficient staffing to provide housing placement and support services to a minimum of six hundred (600) consumers. The Contractor shall ensure:
- 2.4.1. All staffing and volunteers undergo NH Criminal background checks.
 - 2.4.2. All staffing and volunteer names are submitted to the Bureau of Adult and Elderly Services for review against the State Consumer Protective Service Registry.



Exhibit A

2.5. The Contractor shall ensure all complaints regarding the HBSP services are investigated by the Complaint Investigator within fifteen (15) days of receiving the complaint. The Contractor shall ensure:

- 2.5.1. All parties relevant to the complaint are interviewed by the Complaint Investigator.
- 2.5.2. A determination is made by the Complaint Investigator as to whether the complaint is founded or unfounded.
- 2.5.3. The complainant is notified, in writing, of the finding.
- 2.5.4. All identities of any complainants are kept confidential.
- 2.5.5. Complainants are aware of the Contractor's process to request an appeal of findings.

3. Reporting Requirement

3.1. The Contractor shall submit annual performance reports (APR) to the Department as indicated below. The APR must be in narrative form summarizing the results of project activities and showing in particular how project activities were performed for the previous twelve months.

Federal Fiscal Year	Dates Included in Report	Due Date
2015	10/1/14-9/30/15	10/15/15
2016	10/1/15-9/30/16	10/17/16

3.2. The Contractor shall submit quarterly progress reports to the Department, as indicated below. Quarterly reports shall include, but not be limited to:

- 3.2.1. The number of participating consumers' assisted during the quarter.
- 3.2.2. The number of consumers who exited the project during the quarter.
- 3.2.3. The number of consumers who attained stable housing.
- 3.2.4. Demographic consumer information.
- 3.2.5. Barriers experienced by the program
- 3.2.6. Solutions to avoiding barriers identified.

State Fiscal Year	Dates Included in Report	Due Date
2014	10/1/14 - 12/31/14	1/4/15
2014	1/1/15 - 3/31/15	4/3/15
2014	4/1/15 - 6/30/15	7/3/15
2015	7/1/15 - 9/30/15	10/5/15
2015	10/1/15 - 12/31/15	1/6/16
2015	1/1/16 - 3/31/16	4/5/16
2015	4/1/16 - 6/30/16	6/30/16

3.3. The Contractor shall submit monthly progress reports, no later than three (3) business days after the conclusion of the month, specifying the amount of funds expended and the balance of funds remaining for HBSP services.



3.4. The Contractor shall provide monthly reports, quarterly reports and APRs that are based on Section 4, Requirements of Delivery of Services.

4. Requirements of Delivery of Services

4.1. The Contractor shall provide HBSP services to the 240 consumers currently in the program and increase housing assistance to additional consumers as indicated in the table, below:

Number of Additional Units	Period During which Housing Units Must be Filled.
50	July 1, 2014 – December 31, 2014
50	January 1, 2015 – June 30, 2015
110	July 1, 2015 – June 30, 2016
150	July 1, 2016 – June 30, 2017

4.2. The Contractor shall ensure:

- 4.2.1. Ninety (90) percent of consumers secure housing in their community of choice.
- 4.2.2. Ninety (90) percent of consumers maintain housing for a minimum of 18 months.
- 4.2.3. Ninety (90) percent of consumers decrease their hospital utilization to zero over an 18 month period.
- 4.2.4. Ninety (90) percent of consumers increase the number of days within the community over 18 months to at least ninety five (95) percent of the days in the 18 month period.
- 4.2.5. One hundred (100) percent of consumers are referred to and receive ongoing community mental health services.

PK
9/16/14



Method and Conditions Precedent to Payment

This contract is funded with general funds anticipated to be available based upon continued appropriation, which are conditioned upon continued support of the program by the state and federal governments. The contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.

1. The State shall pay the Contractor an amount not to exceed the Price Limitation on Form P37, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. Payment for expenses shall be on a cost reimbursement basis only for actual expenditures. Expenditures shall be in accordance with the approved line item budgets shown in Exhibits B-1, B-2 and B-3.
3. Payment for services shall be made as follows:
 - 3.1. The Contractor shall submit monthly invoices for reimbursement of actual expenses incurred during the month. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.
 - 3.2. Invoices identified in Section 3.1 must be submitted to:

Michele Harlan
Administrator of Community Mental Health Services
NH Department of Health and Human Services
Bureau of Behavioral Health
105 Pleasant St.
Concord, NH 03301
4. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Section 3.
5. A final payment request shall be submitted no later than sixty (60) days after the Contract ends. Failure to submit the invoice, and accompanying documentation could result in nonpayment.
6. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
7. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.
8. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

gk
9/16/14

Exhibit B-1

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

Bidder/Program Name: Harbor Homes Inc.

Budget Request for: Housing Bridge Subsidy Program for Consumers with Severe Mental Illness

Budget Period: October 1, 2014 - June 30, 2015

Line Item	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	\$ 158,400.00	\$ 18,006.00	\$ 177,406.00	\$ -	\$ -	\$ -
2. Employee Benefits	\$ 44,352.00	\$ 5,322.00	\$ 49,674.00	\$ -	\$ -	\$ -
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ 8,000.00	\$ 960.00	\$ 8,960.00	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 3,600.00	\$ 432.00	\$ 4,032.00	\$ -	\$ -	\$ -
6. Travel	\$ 35,000.00	\$ 4,200.00	\$ 39,200.00	\$ -	\$ -	\$ -
7. Occupancy	\$ 1,835,000.00	\$ 196,200.00	\$ 1,831,200.00	\$ -	\$ -	\$ -
8. Current Expenses:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 4,320.00	\$ 518.00	\$ 4,838.00	\$ -	\$ -	\$ -
Postage	\$ 748.00	\$ 90.00	\$ 838.00	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 6,336.00	\$ 714.00	\$ 7,050.00	\$ -	\$ -	\$ -
Board Expenses:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specify details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,886,766.00	\$ 227,444.00	\$ 2,123,200.00	\$ -	\$ -	\$ -

Indirect As A Percent of Direct

12.0%

Contractor Initials: PK
Date: 10/11/14

Exhibit B-2

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

Bidder/Program Name: Harbor Homes Inc.

Budget Request for: Housing Bridge Subsidy Program for Consumers with Severe Mental Illness

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

Line Item	Fiscal Year 2015			Fiscal Year 2016			Total Program Budget		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	\$ 218,000.00	\$ 26,160.00	\$ 244,160.00	\$ -	\$ -	\$ -	\$ 218,000.00	\$ 26,160.00	\$ 244,160.00
2. Employee Benefits	\$ 61,040.00	\$ 7,325.00	\$ 68,365.00	\$ -	\$ -	\$ -	\$ 61,040.00	\$ 7,325.00	\$ 68,365.00
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 240.00	\$ 29.00	\$ 269.00	\$ -	\$ -	\$ -	\$ 240.00	\$ 29.00	\$ 269.00
6. Travel	\$ 48,500.00	\$ 5,580.00	\$ 52,080.00	\$ -	\$ -	\$ -	\$ 48,500.00	\$ 5,580.00	\$ 52,080.00
7. Occupancy	\$ 2,883,000.00	\$ 345,960.00	\$ 3,228,960.00	\$ -	\$ -	\$ -	\$ 2,883,000.00	\$ 345,960.00	\$ 3,228,960.00
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 7,200.00	\$ 884.00	\$ 8,084.00	\$ -	\$ -	\$ -	\$ 7,200.00	\$ 884.00	\$ 8,084.00
Postage	\$ 889.00	\$ 107.00	\$ 996.00	\$ -	\$ -	\$ -	\$ 889.00	\$ 107.00	\$ 996.00
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 8,720.00	\$ 1,046.00	\$ 9,766.00	\$ -	\$ -	\$ -	\$ 8,720.00	\$ 1,046.00	\$ 9,766.00
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 3,225,889.00	\$ 387,071.00	\$ 3,612,960.00	\$ -	\$ -	\$ -	\$ 3,225,889.00	\$ 387,071.00	\$ 3,612,960.00

Indirect As A Percent of Direct

12.0%

Contractor Initials:

PH
Date: 10/1/14

Exhibit B-3

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

Bidder/Program Name: Harbor Homes Inc.

Budget Request for: Housing Bridge Subsidy Program for Consumers with Severe Mental Illness

Budget Period: July 1, 2016 - June 30, 2017

Line Item	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
1. Total Salary/Wages	\$ 218,000.00	\$ 28,160.00	\$ 244,160.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Employee Benefits	\$ 61,040.00	\$ 7,325.00	\$ 68,365.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 240.00	\$ 29.00	\$ 269.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Travel	\$ 38,000.00	\$ 4,560.00	\$ 42,560.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7. Occupancy	\$ 3,427,200.00	\$ 411,264.00	\$ 3,838,464.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8. Current Expenses:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 7,200.00	\$ 864.00	\$ 8,064.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage	\$ 457.00	\$ 55.00	\$ 512.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 8,720.00	\$ 1,046.00	\$ 9,766.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 3,788,857.00	\$ 461,393.00	\$ 4,212,160.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Indirect As A Percent of Direct

12.0%

Contractor Initials: *M*

Date: 10/11/14



SPECIAL PROVISIONS

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

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

[Handwritten Signature]
Date 9/16/14

New Hampshire Department of Health and Human Services
Exhibit C



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

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

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


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New Hampshire Department of Health and Human Services
Exhibit C



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

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

Exhibit C - Special Provisions

Contractor Initials

Date

New Hampshire Department of Health and Human Services
Exhibit C



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

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

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

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

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

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

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

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

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

New Hampshire Department of Health and Human Services
Exhibit C



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

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

DEFINITIONS

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

[Handwritten Signature]
9/16/14



REVISIONS TO GENERAL PROVISIONS

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

AK

9/16/14



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

[Handwritten Signature]
Date 9/16/14

New Hampshire Department of Health and Human Services
Exhibit D



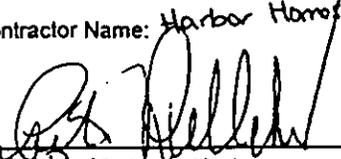
has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

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

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

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

9/16/14
Date

Contractor Name: Harbor Home Inc.

Name: Peter Kelleher
Title: President & CEO



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):
*Temporary Assistance to Needy Families under Title IV-A
*Child Support Enforcement Program under Title IV-D
*Social Services Block Grant Program under Title XX
*Medicaid Program under Title XIX
*Community Services Block Grant under Title VI
*Child Care Development Block Grant under Title IV

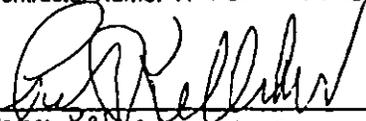
The undersigned certifies, to the best of his or her knowledge and belief, that:

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

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

Contractor Name: Harbor Homes, Inc.

9/16/14
Date


Name: Peter Kelleher
Title: President & CEO



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

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

INSTRUCTIONS FOR CERTIFICATION

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

New Hampshire Department of Health and Human Services
Exhibit F



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

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

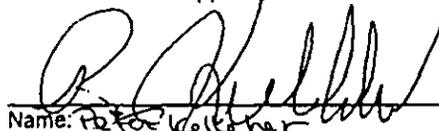
PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

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

Contractor Name: Harbor Homes Inc.


Name: Robert Keltner
Title: President & CEO

9/16/14
Date



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

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

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

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

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

In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex



New Hampshire Department of Health and Human Services
Exhibit G

against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

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

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

Contractor Name: Harbor Home, Inc.

Name: Peter Kelleher
Title: President & CEO

9/16/14
Date

Contractor Initials PK
Date 9/16/14