



Jeffrey A. Meyers
Commissioner

Katja S. Fox
Director

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

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H JBS

September 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 enter into an agreement with Harbor Homes, Inc., 77 Northeastern Blvd., Nashua, NH, 03062, Contractor # 155358-B001, to provide peer recovery support services to individuals with opioid use disorders in an amount not to exceed \$2,000,000, effective upon date of Governor and Council approval, through September 29, 2020. 100% Federal Funds.

Funds are anticipated to be available in the following account for State Fiscal Years 2020 and 2021, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office, if needed and justified.

**05-95-92-920510-70400000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVS
DEPT OF, HHS: DIVISION FOR BEHAVIORAL HEALTH, BUREAU OF DRUG & ALCOHOL
SCS, STATE OPIOID RESPONSE GRANT**

State Fiscal Year	Class/Account	Class Title	Job Number	Total Amount
2020	102-500731	Contracts for Prog Svc	92057040	\$1,500,000
2021	102-500731	Contracts for Prog Svc	92057040	\$500,000
			Total	\$2,000,000

EXPLANATION

The purpose of this request is to expand the provision of Peer Recovery Support Services (PRSS) to individuals with opioid use disorders.

Approximately 6,000 individuals will be served September 2019 through September 2020.

These services are part of the State's application to and approved plan by the Substance Abuse and Mental Health Services Administration under the State Opioid Response grant. This grant is being used to make critical investments in the substance use disorder system in order to reduce unmet treatment needs, reduce opioid overdose fatalities, and increase access to medication assisted treatment over the next two (2) years.

Peer recovery support services are part of the Department's overall strategy to respond to substance misuse issues that negatively impact the New Hampshire citizens, families and communities. The Department's goal is to maintain and expand a statewide, geographically diverse peer recovery support services network by increasing capacity through the development and support of Recovery Community Organizations. Significant work has taken place toward the development of peer recovery support services and Recovery Community Organizations through a number of initiatives and projects, which includes the ongoing engagement of representatives from the recovery community in all planning conversations.

The Contractor will leverage its existing role as the state contracted Facilitating Organization to expand a minimum of seven (7) existing subcontracted Recovery Community Organizations and to establish two (2) new Recovery Community Organizations in the areas of Jaffrey and Plymouth. Unique to these services is a robust level of client-specific data that will be available, which will be collected in coordination with the Regional Hubs (Doorways) that were approved by Governor and Executive Council at the October 31, 2018 meeting (Item 17A).

The State Opioid Response grant requires that all individuals served receive a comprehensive assessment at several time intervals, specifically at intake, three (3) months, six (6) months, and upon discharge. Through collaborative agreements with the Contractor under these contracts, the Doorways will be responsible for gathering data on client-related outcomes including, but not limited to recovery status, criminal justice involvement, employment, and housing needs at the time intervals listed above. This data will enable the Department to measure short and long-term outcomes associated with SOR-funded initiatives and to determine which programs are generating the best results for the clients served.

In addition to the client-level outcomes noted above, the Contractor will utilize its Recovery Data Platform to capture key client information that will capture critical metrics, including information on social connectedness, substance use disorder treatment access and, emergency room utilization for substance use related reasons.

The following performance measures and deliverables will be used to measure the effectiveness of the agreement:

- The Contractor will ensure that 100% of clients referred to them by Hub(s) have proper consents in place for transfer of information for the purposes of data collection between the Hub(s) and the Recovery Community Organizations.
- The Contractor will submit monthly reports to the Department on the progress of implementation of the expanded and new services in a form and manner satisfactory to the Department.

Harbor Homes, Inc., was selected for this project through a competitive bid process. A Request for Proposals was posted on The Department of Health and Human Services' website from September 14, 2018 through October 9, 2018. The Department received two (2)

proposals. The proposals were reviewed and scored by a team of individuals with program specific knowledge. The review included a thorough discussion of the strengths and weaknesses of the proposals. The Score Summary Sheet is attached.

As referenced in the Request for Proposals and in Exhibit C-1 of this contract, the Department has the option to extend contracted services for up to two (2) additional year(s), contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval from the Governor and Executive Council.

The Agreement includes requirements for the Contractor to submit ongoing financial reports. Financial reports will include program-level and organization-level profit and loss statements, cash equivalents, liabilities and assets, and new lending. The Department will review these reports and discuss any concerns with the Contractor on an ongoing basis, which is expected to lead to close monitoring of fiscal integrity.

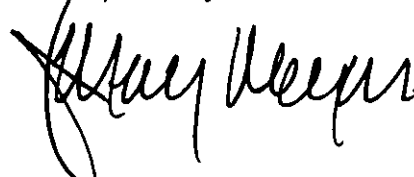
Should the Governor and Executive Council not authorize this request, individuals seeking recovery supports may have reduced access to programs that meet their specific needs or require additional travel time to access their nearest Recovery Community Organizations.

Area served: Towns of Jaffrey and Plymouth.

Source of Funds: 100% Federal Funds from the Substance Abuse and Mental Health Services Administration, State Opioid Response Grant, CFDA #93.788, FAIN TI081685.

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

Respectfully submitted,



Jeffrey A. Meyers
Commissioner

Subject: Peer Recovery Support Services (PRSS) in the Community (RFP-2019-BDAS-08-PEERR-01)

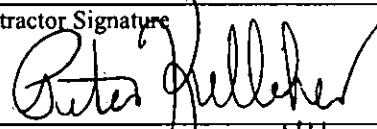
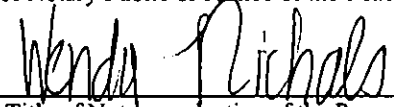
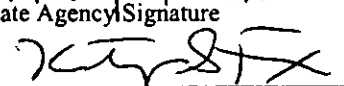
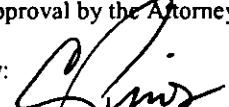
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

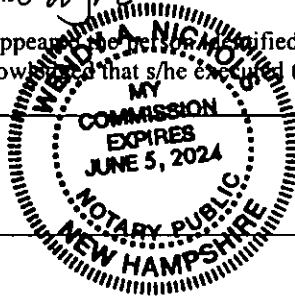
AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Harbor Homes, Inc.		1.4 Contractor Address 77 Northeastern Blvd Nashua, NH 03062	
1.5 Contractor Phone Number (603) 882-3616	1.6 Account Number 05-95-92-920510-7040-102-500731	1.7 Completion Date September 29, 2020	1.8 Price Limitation \$2,000,000
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Peter Helleher, President & CEO	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Hillsborough</u> On <u>September 16, 2019</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 Wendy Nichols, Notary.			
1.14 State Agency Signature  Date: <u>9/16/19</u>		1.15 Name and Title of State Agency Signatory Kevin S Fox, Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  CATHERINE PINOS On: <u>9/16/19</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			



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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Contractor Initials

Date

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Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

Contractor Initials

Date

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9/16/19

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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

Contractor Initials PK
Date 9/16/19



Scope of Services

1. Provisions Applicable to All Services

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. For the purposes of this contract, the Contractor shall be identified as a sub recipient, in accordance with 2 CFR 200.0. et seq.

2. Scope of Work

- 2.1. The Contractor shall establish two (2) additional RCOs in the areas of Plymouth and Jaffrey.
- 2.2. The Contractor shall ensure that the two (2) RCOs established have access to all supports and assistance provided through the Peer Recovery Support Services (PRSS) Facilitating Organization.
- 2.3. The Contractor shall ensure the RCO is or has a plan to be Council on Accreditation of Peer Recovery Support Services (CAPRSS) accredited within three (3) years of the contract effective date.
- 2.4. The Contractor shall submit a written plan for the RCO that demonstrates the RCO's ability to meet accreditation standards.
- 2.5. The Contractor shall ensure the RCOs provide PRSS with the following, which includes, but is not limited to:
 - 2.5.1. Individual in-center coaching sessions;
 - 2.5.2. Telephone recovery support services;
 - 2.5.3. Community/peer-led groups and activities that focus on education, employment, health and wellness, life skills, coping, symptom management, and 'sober' social activities;
 - 2.5.4. Community based services and groups, which include, but are not limited to:
 - 2.5.4.1. Ensuring Peer Recovery Coaches provide education and support to enable entry into treatment and recovery support services, individually and in groups;
 - 2.5.4.2. Ensuring Peer Recovery Coaches work closely with human services agencies in the region to strengthen the network of community supports for recovery support services;
 - 2.5.4.3. Ensuring that a representative of the RCO is a member of the Regional Public Health Network Continuum of Care Group and,

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- 2.5.4.4. Activities and groups that are based on participant needs (e.g., art, music, yoga, mindfulness, acupuncture) to enhance individual recovery.
- 2.5.5. The Contractor shall ensure that RCO services in Section 2.5 above are provided by peer recovery coaches.
 - 2.5.5.1. Peer Recovery Coaches must complete a Recovery Coach Academy; and,
 - 2.5.5.2. Must work towards attaining and maintaining their Certified Recovery Support Worker (CRSW) credentials.
- 2.5.6. The Contractor shall ensure that RCO recovery-oriented groups are provided weekly and meetings are accessible at varying times to meet the needs of participants.
- 2.5.7. The Contractor shall ensure that the RCOs identify client needs related to sustaining recovery and facilitate access to services and financial assistance through resulting contract or through flexible needs funds provided by the Hub(s) for supports, including but not limited to:
 - 2.5.7.1. Recovery housing.
 - 2.5.7.1.1. Recovery housing paid for under this contact shall be provided in accordance with the National Alliance for Recovery Residences standards and registered with the State of New Hampshire, Bureau of Drug and Alcohol Services in accordance with current NH Administrative Rules.
- 2.5.8. The Contractor shall ensure that the RCOs data collection and evaluation of data are culturally appropriate for the recovery communities being served.
- 2.5.9. The Contractor shall ensure the RCOs collaboration with other PRSS technical assistance assets relative to the core and optional standards defined by the CAPRSS.
- 2.5.10. The Contractor shall ensure the RCOs compliance with confidentiality requirements, which must include, but not be limited to:
 - 2.5.10.1. Federal and state laws;
 - 2.5.10.2. HIPAA Privacy Rule; and,
 - 2.5.10.3. 42 C.F.R. Part 2.
- 2.5.11. The Contractor shall ensure the RCOs have the ability to:
 - 2.5.11.1. Enroll as a Medicaid provider and bill for eligible services, if approved by Medicaid;
 - 2.5.11.2. Contract with commercial payers for PRSS and bill for eligible services, if approved by the commercial payer;
 - 2.5.11.3. Contract with Managed Care Organizations for PRSS and bill for eligible services, if approved by the MCO;
 - 2.5.11.4. Understand the proper hierarchy of the billing process.

Harbor Homes, Inc.

Exhibit A

Contractor Initials

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- 2.5.12. The Contractor shall ensure that RCOs have been enrolled and contracted with Medicaid and other payers for PRSS to perform billing functions.
- 2.5.13. The Contractor shall ensure that RCS have:
 - 2.5.13.1. Developed Department approved billing protocols;
 - 2.5.13.2. Implemented a billing process; and,
 - 2.5.13.3. Provided a copy of billing policies and protocols to the Department.
- 2.5.14. The Contractor shall ensure RCOs coordination and collaboration with other Department contractors to avoid duplication of effort, and leverage other initiatives and capacities already developed to support this work.
- 2.5.15. The Contractor shall ensure RCOs coordination of all services delivered to clients with the local Regional Hub, including, but not limited to accepting referrals for clients directly from the Hub(s).

3. Billing

- 3.1. The Contractor shall ensure the RCOs bill the appropriate payers for all eligible client services provided by RCOs.
 - 3.1.1. The Contractor's dedicated FO support specialist shall work with their finance staff and the RCOs to maximize billing and reimbursement;
 - 3.1.2. The FO support specialist shall ensure RCO providers are properly credentialed by Medicaid, the MCOs, and other payers;
 - 3.1.3. RCOs shall submit invoices for PRSS services to the Contractor, with backup documentation provided;
 - 3.1.4. The Contractor shall submit payment requests for covered services performed by the RCO to the MCOs and contracted commercial payers; and
 - 3.1.5. The Contractor shall disburse payments received to the RCOs via direct deposit.

4. Data Collection

- 4.1. The Contractor shall ensure the RCOs data collection and evaluations are culturally appropriate.
- 4.2. The Contractor shall ensure that all data collected by the RCOs on behalf of DHHS is owned by DHHS, which includes derivative data.
- 4.3. The Contractor shall ensure the RCOs use of a Recovery Data Platform (RDP) that is HIPPA and 42 CFR, Part 2 compliant, to ensure:
 - 4.3.1. The tool is utilized for data tracking and evaluation assessment;
 - 4.3.2. The Recovery Data Platform shall be used by all subcontracted RCOs;
 - 4.3.3. Each RCO shall enter and have access to the data in the Recovery Data Platform specific only to their location.
 - 4.3.4. The FO shall have access to data entered by all the RCO's.

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- 4.4. The Contractor shall ensure that the RCOs collect data points on individuals who begin services at the RCO and are validated during subsequent encounters or when status changes.
 - 4.4.1. The data points entered into the RDP shall include:
 - 4.4.1.1. Employment;
 - 4.4.1.2. Housing;
 - 4.4.1.3. Financial Information;
 - 4.4.1.4. Arrests;
 - 4.4.1.5. Engagement Scale;
 - 4.4.1.6. Health Insurance Coverage;
 - 4.4.1.7. Substance most challenging to your recovery;
 - 4.4.1.8. Current Use of Alcohol & Other Drugs;
 - 4.4.1.9. SUD Treatment; and
 - 4.4.1.10. Emergency Room Utilization for a Substance-Use Related Reason.
- 4.5. The Contractor shall ensure that the RCOs verification of data is complete and accurate on the 5th of every month.
- 4.6. The Contractor shall ensure the RCOs are in compliance with confidentiality requirements with all federal and state laws, which shall include the HIPAA Privacy Rule and 42 CFR Part 2.
- 4.7. The Contractor shall ensure that all of the RCOs internal staff collecting data and evaluations are culturally appropriate and confidential unless adequate consents are in place for data and information sharing.
- 4.8. The Contractor's data staff shall conduct regular reviews of databases to confirm proper procedures are being followed, and to communicate with program staff to rectify any issues that may arise.
- 4.9. The Contractor shall generate Business Associate Agreements, which shall comply with sharing of protected health information, for all partnerships between the Hubs and RCOs.
- 4.10. The Contractor shall ensure the RCOs collaborate with or participate in the Integrated Delivery Network (IDN) with other providers that offer substance use disorder services.
 - 4.10.1. The Contractor shall ensure RCO, and volunteers are in compliance with Exhibit K.
- 4.11. The Contractor shall ensure that their Policy and Procedures for Network Resources, Information Technology and IT Security and Risk Management are updated and modified on an annual basis by the IT Department.
 - 4.11.1. By using any of the Contractor's networks and computing systems, users agree that they will comply with these policies.

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5. Training

- 5.1. The Contractor shall ensure all RCOs are trained in and using the reporting platform, Recovery Data Platform (RDP).
- 5.2. The Contractor shall ensure that all staff and volunteers in RCOs will be trained on appropriate procedures, requirements and coordination of client data sharing with the Hub for collection of GPRA information which includes, but is not limited to providing trainings on:
 - 5.2.1. Properly utilizing the Hub resources and connections;
 - 5.2.2. Documenting interactions with Hubs appropriately, utilizing the signed 42-CFR Part 2 consent documents;
 - 5.2.3. Sharing and receiving vital client information;
 - 5.2.4. Contractor policies and procedures to safeguard the confidentiality of information and protected health information as required by state and federal laws including, but not limited to:
 - 5.2.4.1. Information security; and
 - 5.2.4.2. HIPPA event/incident reporting.
- 5.3. The Contractor shall ensure all subcontracted RCOs have staff development plans that delineate steps for both its internal and subcontracted staff to become CRSWs as well as for the RCOs themselves to meet staff accreditation requirements of CAPRSS.
- 5.4. The Contractor shall ensure RCOs provide the following which may include, but is not limited to:
 - 5.4.1. Recovery Coach Academy;
 - 5.4.2. On-the-job training;
 - 5.4.3. Clinical supervision; and
 - 5.4.4. Any other additional required training.
- 5.5. The Contractor shall ensure monthly technical assistance site visits with RCOs.
 - 5.5.1. These may be conducted via telephone, if needed, and as appropriate.
- 5.6. The Contractor shall ensure webinar meetings between RCO groups at least quarterly.
- 5.7. The Contractor's FO staff will complete all required trainings to provide high quality TA and evaluations as well as the following trainings to the RCOs in:
 - 5.7.1. HIPPA
 - 5.7.2. Workplace safety; and
 - 5.7.3. Sexual harassment.

6. Performance Measures

- 6.1. The Contractor shall ensure that 100% of clients served by RCOs under this contract, who enter services directly through the RCOs and receives a service(s) or

Harbor Homes, Inc.

Exhibit A

Contractor Initials PK



benefit from a funded service under this proposed contract, and who consent to information sharing with the Doorways, receive a Doorways referral for ongoing care coordination;

- 6.2. The Contractor shall ensure that 100% of clients referred to them by Doorways have proper consents in place for transfer of information for the purposes of data collection between the Hub(s) and the RCOs.

7. Deliverables

- 7.1. The Contractor shall submit monthly reports to DHHS on the progress of implementation of the RCOs expanded and new services referenced in Subsection 2.4 through Subsection 2.4.15 in a form and manner satisfactory to the Department.

8. State Opioid Response (SOR) Grant Standards

- 8.1. In order to receive payments for services provided through SOR grant funded initiatives, the Contractor shall establish formal information sharing and referral agreements with all Regional Hubs for substance use services that comply with all applicable confidentiality laws, including 42 CFR Part 2.
- 8.2. The Contractor shall complete client referrals to applicable Regional Hubs for substance use services within two (2) business days of a client's admission to the program or engagement in services.
- 8.3. The Contractor may not receive payment for any invoices for services provided through SOR grant funded initiatives until the Department verifies that the Contractor has completed all required client referrals; verification of client referrals may be completed through the New Hampshire Web Information Technology System (WITS) and through audits of Contractor invoices or other data sources.
- 8.4. The Contractor shall ensure that RCOs receiving funds under this contract accept clients on and facilitate client access to FDA-approved MAT for Opioid Use Disorder (OUD). FDA-approved MAT for OUD includes:
 - 8.4.1. Methadone.
 - 8.4.2. Buprenorphine products, including:
 - 8.4.2.1. Single-entity buprenorphine products.
 - 8.4.2.2. Buprenorphine/naloxone tablets,
 - 8.4.2.3. Buprenorphine/naloxone films.
 - 8.4.2.4. Buprenorphine/naloxone buccal preparations.
 - 8.4.2.5. Long-acting injectable buprenorphine products.
 - 8.4.2.6. Buprenorphine implants.
 - 8.4.2.7. Injectable extended-release naltrexone.
- 8.5. The Contractor shall only connect clients served by RCOs funded under this contract to medical withdrawal management services if the withdrawal management service is accompanied by the use of injectable extended-release naltrexone, as clinically appropriate.

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- 8.6. The Contractor shall provide the Department with timelines and implementation plans associated with SOR funded activities to ensure services are in place within thirty (30) days of the contract effective date.
 - 8.6.1. If the Contractor is unable to offer services within the required timeframe, the Contractor shall submit an updated implementation plan to the Department for approval to outline anticipated service start dates.
 - 8.6.2. The Department reserves the right to terminate the contract and liquidate unspent funds if services are not in place within ninety (90) days of the contract effective date.
- 8.7. The Contractor shall ensure that clients receiving financial aid for recovery housing utilizing SOR funds shall only be in a recovery housing facility that is aligned with the National Alliance for Recovery Residences standards and registered with the State of New Hampshire, Bureau of Drug and Alcohol Services in accordance with current NH Administrative Rules.
- 8.8. The Contractor shall assist clients with enrolling in public or private health insurance, if the client is determined eligible for such coverage.
- 8.9. The Contractor shall accept clients on MAT and facilitate access to MAT on-site or through referral for all clients supported with SOR Grant funds, as clinically appropriate.
- 8.10. The Contractor shall coordinate with the NH Ryan White HIV/AIDS program for clients identified as at risk of or with HIV/AIDS.
- 8.11. The Contractor shall ensure that all clients are regularly screened for tobacco use, treatment needs and referral to the QuitLine as part of treatment planning.

9. Reporting

- 9.1. The Contractor shall submit to the Department on a monthly basis, within thirty (30) calendar days after the end of each month, their Balance Sheet, Profit and Loss Statement for the PRSS program inclusive of all revenue and expenditures, and P&L for the Contractor, and their Cash Flow Statement.
- 9.2. The Contractor shall submit to the Department, monthly reports with aggregated de-identified data on the progress of implementation of the expanded and new services referenced in Subsection 2.2 through Subsection 2.4, due on the 10th day of the month following the month of activity, in a form and manner satisfactory to the Department and which shall include information as identified in sub-section 2.11 above.
- 9.3. The Contractor shall submit to the Department monthly and annual reports based upon subcontracted RCOs, which shall include information on progress towards implementation and all data elements collected in Subsection 4.3.

10. Maintenance of Fiscal Integrity

- 10.1. 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 (total organization and program-level), and Cash Flow Statement for the Contractor. Program-level Profit and Loss Statement shall include all revenue sources and all

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related expenditures for that program. The program-level Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. Outside of the program-level Profit and Loss Statement and budget to actual analysis, all other statements shall be reflective of the entire Partnership for Successful Living organization and shall be submitted on the same day the reports are submitted to the Board, but no later than the fourth Wednesday of the month. Additionally, the contractor will provide interim profit and loss statements for every program area, reported as of the 20th of the month, by the last day of every month. The Contractor will be evaluated on the following:

10.1.1. Days of Cash on Hand:

10.1.1.1. Definition: The days of operating expenses that can be covered by the unrestricted cash on hand.

10.1.1.2. 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. Any amount of cash from a line of credit should be broken out separately.

10.1.1.3. 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.

10.1.2. Current Ratio:

10.1.2.1. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.

10.1.2.2. Formula: Total current assets divided by total current liabilities.

10.1.2.3. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.

10.1.3. Debt Service Coverage Ratio:

10.1.3.1. Rationale: This ratio illustrates the Contractor's ability to cover the cost of its current portion of its long-term debt.

10.1.3.2. Definition: The ratio of Net Income to the year to date debt service.

10.1.3.3. 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.

10.1.3.4. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).

10.1.3.5. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed.

10.1.4. Net Assets to Total Assets:

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- 10.1.4.1. Rationale: This ratio is an indication of the Contractor's ability to cover its liabilities.
- 10.1.4.2. Definition: The ratio of the Contractor's net assets to total assets.
- 10.1.4.3. Formula: Net assets (total assets less total liabilities) divided by total assets.
- 10.1.4.4. Source of Data: The Contractor's Monthly Financial Statements.
- 10.1.4.5. Performance Standard: The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.
- 10.1.5. Total Lines of Credit
 - 10.1.5.1. The contractor will provide a listing of every line of credit and amount outstanding for each line.
 - 10.1.5.2. The contractor will report on any new borrowing activities.
 - 10.1.5.3. The contractor will report on any instances of non-compliance with any loan covenant or agreement.
- 10.2. In the event that the Contractor does not meet either:
 - 10.2.1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or
 - 10.2.2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months, or
 - 10.2.3. Does not meet the reporting timeframe, then
- 10.3. The Department may:
 - 10.3.1. Require that the Contractor meet with Department staff to explain the reasons that the Contractor has not met the standards.
 - 10.3.2. Require the Contractor to submit a comprehensive corrective action plan within thirty (30) calendar days of notification that 11.2.1 and/or 11.2.2 have not been met.
 - 10.3.3. Terminate the contract.
 - 10.3.3.1. If a corrective action plan is required, the Contractor shall update the corrective action plan at least every thirty (30) calendar days until compliance is achieved.
 - 10.3.3.2. 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.
- 10.4. 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.

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- 10.5. 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.
- 10.6. The Contractor shall inform the Department by phone and by email within five business days when any Executive Management, Board Officers, or Program Managers for DHHS contracts submits a resignation or leaves for any other reason.

11. Contract Compliance Audits

- 11.1. In the event that the Contractor undergoes an audit by the Department, the Contractor agrees to provide a corrective action plan to the Department within thirty (30) days from the date of the final findings which addresses any and all findings.
- 11.2. The corrective action plan shall include:
 - 11.2.1. The action(s) that will be taken to correct each deficiency;
 - 11.2.2. The action(s) that will be taken to prevent the reoccurrence of each deficiency;
 - 11.2.3. The specific steps and timeline for implementing the actions above;
 - 11.2.4. The plan for monitoring to ensure that the actions above are effective; and
 - 11.2.5. How and when the vendor will report to the Department on progress on implementation and effectiveness.

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Method and Conditions Precedent to Payment

- 1) The State shall pay the Contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
 - 1.1. This Agreement is funded with 100% Federal Funds from the Substance Abuse and Mental Health Services Administration, State Opioid Response (SOR) grant, CFDA #93.788, Federal Award Identification Number (FAIN), H79TI081685.
 - 1.2. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded Contractor's current and/or future funding.
- 2) Payment for said services shall be made monthly as follows:
 - 2.1. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line item in Exhibit B-1, Budget and Exhibit B-2, Budget.
 - 2.2. The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The invoice must be completed, signed, dated and returned to the Department in order to initiate payment.
 - 2.3. The Contractor agrees to keep records of their activities related to Department programs and services and have records available for Department review, as requested.
 - 2.4. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.
 - 2.5. The Department will acknowledge receipt of the Contractor's invoice within ten (10) business days.
 - 2.6. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.
 - 2.7. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to Melissa.Girard@dhhs.nh.gov, or invoices may be mailed to:

Financial Administrator
Department of Health and Human Services
Division of Behavioral Health/BDAS
129 Pleasant Street
Concord, NH 03301
 - 2.8. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services and in this Exhibit B.

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**New Hampshire Department of Health and Human Services
Peer Recovery Support Services (PRSS) in the Community**

Exhibit B

- 3) Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

- 4) 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.

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Exhibit B-1, Budget

New Hampshire Department of Health and Human Services

Contractor name HARBOR HOMES, INC.

Budget Request for: Peer Recovery Support Services (PRSS) in the Community

Budget Period: Upon G&C Approval through June 30, 2020

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	\$ 178,500.00	\$ -	\$ 178,500.00	\$ -	\$ -	\$ -	\$ 178,500.00	\$ -	\$ 178,500.00
2. Employee Benefits	\$ 44,625.00	\$ -	\$ 44,625.00	\$ -	\$ -	\$ -	\$ 44,625.00	\$ -	\$ 44,625.00
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ 3,000.00	\$ -	\$ 3,000.00	\$ -	\$ -	\$ -	\$ 3,000.00	\$ -	\$ 3,000.00
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -	\$ -	\$ -	\$ 1,800.00	\$ -	\$ 1,800.00
6. Travel	\$ 7,300.00	\$ -	\$ 7,300.00	\$ -	\$ -	\$ -	\$ 7,300.00	\$ -	\$ 7,300.00
7. Occupancy	\$ 1,800.00	\$ -	\$ 1,800.00	\$ -	\$ -	\$ -	\$ 1,800.00	\$ -	\$ 1,800.00
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 3,600.00	\$ -	\$ 3,600.00	\$ -	\$ -	\$ -	\$ 3,600.00	\$ -	\$ 3,600.00
Postage	\$ 36.00	\$ -	\$ 36.00	\$ -	\$ -	\$ -	\$ 36.00	\$ -	\$ 36.00
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 1,350.00	\$ -	\$ 1,350.00	\$ -	\$ -	\$ -	\$ 1,350.00	\$ -	\$ 1,350.00
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ 10,100.00	\$ -	\$ 10,100.00	\$ -	\$ -	\$ -	\$ 10,100.00	\$ -	\$ 10,100.00
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ 2,500.00	\$ -	\$ 2,500.00	\$ -	\$ -	\$ -	\$ 2,500.00	\$ -	\$ 2,500.00
12. Subcontracts/Agreements	\$ 1,245,389.00	\$ -	\$ 1,245,389.00	\$ -	\$ -	\$ -	\$ 1,245,389.00	\$ -	\$ 1,245,389.00
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,500,000.00	\$ -	\$ 1,500,000.00	\$ -	\$ -	\$ -	\$ 1,500,000.00	\$ -	\$ 1,500,000.00

Indirect As A Percent of Direct

0.0%

Contractor initials:

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Date:

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

Contractor name HARBOR HOMES, INC.

Budget Request for: Peer Recovery Support Services (PRSS) in the Community

Budget Period: 7/1/20-6/30/20

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	\$ 59,500.00	\$ -	\$ 59,500.00	\$ -	\$ -	\$ -	\$ 59,500.00	\$ -	\$ 59,500.00
2. Employee Benefits	\$ 14,875.00	\$ -	\$ 14,875.00	\$ -	\$ -	\$ -	\$ 14,875.00	\$ -	\$ 14,875.00
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 600.00	\$ -	\$ 600.00	\$ -	\$ -	\$ -	\$ 600.00	\$ -	\$ 600.00
6. Travel	\$ 2,300.00	\$ -	\$ 2,300.00	\$ -	\$ -	\$ -	\$ 2,300.00	\$ -	\$ 2,300.00
7. Occupancy	\$ 600.00	\$ -	\$ 600.00	\$ -	\$ -	\$ -	\$ 600.00	\$ -	\$ 600.00
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 1,200.00	\$ -	\$ 1,200.00	\$ -	\$ -	\$ -	\$ 1,200.00	\$ -	\$ 1,200.00
Postage	\$ 12.00	\$ -	\$ 12.00	\$ -	\$ -	\$ -	\$ 12.00	\$ -	\$ 12.00
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 450.00	\$ -	\$ 450.00	\$ -	\$ -	\$ -	\$ 450.00	\$ -	\$ 450.00
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ 4,500.00	\$ -	\$ 4,500.00	\$ -	\$ -	\$ -	\$ 4,500.00	\$ -	\$ 4,500.00
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ 500.00	\$ -	\$ 500.00	\$ -	\$ -	\$ -	\$ 500.00	\$ -	\$ 500.00
12. Subcontracts/Agreements	\$ 415,463.00	\$ -	\$ 415,463.00	\$ -	\$ -	\$ -	\$ 415,463.00	\$ -	\$ 415,463.00
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 500,000.00	\$ -	\$ 500,000.00	\$ -	\$ -	\$ -	\$ 500,000.00	\$ -	\$ 500,000.00

Indirect As A Percent of Direct

0.0%

Contractor Initials: *PC*
 Date: *9/16/19*



SPECIAL PROVISIONS

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

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


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

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

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

[Handwritten Signature]
Date 11/19



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

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Date 9/11/18



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

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

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

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

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

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

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

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

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

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

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

20. Contract Definitions:

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

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REVISIONS TO STANDARD CONTRACT LANGUAGE

1. Revisions to Form P-37, General Provisions

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

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

- 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
- 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
- 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
- 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
- 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

2. Renewal

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

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2.2. Delete Exhibit C, Special Provisions, Section 9, Audit, and replace with:

9. Audit

- 9.1 Audit: The Contractor shall submit an annual audit to the Department within nine (9) months after the close of the contractor's fiscal year. The audit shall be conducted in accordance with the single audit requirements found in 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for the Federal Awards, when all of the following criteria apply:
- 9.1.1. Department determines the contractor is a subrecipient pursuant to 2 CFR 200.300;
 - 9.1.2. Contractor is a non-federal entity pursuant to 2 CFR §200.69, which is defined as a state, local government, Indian tribe, or institution of higher education, or nonprofit organization that carries out a federal award as a recipient or subrecipient; and
 - 9.1.3. Contractor expends \$750,000 or more of federal funds during the contractor's fiscal year.
- 9.2. Audit Exemption: The Contractor shall be exempt from the audit requirements of Section 9.1 if, during a single fiscal year, the Contractor is not determined to be a subrecipient pursuant to 2 CFR 200.300 and cumulatively receives less than \$100,000 of total funds, regardless of source of funds, from the Department through this contract and other contracts.
- 9.3. 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, excerpt and transcripts.
- 9.4. 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.
- 9.5. The Department reserves the right to withhold payment if the agency does not submit a completed A-133 audit for the Contractor's 2017 fiscal year, within ninety (90) days from the contract effective date.
- 9.6. The Department reserves the right to withhold payment if the agency does not submit an engagement letter, within sixty (60) days from the contract effective date, from an auditor to complete an A-133 audit for the Contractor's 2018 fiscal year.

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CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

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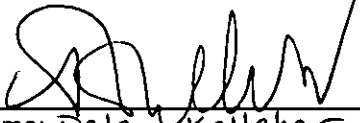
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted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

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

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

9/16/19
Date

Vendor Name: Harbor Homes


Name: Peter Kelleher
Title: President and CEO

Vendor Initials PK
Date 9/16/19



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

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

Vendor Name: Harbor Homes

Name: Peter Kelleher
Title: President and CEO

9/16/19
Date



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

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

INSTRUCTIONS FOR CERTIFICATION

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

[Handwritten Signature]
[Handwritten Date: 9/16/19]



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

9/16/19
Date

Vendor Name: Harbor Homes

Name: Peter Kelleher
Title: President and CEO

PK

9/16/19



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

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

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

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

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

Exhibit G

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

Vendor Initials

PIC

Date

9/16/19

New Hampshire Department of Health and Human Services
Exhibit G



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

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

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

9/16/19
Date

Vendor Name: Harbor Homes



Name: Peter Kelleher
Title: President and CEO

Exhibit G

Vendor Initials PK

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

Date 9/16/19



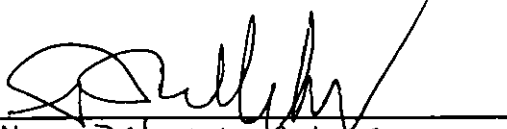
CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

9/16/19
Date

Vendor Name: Harbor Homes

Name: Peter Kelleher
Title: President and CEO

Vendor Initials PK
Date 9/16/19



Exhibit I

**HEALTH INSURANCE PORTABILITY
ACT BUSINESS ASSOCIATE
AGREEMENT**

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

(1 **Definitions.**

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

Vendor Initials PK
Date 9/16/14



Exhibit I

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

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

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



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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

9/16/19.



Exhibit I

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

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

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9/19/19



Exhibit I

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

(4) Obligations of Covered Entity

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

(5) Termination for Cause

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

(6) Miscellaneous

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



Exhibit I

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

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

Department of Health and Human Services
The State

[Signature]
Signature of Authorized Representative

Katja S Fox
Name of Authorized Representative

Director
Title of Authorized Representative

9/16/19
Date

Harbor Homes
Name of the Vendor

[Signature]
Signature of Authorized Representative

Peter Kelleher
Name of Authorized Representative

President and CEO
Title of Authorized Representative

9/16/19
Date

Vendor Initials PK
Date 9/16/19



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

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

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

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

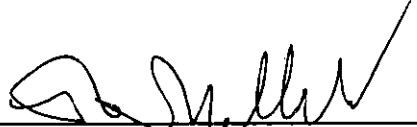
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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

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

Vendor Name: Harbor Homes

9/16/19
Date


Name: Peter Kelleher
Title: President and CEO



FORM A

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

1. The DUNS number for your entity is: 13-186-4357
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO YES

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

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

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

NO YES

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

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

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

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

Vendor Initials PK
Date 9/16/19



A. Definitions

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

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

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

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

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9/16/19

DHHS Information Security Requirements



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

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

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

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

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DHHS Information Security Requirements



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

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

II. METHODS OF SECURE TRANSMISSION OF DATA

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

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wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

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

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

A. Retention

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

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DHHS Information Security Requirements



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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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

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

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

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9/16/19

DHHS Information Security Requirements



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

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

V. LOSS REPORTING

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

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

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

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DHHS Information Security Requirements



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

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

VI. PERSONS TO CONTACT

- A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

- B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

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9/16/19

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: 0004516965



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 17th day of May A.D. 2019.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Ed McDonough, Asst. 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 9/16/19:
(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 16th day of September, 2019.
(Date Amendment Signed)

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

of the Agency.

[Signature]
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

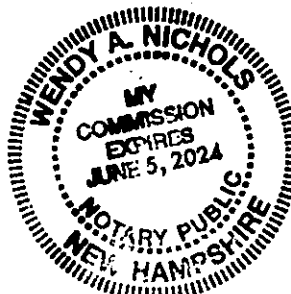
The forgoing instrument was acknowledged before me this 16th day of September, 2019.

By Ed McDonough
(Name of Elected Officer) of the Agency)

Wendy Nichols
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: 6/5/24





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/28/2019

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

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

PRODUCER
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

INSURED
Harbor Homes, Inc
77 Northeastern Boulevard
Nashua NH 03062

HARHO

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	Harover Insurance	
INSURER B:	Philadelphia Insurance Companies	
INSURER C:	Eastern Alliance Insurance Group	
INSURER D:	Selective Insurance Group	14376
INSURER E:		
INSURER F:		

COVERAGES

CERTIFICATE NUMBER: 68816564

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	ADDITIONAL INSURER (NSD / NYD)	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"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:	Y	S2288207	7/1/2019	7/1/2020	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 Prof (non-FTCA) \$ \$1,000,000 COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
D	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/> AUTOS ONLY		306871	7/1/2019	7/1/2020	Prof (non-FTCA) \$ \$1,000,000 COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
D	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$		306873	7/1/2019	7/1/2020	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) <input type="checkbox"/> Y <input checked="" type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	010000111752	11/28/2018	11/28/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A B D	<input type="checkbox"/> Professional Liability <input type="checkbox"/> Management Liability <input type="checkbox"/> Crime		L1VA968006 PHSD1258480 S2288207	7/1/2019 7/1/2019 7/1/2019	7/1/2020 7/1/2020 7/1/2020	Professional ("Gap") \$1,000,000 D&O \$1,000,000 Employee Dishonesty \$510,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 181, 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# 222512350
Southern New Hampshire HIV/AIDS Task Force - FID# 020447280
Welcoming Light, Inc. - FID# 020481648
See Attached...

CERTIFICATE HOLDER

DHHS, State of NH
129 Pleasant Street
Concord NH 03301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Eric Berube



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

77 Northeastern Blvd
Nashua, NH 03062
www.harborhomes.org



Phone: 603-882-3616
603-881-8436
Fax: 603-595-7414

A Beacon for the Homeless for Over 30 Years



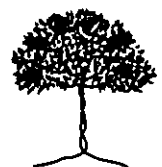
Mission Statement

To create and provide quality residential and supportive services for persons (and their families) challenged by mental illness and homelessness.

A member of the Partnership for Successful Living

A collaboration of six affiliated not-for-profit organizations providing southern New Hampshire's most vulnerable community members with access to housing, health care, education, employment and supportive services.
www.nhpartnership.org

Harbor Homes • Healthy at Home • Keystone Hall • Milford Regional Counseling Services
• Southern NH HIV/AIDS Task Force • Welcoming Light



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 Net Assets</u>	<u>Temporarily Restricted Net Assets</u>	<u>2018 Total</u>	<u>2017 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>

	Fair Value Measurements Using Significant Unobservable Inputs Level 3 <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:

Principal Balance	Payment Amount	Payment Frequency	Interest Rate	Maturity	Property/Security
\$ 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
<u>20,058</u>	1,552	Monthly	4.50%	07/13/19	15 Union Street in Milford, NH
\$ 16,348,859		Subtotal			
(69,221)		Less debt issuance costs			
<u>(496,608)</u>		Less amount due within one year			
\$ <u>15,783,030</u>		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			Net Patient Service Revenue	2017
	Gross Charges	Contractual Allowances	Charitable Care Allowances		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		10%
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 at Home, Inc.	Welcoming Light, Inc.	Southern NH HIV/AIDS Task Force, Inc.	Millard 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	28,332	69,272	13,256	29,752	-	64,329	-	-	1,096,681	-	1,096,681	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	-	-	-	-	-	-	-	-	-	-	-	-
Investments	192,731	-	-	-	-	-	-	-	2,320	147,752	(147,752)	-	-
Inventory	123,078	-	-	-	-	-	-	-	-	192,731	-	192,731	493,543
Other assets	53,481	-	-	-	-	16,824	-	-	-	123,078	-	123,078	67,277
Total Current Assets	3,768,813	30,814	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	5,805,837	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	-	-	-	286,004	-	121,479	82,968	-	1,873,540	(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	5,871,841	12,581	334,665	89,524	152,282	33,213,671	(2,228,530)	30,985,141	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	185	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	5,817	-	115,782	-	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	25,883	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	-	58,467	1,873,530	(1,873,530)	-	-
Security deposits	57,860	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	79,280
Mortgages payable, net of current portion	11,420,217	344,145	238,895	-	3,806,761	-	171,208	-	1,804	15,783,030	-	15,783,030	16,245,171
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	-	483,767	-	83,621	28,471,724	(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)													
Temporarily Restricted Net Assets	6,685,115	(211,069)	4,841	(198,455)	518,413	(118,100)	(81,805)	230,590	91,708	6,921,238	(70,000)	6,851,238	7,561,806
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.	NH Ownership, Inc.	Greater Nashua Council on Alcoholism	Healthy Homes, 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	\$ 7,395,645
Federal grants	3,494,823	-	-	-	3,492,617	-	-	588,171	-	7,576,711	-	7,576,711	8,074,192
Contributions	622,406	-	-	-	2,231	3,822	7,173	33,884	17,365	686,681	-	686,681	1,044,821
Other grants	669,118	-	-	-	-	-	-	-	-	669,118	-	669,118	217,600
Fundraising events, net	39,196	-	-	-	-	-	-	-	-	48,954	-	48,954	33,283
Total Public Support	14,658,794	-	-	-	3,494,848	3,822	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	5,512,189
Patient services revenues (FOHC), net	3,664,163	-	-	-	-	-	-	-	-	3,664,163	-	3,664,163	2,430,161
Urban Development programs	3,058,843	115,280	104,663	21,353	-	-	129,743	-	-	3,429,842	-	3,429,842	3,420,327
Veterans Administration programs	2,213,701	-	-	-	-	-	-	-	-	2,213,701	-	2,213,701	2,160,799
Contracted services	719,154	-	-	-	298,483	-	-	-	-	1,039,097	-	1,039,097	1,044,751
Rent and service charges, net	735,691	41,301	31,442	21,600	-	-	30,476	-	21,460	867,249	-	867,249	825,519
Outside rent	554,851	-	-	-	-	-	700	-	150	555,551	-	555,551	432,905
Fees for services	139,400	-	-	-	-	-	150	38,186	188,720	344,456	-	344,456	318,808
Miscellaneous	188,608	-	-	-	6,885	-	39,926	1,656	-	247,075	(70,000)	177,075	27,768
Investment income (loss)	40,354	7	38	5	50	-	16	-	-	40,832	-	40,832	26,437
Management fees, net	37,408	-	-	-	-	-	-	-	-	37,408	(37,408)	-	-
Total Revenue	13,265,763	156,568	136,143	42,958	2,325,495	1,763,193	201,011	38,004	196,919	18,126,074	(107,408)	18,018,666	18,199,644
Total Public Support and Revenue	27,924,557	156,568	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	33,460,709	(37,408)	33,423,301	27,777,021
Administration	2,814,520	10,576	7,850	10,857	667,460	223,787	21,316	148,749	49,532	3,754,447	-	3,754,447	3,176,798
Fundraising	559,731	-	-	-	82,259	-	14,066	7,869	4,006	667,731	-	667,731	670,846
Total Expenses	27,129,205	145,000	107,898	46,697	5,801,346	2,055,915	181,125	2,206,797	209,104	37,882,687	(37,408)	37,845,279	31,624,665
Change in net assets before depreciation	795,352	11,568	28,245	(3,539)	19,997	(289,100)	27,059	11,261	5,180	605,043	(70,000)	535,043	1,340,320
Depreciation	1,133,113	25,469	21,386	14,134	239,582	3,009	25,571	503	2,517	1,456,264	-	1,456,264	1,354,448
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)	(14,128)
Net Assets (Deficit), Beginning of Year	7,141,181	(197,188)	(2,018)	(180,782)	729,998	174,009	(63,293)	219,832	89,045	7,890,784	-	7,890,784	7,904,910
Net Assets (Deficit), End of Year	\$ 6,803,420	\$ (211,089)	\$ 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 (12/1/18)

Officers

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

Directors

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

[REDACTED]
[REDACTED]
[REDACTED] (603) 802-3010
[REDACTED]

[REDACTED]

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, Milford Regional Counseling Services, Inc., Milford, 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 six 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 \$22,000,000 operating budget; proposal development resulting in more than \$15,000,000 in grants annually; oversight of 350+ management and direct care professionals.
- 2003-2006** Consultant
Providing 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

MEMBERSHIPS

- Member of the Department of Veterans Affairs Advisory Committee on Homeless Veterans
- Board Member, Community Health Access Network (CHAN)
- National Association of Social Workers
- Former member of the National Healthcare for the Homeless Board of Directors
- 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

PROFILE

- 18 years experience in accounting/financial
- 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 *Vice President of Finance* Harbor Homes, Inc.

- Responsible for the finances of 9 related non-profit entities with revenues in excess \$22M
- Directly responsible for budgeting, planning, cash management, 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 and capital projects
- Responsible for the annual financial and retirement audits of all related entities
- Reviews Federal 990 tax returns and state returns
- Set up web based electronic timesheets
- Implemented the conversion and installation of accounting and HR software
- Prepares and reviews 941 quarterly returns, state unemployment returns
- Oversees worker's compensation renewals, audit preparations, safety controls
- Responsible for coordinating, financing of two \$6M capital construction

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, T-Value, various auditing software programs, Sage Non-profit Accounting software, Sage MAS 90 accounting software.

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

Cheryle Pacapelli

Profile

Fifteen + years of nonprofit and program management experience; including advocacy, community organizing, education, and management at the local, state and federal level, for the development and implementation of peer to peer Recovery Support Services. Serves as Co-Chair of the Recovery Task Force. Developed and implemented: programs, trainings, activities, and community events for sustaining program capacity, building coalitions and establishing best practice initiatives. Advanced Computer Proficiency: Windows XP Professional Microsoft Office Suite, Giftworks, iMAC

Experience

2/17 - Present Harbor Homes Nashua, NH
Project Director

- This is an administrative position supporting the Peer Recovery Support Services (PRSS) Facilitating Organizations (FO) contract to subcontract with Recovery Community Organizations (RCOs) in New Hampshire.
- Review existing work completed by BDAS and NH Center for Excellence to design a more formal readiness scan of all known RCOs statewide
- Analyze data and communicate with RCOs to determine willingness, ability and capacity to achieve Council on Accreditation of Peer Recovery Support Services (CAPRSS) accreditation, provide Peer Recovery Support Services (PRSS), open/operate a Recovery Center and adhere to CMS regulations during the readiness scan
- Develop a formal procurement process that is fair and transparent to identify at least five RCOs to participate in the first year of FO grant
- Prioritize those RCOs most likely to participate in subsequent years
- Within five days of procurement process completion, provide BDAS with a written determination of RCO readiness
- Work with NH Center for Excellence to engage the first "Community of Practice" meeting to assist with the completion of readiness scan
- Upon BDAS approval, arrange one on one visits with selected RCOs, including Board of Directors, staff, volunteers, etc. to shadow day to day activities (CAPRSS also present)
- Monitors subcontractors and assists with development of required policies and procedures
- Assists subcontractors with the process of applying for and obtaining Medicaid billing status
- Communicate regularly with subcontractors to review progress
- Monitors the quality of all subcontractors and their progress, and completes required documents and reports
- Assists in the oversight and facilitation of training for all subcontractors
- Manages the employment process, with staff scheduling, and in the provision of routine assessment of staff performance
- Utilizes computer application(s) or applicable technology for administrative tasks
- Manages services and related budgetary concerns
- Oversee HHI business processes and accounting related to subcontracts

7/15 – 2/17 New Futures, Inc. Concord, NH
Community Engagement Director

- Advocate for policies and financing that support a statewide system of community based recovery supports, to ensure that all people in NH with SUD are able to access recovery supports;
- Educate the public and policymakers regarding the nature and effectiveness of recovery supports;
- Work with the newly created continuum of care facilitators in each public health region to ensure that individual recovery supports and family supports are included in each region's comprehensive substance misuse continuum of care;

Cheryle Pacapelli

- Work with providers in designated Integrated Delivery Networks under the 1115 Demonstration Waiver program to ensure that recovery supports are an integral part of innovative projects funded through the waiver;
- Provide technical assistance to communities and organizations interested in developing and delivering recovery supports;
- Partner with New Futures Policy Director and the NH Providers Association to provide technical assistance on enrollment and regulatory requirements to organizations and individuals interested in billing third party payers, including Medicaid, for peer and non-peer recovery supports;
- Oversee expansion of family supports through DHHS System of Care grant;
- Facilitate connections between SUD treatment providers, healthcare providers, drug courts, corrections facilities and other institutions whose clients or patients are in need of recovery supports with recovery community organizations; and,
- Otherwise support the development of a statewide system of recovery supports as a full, accessible component of the SUD continuum of care through advocacy on policy, technical assistance, relationship development, education, and collaboration.

05/01 - Present

Stepping Stone House

Meriden, CT

Co-Owner

- Operate 8 Recovery Houses with 60 male transitional living beds and 10 women's beds
- Certified by Department of Mental Health and Addiction Services to provide housing and case management services.
- Coordinate with Access to Recovery and Recovery Support Program to secure housing and basic need support for clients
- Provide case management for clients, life skills, resumes, job search
- Administer progress notes and a recovery plan for each individual.

8/14 – 7/15

HOPE for NH Recovery

Concord, NH

Executive Director

- Statewide Coordination of Recovery Movement
- Public Education, Awareness and Advocacy
- Deliver a variety of peer-based recovery support services; assist in start-up of Recovery Community Centers
- Community Outreach and Resource Development
- Collaborate with the Governor's Commission for Alcohol and other Drug Prevention, Treatment and Recovery

12/11 – 10/12

CT. Community for Addiction Recovery

Hartford, CT

Director Recovery Services

- Recovery Coach Academy Management (RCA)
 - Administered promotion, marketing and sales of RCA; handling of logistics, RCA manual sales, data tracking, recovery coach support.
 - Coordinated five CT Trainings held per year and 20 + out of state held per year over 1,000 Recovery Coaches trained
 - Trained 100 + trainers to bring RCA across the United States.
 - Maintained website with RCA updates, and all training registrations online
 - Generated \$200,000 in gross revenues
- Recovery Technical Assistance Group Management
 - Promotion, marketing and sales of CCAR technical assistance products, including trainings, technical assistance and paid speaking engagements.
 - Developed, implemented, and managed CCAR's web-based shopping site: www.shoprecovery.com for national sales of all CCAR products, RCA trainings,

Cheryle Pacapelli

- Recovery Housing Trainings, RCA manuals. Increasing CCAR revenue by 45% in the first year.
- o Originated national sales and logistics of CCAR's Technical Assistance Group. Managed implementation and collaboration with contract sites. Best-practice programming includes: Telephone Recovery Support, Volunteer Management, and Vocational Employment Services. Increased organizational revenue by 45 % during my tenure.
 - Annual Recovery Walks! Coordination
 - o Designed and implemented the event; met target numbers; increased public awareness for addiction recovery.
 - o Collaborated with multiple state agencies and service providers for providing resources and services to participants.
 - o Over 2,000 in attendance and revenue of \$14,000.
 - Annual Volunteer Recognition Dinner Coordination
 - o Plan and implement the event, volunteers recognized.
 - o Develop sponsorship for Volunteer Recognition Dinner, create invitations, and program.
 - o 300 Volunteers recognized for over 15,000 hours of volunteer service.
 - Data tracking and Analysis
 - o Oversaw all tracking databases for bi-weekly reports, training and event; engaged in quality improvement.
 - o Generated reports for Executive Director, funders and Board of Directors

12/06 – 12/11

CT. Community for Addiction Recovery

Hartford, CT

Director of Operations

- Recovery Community Center Management
 - o Oversaw the operations at three Recovery Community Centers with efficiency; ensured adherence to prescribed structure, encouraged new programs.
 - o Held 375 events with over 14,000 in attendance
 - o Hosted 38 different recovery focused trainings, with over 1,700 participants
 - o Implementation of Access to Recovery Services in Recovery Community Centers
- Direct Supervision of five Full Time Staff
 - o Volunteer Manager, Program Manager, Three Recovery Community Center Managers
 - o Administered Annual performance reviews
- Program Oversight – Telephone Recovery Support and Recovery Housing Program
 - o Increased number of people called from 22 in 2005, to 1,945 in 2011.
 - o CCAR volunteers made over 125,000 telephone calls resulting in 36,000 conversations with about 4,500 people in recovery.
 - o Originated and managed CCAR's Recovery Housing Program: www.findrecoveryhousing.com. Built service to its current over 200 recovery houses listed in 19 states status. Revenue is being generated from owners listing Recovery Houses.
- Information Technology
 - o Designed and developed tracking systems for generating outcome-based reports and evaluating services which resulted in increased funding and national attention.
 - o Managed all databases, maintained equipment, and assisted staff with technology needs and training.

10/04 – 12/06

CT. Community for Addiction Recovery

Hartford, CT

Cheryle Pacapelli

Project Manager – Recovery Housing

- Developed and maintained an inventory of Recovery Houses in CT
- Provided community education on recovery housing, NIMBY issues
- Marketed and delivered training "So, you want to open a Recovery House"
- Established Recovery Housing Coalition of CT, developed statewide standards for Recovery Houses.

Albertus Magnus

New Haven, CT

Bachelors Degree – Business Management

- Cum Laude, Tai Pi Phi National Honor Society

Co-Chair Recovery Task Force

Training

Certifications: CCAR Recovery Coach Academy Trainer

CCAR Ethics for Recovery Support Worker Trainer

Pastoral Counseling

Mental Health and Addiction Services: DMHAS Successfully Housing Persons with Substance Use Issues

safeTALK Suicide Alertness for Everyone

Human Resource Development: Understanding Sexual Harassment

KEY PERSONNEL

NH Department of Health and Human Services

Contractor Name: Harbor Homes, Inc.

Name of Contract: REC-2019-BDAS-08-PEERR

BUDGET PERIOD: SFY 20				
NAME	JOB TITLE	SALARY	PERCENT PAID FROM THIS CONTRACT	AMOUNT PAID FROM THIS CONTRACT
Peter Kelleher	President and CEO	\$338,146	0.00%	\$0.00
Patricia Robitaille	Chief Financial Officer	\$150,000	0.00%	\$0.00
Vanessa Talasazan	Chief Strategy Officer	\$115,000	0.00%	\$0.00
Ana Pancine	Chief Revenue Officer	\$115,000	0.00%	\$0.00
Cheryle Pacapelli	Program Director	\$92,000	5.00%	\$4,600.00
		\$0	0.00%	\$0.00
TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)				\$4,600.00