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

Nicholas A. Toumpas
Commissioner

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9520 1-800-852-3345 Ext. 9520
Fax: 603-271-4643 TDD Access: 1-800-735-2964

Diane Langley
Director

September 3, 2014

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

REQUESTED ACTION

100% Other funds

Authorize the Department of Health and Human Services, Division of Community Based Care Services to amend an existing agreement (Purchase Order #1006949) with Easter Seals New Hampshire, Inc. (Vendor # 177204), 555 Auburn Street, Manchester, NH 03103, to continue managing the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members, who are deployed or returning from combat, and their families by adjusting certain budget line items for State Fiscal Year 2014 and State Fiscal Year 2015 in order to meet specific needs effective upon Governor and Executive Council approval with no change to the end date of September 30, 2014. This is a zero cost amendment.

The original contract was approved by Governor and Executive Council on March 24, 2010 Item #88 and subsequently amended on September 22, 2010 Item #185A, June 8, 2011 Item #115, June 20, 2012 Item #74, September 19, 2012 Item #69A, March 6, 2013 Item #15, April 17, 2013 Late Item B, May 1, 2013 Item #37C and July 24, 2013 Item #28.

Funds are available in the following accounts for State Fiscal Years 2014 and 2015.

05-95-95-958010-5192 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: COMMISSIONER, COMMUNITY BASED CARE SERVICES, DIRECTORS OFFICE

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Amount</u>	<u>Increase Amount</u>	<u>Revised Modified Amount</u>
2010	102-500731	Contracts for Program Svcs	\$ 888,025		\$ 888,025
2011	102-500731	Contracts for Program Svcs	\$2,409,816		\$2,409,816
2012	102-500731	Contracts for Program Svcs	\$2,000,000		\$2,000,000
2013	102-500731	Contracts for Program Svcs	\$ 617,423		\$ 617,423

05-95-49-490510-2983 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, COMMUNITY BASED CARE SERVICES, DIRECTORS OFFICE

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Amount</u>	<u>Increase/ (Decrease) Amount</u>	<u>Revised Modified Amount</u>
2014	102-500731	Contracts for Program Svcs	\$ 893,938	(\$77,460)	\$ 816,478
2015	102-500731	Contracts for Program Svcs	\$ 127,551	\$77,460	\$ 205,011
Total			\$6,936,753	\$0	\$6,936,753

EXPLANATION

The purpose of this zero cost amendment is to allow the vendor to adjust certain budget lines for State Fiscal Year 2014 and State Fiscal Year 2015 in order to meet contractual needs in order to continue the operation and management of the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat. Adjustments to budget line items for this program are inevitable because Vendor cannot determine when or how often the New Hampshire National Guard will deploy troops until after orders have been received. Therefore, the Vendor must adjust budget line items to meet the specific needs of families and service members preparing for or returning from active duty.

The Deployment Cycle Support Program builds a community-based support system, which integrates current veteran services with existing service delivery systems and allows local access for a full-spectrum of care. It is a preventive approach supporting families and military members' pre, during and post deployments. Crisis prevention for families and military members is addressed through early development of care plans by professional care providers. The care plan is a risk assessment used to organize support services early, thereby reducing the overall number of emergency situations for service members and families involved in the war effort. Case managers proactively address care plan needs and refer or provide further treatment, as necessary.

The original contract was awarded as a result of a competitive bid process. The Department of Health and Human Services and the National Guard released a Request for Proposals to solicit vendors for the implementation and management of the statewide Deployment Cycle Support Program on December 1, 2009. The Request for Proposals was posted on the Department of Health and Human Services website and a notice of the release was sent to all known potential vendors. Easter Seals New Hampshire, Inc. was selected following a comprehensive evaluation of three proposals received. The Request for Proposals stated that the bid amount was not the main factor in selecting a vendor to manage the program. The selected bidder, Easter Seals New Hampshire, Inc., did not submit the lowest price bid but they received the overall highest score and committed the highest amount of in-kind support. Additionally, they have contracted with the Division of Community Based Care Services to develop and manage the pilot program since its inception in 2008. Approval of this contract amendment will ensure that the needs of New Hampshire National Guard, Reserves and Active Duty service members and their families who are engaged in the deployment cycle will continue to be met as described in the contract.

The contractor's performance will continue to be measured by their ability to meet the performance measures and other terms and conditions of the contract as evidenced by monthly invoices, program/financial reports and site reviews performed by the Division of Community Based Care Services. The contractor has met or exceeded performance criteria during the prior contract periods.

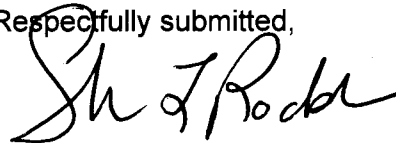
Should the Governor and Executive Council determine to not authorize this amendment, military men and women and their families will not receive community-based support services pre, during and post-deployment in active military duty.

Area served: Statewide.



Source of funds: 100% other funds (federal funds received and transferred from the State of New Hampshire's Adjutant General's Department).

In the event federal funds become no longer available, general funds will not be requested to support this request.

Respectfully submitted,



Sheri L. Rockburn
Chief Financial Officer

Approved by: 
for  Nicholas A. Toumpas
Commissioner

BID LIST FOR RFP # 10 DCBCS-CBMP-DCSP-02

**REQUEST FOR PROPOSAL FOR IMPLEMENTATION AND AND MANAGEMENT OF DEPLOYMENT CYCLE SUPPORT PROGRAM
 BIDDER'S NAME/ADDRESS:**

Easter Seals New Hampshire, Inc. 555 Auburn Street, Manchester, NH
 Family Strength, 85 North State Street, Concord, NH
 New Hampshire Children's Trust Fund, 10 Ferry Street, Suite 315, Concord, NH

RECOMMENDATION : Contract with Easter Seals New Hampshire, Inc.

Jo Moncher-Evaluator		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
Bureau Chief	Agency Capacity	(30)	26	24	17
DHHS Community Based Military Programs	Workplan	(50)	46	39	26
	Budget	(15)	13	13	8
	Format	(5)	5	5	4
Points:			90	81	55
Ranking:			1	2	3

William Howley-Evaluator		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
Financial Manager	Agency Capacity	(30)	29	24	19
DHHS Community Based Care Services	Workplan	(50)	48	40	33
	Budget	(15)	14	13	11
	Format	(5)	5	5	5
Points:			96	82	68
Ranking:			1	2	3

Col. Greenwood		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
J-1	Agency Capacity	(30)	27	24	12
New Hampshire National Guard	Workplan	(50)	49	43	17
	Budget	(15)	14	13	11
	Format	(5)	5	5	5
Points:			95	85	45
Ranking:			1	2	3

Col. Martell		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
Joint Chief of Staff	Agency Capacity	(30)	20	18	11
New Hampshire National Guard	Workplan	(50)	33	26	11
	Budget	(15)	11	8	4
	Format	(5)	5	3	3
Points:			69	55	29
Ranking:			1	2	3

Col. Protzmann Evaluator		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
2nd Wing Commander	Agency Capacity	(30)	26	22	15
New Hampshire National Guard	Workplan	(50)	42	35	31
	Budget	(15)	14	11	11
	Format	(5)	5	5	5
Points:			87	73	62
Ranking:			1	2	3

Average Scores		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
Points:			84	71	45
Ranking:			1	2	3

Bid Amounts		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
SFY 2010 (3/1/10 - 6/30/10)			\$ 888,025	\$ 611,818	\$ 799,999
SFY 2011 (7/1/10 - 9/30/10)			\$ 604,816	\$ 523,671	\$ 600,000
Total:			\$ 1,492,841	\$ 1,135,489	\$ 1,399,999
In-Kind Funds:			\$ 155,182	\$ 14,834	\$ 67,792



**New Hampshire Department of Health & Human Services
Amendment to the Deployment Cycle Support Program Contract**

**State of New Hampshire
Department of Health and Human Services
Amendment #9 to the Deployment Cycle Support Program Contract**

This 9th Amendment to the Deployment Cycle Support Program contract (hereinafter referred to as "Amendment #9") dated this 3rd day of September, 2014, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Easter Seals New Hampshire, Inc (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 555 Auburn Street, Manchester, NH 03103.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on March 24, 2010, and amended by an agreement (Amendment #1 to the Contract) approved on September 22, 2010 (Item #185A), and amended by an agreement (Amendment #2 to the Contract) approved on June 8, 2011 (Item #115), and amended by an agreement (Amendment #3 to the Contract) approved on June 20, 2012 (Item #74), and amended by an agreement (Amendment #4 to the Contract) approved on September 19, 2012 (Item #69A)), and amended by an agreement (Amendment #5 to the Contract) approved on March 6, 2013 (Item #15), and amended by an agreement (Amendment #6 to the Contract) approved on April 17, 2013 (Late Item B), and amended by an agreement (Amendment #7 to the Contract) approved on May 1, 2013 (Item #37C), and amended by an agreement (Amendment #8 to the Contract) approved on July 24, 2013 (Item #28), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

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

WHEREAS, pursuant to the General Provisions, Paragraph 18 the State may amend the agreement by written instrument of the parties upon approval of the Governor and Executive Council;

WHEREAS the parties agree to adjust encumbrances between State Fiscal Year 2014 and 2015; and

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

**New Hampshire Department of Health & Human Services
Amendment to the Deployment Cycle Support Program Contract**



To amend as follows:

1. Exhibit B, Purchase of Services, Paragraph 1, to read:

Service	Rate	SFY 2010	SFY 2011	SFY 2012	SFY 2013	SFY 2014	SFY 2015	Total
Deployment Cycle Support Program	Cost Reimbursement	\$888,025	\$2,409,816	\$2,000,000	\$617,423	816,478	205,011	\$6,936,753

2. Exhibit B-1, Contract Budget Form is replaced with Amendment #9 – Exhibit B-1, Contract Budget Form.



**New Hampshire Department of Health & Human Services
Amendment to the Deployment Cycle Support Program Contract**

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

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

State of New Hampshire
Department of Health and Human Services

9/4/14
Date

Sheri L. Rockburn
Sheri L. Rockburn
Chief Financial Officer

Easter Seals of New Hampshire, Inc.

9/3/2014
Date

Elin Melan
Name: Elin Melan
Title: CFO

Acknowledgement:

State of New Hampshire, County of Hillsborough on September 3, 2014 before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Wendy M. Boelee
Name and Title of Notary or Justice of the Peace
WENDY M. BOELEE, Notary Public
My Commission Expires: Oct. 21, 2014

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

Bidder/Program Name: Easter Seals New Hampshire, Inc

Budget Request for: Deployment Cycle Support Programs

Budget Period: 7/1/13 - 6/30/14

Line Item	Total Program Cost		Contractor Share / Match		Funded by Other Contract Share		Total
	Direct Incremental	Indirect	Direct Incremental	Indirect	Direct Incremental	Indirect	
1. Total Salary/Wages	\$ 501,813.00	\$ 551,094.00	\$ -	\$ -	\$ 501,813.00	\$ 501,813.00	\$ 551,094.00
2. Employee Benefits	\$ 141,343.00	\$ 155,477.00	\$ -	\$ -	\$ 141,343.00	\$ 14,134.00	\$ 155,477.00
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ 2,114.00	\$ 2,325.00	\$ -	\$ -	\$ 2,114.00	\$ 211.00	\$ 2,325.00
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 5,889.00	\$ 6,456.00	\$ -	\$ -	\$ 5,889.00	\$ 587.00	\$ 6,456.00
6. Travel	\$ 30,044.00	\$ 33,045.00	\$ -	\$ -	\$ 30,044.00	\$ 3,004.00	\$ 33,045.00
7. Occupancy	\$ 27,881.00	\$ 30,449.00	\$ -	\$ -	\$ 27,881.00	\$ 2,788.00	\$ 30,449.00
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 11,508.00	\$ 12,659.00	\$ -	\$ -	\$ 11,508.00	\$ 1,151.00	\$ 12,659.00
Postage	\$ 1,243.00	\$ 1,387.00	\$ -	\$ -	\$ 1,243.00	\$ 124.00	\$ 1,387.00
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ 67.00	\$ 74.00	\$ -	\$ -	\$ 67.00	\$ 7.00	\$ 74.00
12. Subcontracts/Agreements	\$ 18,948.00	\$ 20,843.00	\$ 222.00	\$ -	\$ 18,726.00	\$ 1,873.00	\$ 20,599.00
13. Other (Specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Printing	\$ 1,845.00	\$ 2,030.00	\$ -	\$ -	\$ 1,845.00	\$ 185.00	\$ 2,030.00
Employment Advertising	\$ 48.00	\$ 53.00	\$ -	\$ -	\$ 48.00	\$ 5.00	\$ 53.00
Assistance to Individuals	\$ 351,540.00	\$ 386,684.00	\$ 351,540.00	\$ -	\$ 351,540.00	\$ 35,144.00	\$ 386,684.00
TOTAL	\$ 1,094,063.00	\$ 1,203,469.00	\$ 381,870.00	\$ -	\$ 742,263.00	\$ 74,226.00	\$ 816,475.00

Indirect As A Percent of Direct 10.0%

Contractor Initials: ES
 Date: 9/30/13

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

Bidder/Program Name: Easter Seals New Hampshire, Inc

Budget Request for: Deployment Cycle Support Program
 (Name of RFP)

Budget Period: 7/1/14 - 9/30/14

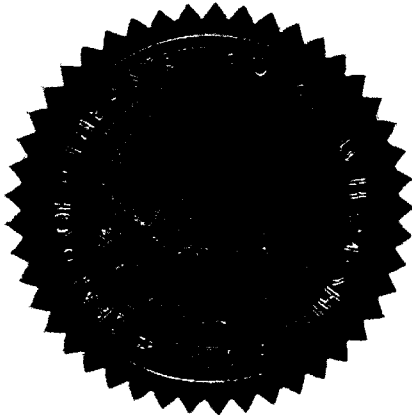
Line Item	Total Program Cost		Contractor Share / Match		Funded by DHH Contract Share	
	Direct Incremental	Total	Direct Incremental	Total	Direct Incremental	Total
1. Total Salary/Wages	\$ 125,454.00	\$ 137,999.00	\$ -	\$ -	\$ 125,454.00	\$ 137,999.00
2. Employee Benefits	\$ 39,081.00	\$ 42,985.00	\$ -	\$ -	\$ 39,081.00	\$ 42,985.00
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 856.00	\$ 942.00	\$ -	\$ -	\$ 856.00	\$ 942.00
6. Travel	\$ 6,200.00	\$ 6,200.00	\$ -	\$ -	\$ 6,200.00	\$ 6,200.00
7. Occupancy	\$ 7,760.00	\$ 7,760.00	\$ -	\$ -	\$ 7,760.00	\$ 7,760.00
8. Current Expenses	\$ 3,230.00	\$ 3,552.00	\$ -	\$ -	\$ 3,230.00	\$ 3,552.00
Telephone	\$ 125.00	\$ 138.00	\$ -	\$ -	\$ 125.00	\$ 138.00
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ 214.00	\$ 235.00	\$ -	\$ -	\$ 214.00	\$ 235.00
12. Subcontracts/Agreements	\$ 3,424.00	\$ 3,766.00	\$ -	\$ -	\$ 3,424.00	\$ 3,766.00
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Printing	\$ 30.00	\$ 33.00	\$ -	\$ -	\$ 30.00	\$ 33.00
Employment Advertising	\$ 49.00	\$ 53.90	\$ -	\$ -	\$ 49.00	\$ 53.90
Assistance to Individuals	\$ 9,000.00	\$ 9,000.00	\$ 90,000.00	\$ 90,000.00	\$ -	\$ -
TOTAL	\$ 276,423.00	\$ 304,064.90	\$ 90,049.00	\$ 90,049.00	\$ 186,374.00	\$ 206,011.00

Indirect As A Percent of Direct 10.0%

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 Easter Seals New Hampshire, Inc. is a New Hampshire nonprofit corporation formed November 6, 1967. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire.
this 10th day of April A.D. 2014

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

William M. Gardner
Secretary of State



CERTIFICATE OF VOTE / AUTHORIZATION

I, Betty Burke, do hereby certify that:

1. I am the duly elected Assistant Secretary of Easter Seals New Hampshire, Inc.
2. The following is a true copy of a resolution duly adopted at a meeting of the Board of Directors of the Corporation duly held on June 11, 2014.

RESOLVED: To authorize the president, chief operating officer/chief financial officer, vice president of finance, senior vice president of human resources and the legal counsel of the corporation, or any one of them acting alone, to execute contracts, leases and documents, which have been approved in accordance with the policies of the corporation and its fiscal authorities adopted by the board of directors and to include within that authority Easter Seals New York, Inc., Easter Seals Maine, Inc., Easter Seals Rhode Island, Inc., Manchester Alcoholism Rehabilitation Center (Farnum Center), Webster Place Center, Inc., Special Transit Services, Inc. or Agency Realty, Inc.

3. I further certify that Elin Treanor is the CFO of Easter Seals New Hampshire, Inc., and *all* its subsidiaries, and is still qualified and serving in such capacity.
4. The foregoing resolution has not been amended or revoked and remains in full force and effect as of SEPTEMBER 3, 2014.

Betty R. Burke
Assistant Secretary

The foregoing instrument was acknowledged before me this 3rd day of September 2014.

Wendy M. Boelee
Notary Public
WENDY M. BOELEEE, Notary Public
My Commission Expires: Oct. 21, 2014

Client#: 497072

EASTESEA7

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/22/2014

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

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

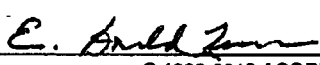
PRODUCER USI Insurance Services LLC 3 Executive Park Dr., Suite 300 Bedford, NH 03110 855-874-0123	CONTACT NAME: PHONE (A/C, No, Ext): 855-874-0123 FAX (A/C, No): 603-625-1107 E-MAIL ADDRESS: sandy.lacroix@usi.biz INSURER(S) AFFORDING COVERAGE NAIC # INSURER A: Philadelphia Insurance Company 23850 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:
INSURED Easter Seals NH, Inc. Easter Seals NY, Inc. 555 Auburn Street Manchester, NH 03103	

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

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Professional Liab GEN'L AGGREGATE LIMIT APPLIES PER: POLICY <input type="checkbox"/> PRO. JECT. <input type="checkbox"/> LOC	X X	PHPK1220846	09/01/2014	09/01/2015	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COM/OP AGG \$3,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		PHPK1220846	09/01/2014	09/01/2015	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10,000		PHUB471553	09/01/2014	09/01/2015	EACH OCCURRENCE \$15,000,000 AGGREGATE \$15,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below					WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
****Supplemental Names**:** Easter Seals NY, Inc., Easter Seals ME, Inc., STS, Inc., Agency Realty, Inc., Easter Seals Rhode Island, Inc., Manchester Alcohol Rehabilitation Center, Inc., dba The Farnum Center, Easter Seals VT, Inc.,- The General Liability policy includes a Blanket Automatic Additional Insured Endorsement that provides Additional Insured and a Blanket Waiver of Subrogation status to the Certificate Holder, only when there is a written contract or written agreement between the named insured and the (See Attached Descriptions)

CERTIFICATE HOLDER State of NH Dept. of Health & Human Services 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 
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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
05/30/2014

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

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

PRODUCER 1-617-723-7775 Hays Companies of New England 133 Federal Street 2nd Floor Boston, MA 02110	CONTACT NAME: Michael Boisvert PHONE (A/C, No, Ext): 617.778.5040 FAX (A/C, No): 617.723.5155 E-MAIL ADDRESS: mboisvert@hayscompanies.com														
INSURED Easter Seals New Hampshire, Inc. 555 Auburn Street Manchester, NH 03103-4803	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A: UNITED STATES FIRE INS CO</td> <td style="text-align: center;">21113</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: UNITED STATES FIRE INS CO	21113	INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #														
INSURER A: UNITED STATES FIRE INS CO	21113														
INSURER B:															
INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES **CERTIFICATE NUMBER: 39998963** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR <hr/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	406-6810956	01/01/14	01/01/15	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Evidence of Insurance as respects Manchester Alcoholism Rehabilitation Center

CERTIFICATE HOLDER Dept of Health & Human Services DCYF & DJJS 129 Pleasant Street Concord, NH 03301 USA	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
--	--

**Easter Seals New Hampshire, Inc.
and Subsidiaries**

Consolidated Financial Statements and
Other Financial Information

*Years Ended August 31, 2013 and 2012
With Independent Auditors' Report*

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

**CONSOLIDATED FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION**

For the Years Ended August 31, 2013 and 2012

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BAKER NEWMAN NOYES

Chartered in the State of New York

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Easter Seals New Hampshire, Inc. and Subsidiaries (Easter Seals NH), which comprise the statements of financial position as of August 31, 2013 and 2012, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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.

Baker Newman & Noyes, LLC

To the Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Easter Seals NH as of August 31, 2013 and 2012, and changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying other financial information is presented for purposes of additional analysis rather than to present the financial position and results of operations of the individual companies and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2013 on our consideration of Easter Seals New Hampshire, Inc. and Subsidiaries' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Easter Seals New Hampshire, Inc. and Subsidiaries' internal control over financial reporting and compliance.

Manchester, New Hampshire
December 14, 2013


Limited Liability Company

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

August 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 3,042,621	\$ 4,402,187
Accounts receivable from affiliates	247,471	441,980
Program and other accounts receivable, less contractual allowance of \$210,300 in 2013 and \$131,500 in 2012, and allowance for doubtful accounts of \$930,400 in 2013 and \$395,000 in 2012	11,224,708	9,321,570
Contributions receivable, less allowance for doubtful accounts of \$25,500 in 2013 and \$25,000 in 2012	686,110	491,729
Current portion of assets limited as to use	541,961	458,005
Prepaid expenses and other current assets	<u>783,844</u>	<u>1,304,173</u>
Total current assets	16,526,715	16,419,644
Assets limited as to use, net of current portion	4,558,513	5,017,773
Fixed assets, net	28,066,884	25,132,481
Property held for sale	822,504	910,171
Bond issuance costs, net	244,751	254,390
Investments, at fair value	14,264,341	13,005,757
Beneficial interest in trusts held by others and other assets	<u>6,830,800</u>	<u>6,620,011</u>
	<u>\$71,314,508</u>	<u>\$67,360,227</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Lines of credit	\$ 4,212,394	\$ 1,982,604
Accounts payable	1,812,128	2,630,935
Accrued expenses	4,143,454	4,362,192
Rate reserves	-	435,008
Current portion of deferred revenue	1,866,234	1,757,283
Current portion of interest rate swap agreements	708,132	734,470
Current portion of long-term debt	<u>796,290</u>	<u>746,716</u>
Total current liabilities	13,538,632	12,649,208
Deferred revenue, net of current portion	3,191,386	3,778,487
Other liabilities	1,367,458	1,168,659
Interest rate swap agreements, less current portion	2,050,214	4,401,508
Long-term debt, less current portion	<u>25,318,667</u>	<u>22,923,934</u>
Total liabilities	45,466,357	44,921,796
Net assets:		
Unrestricted	14,767,708	11,937,759
Temporarily restricted	925,437	598,750
Permanently restricted	<u>10,155,006</u>	<u>9,901,922</u>
Total net assets	<u>25,848,151</u>	<u>22,438,431</u>
	<u>\$71,314,508</u>	<u>\$67,360,227</u>

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Public support and revenue:				
Public support:				
Contributions	\$ 862,353	\$ 1,622,346	\$ 13,648	\$ 2,498,347
Special events, net of related direct costs of \$307,832	857,369	131,154	-	988,523
Annual campaigns, net of related direct costs of \$80,637	391,930	51,304	-	443,234
Bequests	369,823	-	-	369,823
Net assets released from restrictions	<u>1,497,063</u>	<u>(1,497,063)</u>	<u>-</u>	<u>-</u>
Total public support	3,978,538	307,741	13,648	4,299,927
Revenue:				
Fees and grants from governmental agencies	66,453,590	-	-	66,453,590
Other fees and grants	24,013,223	-	-	24,013,223
Sales to public	4,019,558	-	-	4,019,558
Dividend and interest income	681,151	1,141	-	682,292
Rental income	144,771	-	-	144,771
Other	<u>695,295</u>	<u>-</u>	<u>-</u>	<u>695,295</u>
Total revenue	<u>96,007,588</u>	<u>1,141</u>	<u>-</u>	<u>96,008,729</u>
Total public support and revenue	99,986,126	308,882	13,648	100,308,656
Operating expenses:				
Program services:				
Public health education	609,102	-	-	609,102
Professional education	41,275	-	-	41,275
Direct services	<u>87,378,754</u>	<u>-</u>	<u>-</u>	<u>87,378,754</u>
Total program services	88,029,131	-	-	88,029,131
Supporting services:				
Management and general	9,404,656	-	-	9,404,656
Fundraising	<u>1,756,069</u>	<u>-</u>	<u>-</u>	<u>1,756,069</u>
Total supporting services	<u>11,160,725</u>	<u>-</u>	<u>-</u>	<u>11,160,725</u>
Total functional expenses	99,189,856	-	-	99,189,856
Support of National programs	<u>121,780</u>	<u>-</u>	<u>-</u>	<u>121,780</u>
Total operating expenses	<u>99,311,636</u>	<u>-</u>	<u>-</u>	<u>99,311,636</u>
Increase in net assets from operations	674,490	308,882	13,648	997,020

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

Year Ended August 31, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Other nonoperating expenses, gains and losses:				
Change in fair value of interest rate swaps	\$ 2,377,632	\$ -	\$ -	\$ 2,377,632
Net unrealized and realized gains on investments	789,496	24,173	-	813,669
Increase in fair value of beneficial interest in trusts held by others	-	-	239,436	239,436
Gain on sales and disposals of property, plant and equipment	<u>7,392</u>	<u>-</u>	<u>-</u>	<u>7,392</u>
	<u>3,174,520</u>	<u>24,173</u>	<u>239,436</u>	<u>3,438,129</u>
Increase in net assets before effects of discontinued operations	3,849,010	333,055	253,084	4,435,149
Loss from discontinued operations	<u>(1,019,061)</u>	<u>(6,368)</u>	<u>-</u>	<u>(1,025,429)</u>
Total increase in net assets	2,829,949	326,687	253,084	3,409,720
Net assets at beginning of year	<u>11,937,759</u>	<u>598,750</u>	<u>9,901,922</u>	<u>22,438,431</u>
Net assets at end of year	<u>\$14,767,708</u>	<u>\$ 925,437</u>	<u>\$10,155,006</u>	<u>\$ 25,848,151</u>

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Public support and revenue:				
Public support:				
Contributions	\$ 1,529,794	\$ 370,723	\$ 62,323	\$ 1,962,840
Special events, net of related direct costs of \$618,599	1,114,326	71,451	-	1,185,777
Annual campaigns, net of related direct costs of \$79,441	445,604	32,367	-	477,971
Bequests	127,761	-	-	127,761
Net assets released from restrictions	<u>482,671</u>	<u>(482,671)</u>	<u>-</u>	<u>-</u>
Total public support	3,700,156	(8,130)	62,323	3,754,349
Revenue:				
Fees and grants from governmental agencies	63,215,906	-	-	63,215,906
Other fees and grants	26,755,347	-	-	26,755,347
Sales to public	4,057,412	-	-	4,057,412
Dividend and interest income	680,465	3,635	-	684,100
Rental income	140,373	-	-	140,373
Other	<u>642,000</u>	<u>-</u>	<u>-</u>	<u>642,000</u>
Total revenue	<u>95,491,503</u>	<u>3,635</u>	<u>-</u>	<u>95,495,138</u>
Total public support and revenue	99,191,659	(4,495)	62,323	99,249,487
Operating expenses:				
Program services:				
Public health education	595,634	-	-	595,634
Professional education	22,251	-	-	22,251
Direct services	<u>86,643,303</u>	<u>-</u>	<u>-</u>	<u>86,643,303</u>
Total program services	87,261,188	-	-	87,261,188
Supporting services:				
Management and general	8,700,472	-	-	8,700,472
Fundraising	<u>1,882,355</u>	<u>-</u>	<u>-</u>	<u>1,882,355</u>
Total supporting services	<u>10,582,827</u>	<u>-</u>	<u>-</u>	<u>10,582,827</u>
Total functional expenses	97,844,015	-	-	97,844,015
Support of National programs	<u>134,887</u>	<u>-</u>	<u>-</u>	<u>134,887</u>
Total operating expenses	<u>97,978,902</u>	<u>-</u>	<u>-</u>	<u>97,978,902</u>
Increase (decrease) in net assets from operations	1,212,757	(4,495)	62,323	1,270,585

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

Year Ended August 31, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Other nonoperating expenses, gains and losses:				
Change in fair value of interest rate swaps	\$(1,262,396)	\$ -	\$ -	\$(1,262,396)
Net unrealized and realized gains on investments	562,646	6,681	-	569,327
Increase in fair value of beneficial interest in trusts held by others	-	-	345,574	345,574
Gain on sales and disposals of property, plant and equipment	<u>4,442</u>	<u>-</u>	<u>-</u>	<u>4,442</u>
	<u>(695,308)</u>	<u>6,681</u>	<u>345,574</u>	<u>(343,053)</u>
Increase in net assets before effects of discontinued operations	517,449	2,186	407,897	927,532
(Loss) gain from discontinued operations	<u>(83,341)</u>	<u>2,237</u>	<u>-</u>	<u>(81,104)</u>
Total increase in net assets	434,108	4,423	407,897	846,428
Net assets at beginning of year	<u>11,503,651</u>	<u>594,327</u>	<u>9,494,025</u>	<u>21,592,003</u>
Net assets at end of year	<u>\$11,937,759</u>	<u>\$ 598,750</u>	<u>\$9,901,922</u>	<u>\$22,438,431</u>

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2013

	Program Services ⁽¹⁾			Supporting Services ⁽¹⁾			Total Program ⁽¹⁾ and Supporting Services Expenses		
	Public Health Education	Profes- sional Education	Direct Services	Total	Manage- ment and General	Fund- Raising	Total	2013	2012
Salaries and related expenses	\$432,105	\$ -	\$65,758,239	\$66,190,344	\$6,141,707	\$1,213,314	\$ 7,355,021	\$73,545,365	\$72,917,224
Professional fees	24,682	-	7,429,948	7,454,630	1,605,708	237,562	1,843,270	9,297,900	9,765,630
Supplies	19,447	-	2,596,330	2,615,777	69,601	32,145	101,746	2,717,523	2,687,719
Telephone	3,233	-	539,684	542,917	301,010	12,741	313,751	856,668	836,451
Postage and shipping	4,968	-	53,914	58,882	49,897	7,280	57,177	116,059	132,468
Occupancy	18,838	-	3,531,333	3,550,171	495,234	109,438	604,672	4,154,843	3,831,768
Outside printing, artwork and media	30,470	-	50,964	81,434	9,565	43,756	53,321	134,755	119,656
Travel	13,155	-	2,539,348	2,552,503	35,696	32,695	68,391	2,620,894	2,686,733
Conventions and meetings	45,984	41,275	210,117	297,376	45,752	50,038	95,790	393,166	393,909
Specific assistance to individuals	-	-	968,120	968,120	11,995	-	11,995	980,115	927,051
Dues and subscriptions	1,318	-	21,710	23,028	16,128	10,061	26,189	49,217	45,357
Minor equipment purchases and equipment rental	4,592	-	273,570	278,162	152,783	2,594	155,377	433,539	688,889
Ads, fees and miscellaneous	10,104	-	82,210	92,314	13,423	2,403	15,826	108,140	56,186
Interest	-	-	857,644	857,644	237,341	-	237,341	1,094,985	1,101,812
Bad debt provision	-	-	757,856	757,856	765	770	1,535	759,391	43,744
Facility tax assessment	-	-	311,041	311,041	-	-	-	311,041	-
Depreciation and amortization	206	-	1,396,726	1,396,932	218,051	1,272	219,323	1,616,255	1,609,418
	<u>\$609,102</u>	<u>\$41,275</u>	<u>\$87,378,754</u>	<u>\$88,029,131</u>	<u>\$9,404,656</u>	<u>\$1,756,069</u>	<u>\$11,160,725</u>	<u>\$99,189,856</u>	<u>\$97,844,015</u>
	0.61%	0.04%	88.09%	88.74%	9.48%	1.78%	11.26%	100.00%	100.00%

(1) Excludes expenses related to discontinued operations – see note 13.

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2012

	Program Services ⁽¹⁾			Supporting Services ⁽¹⁾			Total Program ⁽¹⁾ and Supporting Services Expenses
	Public Health Education	Profes- sional Education	Direct Services	Manage- ment and General	Fund- Raising	Total	
Salaries and related expenses	\$410,255	\$	\$65,696,888	\$5,325,167	\$1,484,914	\$ 6,810,081	\$72,917,224
Professional fees	28,453	-	7,783,350	1,805,957	147,870	1,953,827	9,765,630
Supplies	19,338	-	2,563,659	75,986	28,736	104,722	2,687,719
Telephone	4,481	-	534,868	279,767	17,335	297,102	836,451
Postage and shipping	8,989	-	58,643	57,279	7,557	64,836	132,468
Occupancy	13,215	-	3,392,513	351,611	74,429	426,040	3,831,768
Outside printing, artwork and media	30,200	-	46,737	8,812	33,907	42,719	119,656
Travel	12,938	-	2,590,581	41,212	42,002	83,214	2,686,733
Conventions and meetings	43,700	22,251	238,872	57,522	31,564	89,086	393,909
Specific assistance to individuals	159	-	918,721	7,200	971	8,171	927,051
Dues and subscriptions	1,043	-	29,579	9,711	5,024	14,735	45,357
Minor equipment purchases and equipment rental	5,237	-	281,800	398,836	3,016	401,852	688,889
Ads, fees and miscellaneous	17,164	-	185,577	(147,690)	1,135	(146,555)	56,186
Interest	-	-	871,461	230,351	-	230,351	1,101,812
Bad debt provision	-	-	41,971	-	1,773	1,773	43,744
Depreciation and amortization	462	-	1,408,083	198,751	2,122	200,873	1,609,418
	<u>\$595,634</u>	<u>\$22,251</u>	<u>\$86,643,303</u>	<u>\$8,700,472</u>	<u>\$1,882,355</u>	<u>\$10,582,827</u>	<u>\$97,844,015</u>
	0.61%	0.02%	88.55%	8.89%	1.93%	10.82%	100.00%

(1) Excludes expenses related to discontinued operations -- see note 13.

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended August 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities:		
Increase in net assets	\$ 3,409,720	\$ 846,428
Adjustments to reconcile increase in net assets to net cash used by operating activities:		
Depreciation and amortization	1,807,843	1,897,233
Bad debt provision	774,569	46,344
Increase in beneficial interest in trusts held by others	(239,436)	(345,574)
Gain on sales and disposals of property, plant and equipment and property held for sale	(283,942)	(2,024,351)
Change in fair value of interest rate swaps	(2,377,632)	1,254,211
Net unrealized and realized gains on investments	(813,669)	(569,327)
Changes in operating assets and liabilities:		
Accounts receivable from affiliates	194,509	(218,818)
Program and other accounts receivable	(2,677,707)	858,969
Contributions receivable	(194,381)	(172,018)
Prepaid expenses and other current assets	520,329	(203,018)
Other assets	(4,483)	(723,547)
Accounts payable and accrued expenses	(1,037,545)	(405,642)
Accounts payable to affiliates	-	(314,557)
Rate reserve	(435,008)	(656,571)
Deferred revenue	(478,150)	(938,226)
Other liabilities	<u>198,799</u>	<u>16,715</u>
Net cash used by operating activities	(1,636,184)	(1,651,749)
Cash flows from investing activities:		
Purchases of property, plant and equipment	(4,859,057)	(1,794,331)
Proceeds from sale of property, plant and equipment and property held for sale	531,189	3,034,938
Cash provided by acquisition	-	227,830
Increase in investments, net	(444,915)	(624,655)
Change in assets limited as to use	<u>375,304</u>	<u>1,165,832</u>
Net cash (used) provided by investing activities	(4,397,479)	2,009,614
Cash flows from financing activities:		
Repayment of long-term debt	(750,199)	(2,508,652)
Issuance of long-term debt	3,194,506	360,982
Payment for termination of interest rate swap	-	(159,678)
Repayments on lines of credit	(27,372,936)	(26,040,436)
Borrowings on lines of credit	<u>29,602,726</u>	<u>27,374,577</u>
Net cash provided (used) by financing activities	<u>4,674,097</u>	<u>(973,207)</u>
Decrease in cash and cash equivalents	(1,359,566)	(615,342)
Cash and cash equivalents, beginning of year	<u>4,402,187</u>	<u>5,017,529</u>
Cash and cash equivalents, end of year	<u>\$ 3,042,621</u>	<u>\$ 4,402,187</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

Years Ended August 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Supplemental disclosure of cash flow information:		
Interest paid	<u>\$ 1,119,000</u>	<u>\$ 1,225,000</u>

During 2013 and 2012, Easter Seals NH transferred property with a net carrying value of \$16,224 and \$1,513,272, respectively, from fixed assets to property held for sale. Additionally, Easter Seals NH sold property held for sale with a net carrying value of \$1,108,357 in 2012 (see note 13). During 2012, Easter Seals NH received a donated building with an estimated fair value of \$1,100,000, which has been recorded as deferred revenue (see note 5). See also acquisition described in note 12.

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

1. Corporate Organization and Purpose

Easter Seals New Hampshire, Inc. and Subsidiaries (Easter Seals NH) consists of ten separate nonprofit entities: Easter Seals New Hampshire, Inc. (parent and service corporation); Easter Seals New York, Inc. (Easter Seals NY); Easter Seals Maine, Inc. (Easter Seals ME); Easter Seals Rhode Island, Inc. (Easter Seals RI); Agency Realty, Inc. (real estate corporation); The Harbor Schools Incorporated (Harbor Schools); Manchester Alcoholism Rehabilitation Center; Webster Place, Inc. (Webster Place), which was acquired in 2012 – see note 12; Easter Seals Connecticut, Inc. (Easter Seals CT); and Easter Seals Vermont, Inc. (Easter Seals VT). Easter Seals New Hampshire, Inc. is the sole member of each subsidiary. Easter Seals NH is affiliated with Easter Seals, Inc. (the national headquarters for the organization).

On May 22, 2013 the Board of Directors of Easter Seals New Hampshire, Inc. voted to dissolve and transfer the assets and liabilities of Special Transit Services, Inc. to Easter Seals New Hampshire, Inc.

On March 22, 2013, the Board of Directors of Easter Seals NY, voted to discontinue the Bronx Early Intervention program. On July 1, 2013, the Center for Therapeutic Recreation program located in Portland, Maine was transferred to the City of Portland and at that same time Easter Seals ME discontinued offering those services. On September 1, 2012, the Board of Directors of Easter Seals NH voted to discontinue the Raymond Preschool program and surrender the related operating license. On September 25, 2013, the Board of Directors of Easter Seals CT voted to discontinue the camp programs and cease all operations effective November 16, 2013. On January 25, 2012, the Board of Directors of Easter Seals NH voted to close Harbor Schools and cease all operations of this subsidiary, and also voted to approve discontinuing the group home and special education programs in Rutland, Vermont. See also note 13.

In May 2013, the Boards of Directors of Manchester Alcoholism Rehabilitation Center and Webster Place voted to merge the two organizations with Manchester Alcohol Rehabilitation Center being the surviving corporation, having found such merger to be in the best interest of both organizations. The effective date of the merger is September 1, 2013.

Easter Seals NH's purpose is to provide (1) programs and services for people with disabilities and other special needs, (2) assistance to people with disabilities and their families, (3) assistance to communities in identifying and developing needed services for residents, and (4) a climate of acceptance for people with disabilities and other special needs which will enable them to contribute to the well-being of the community. Easter Seals NH operates programs throughout New Hampshire, New York, Maine, Massachusetts (prior to the closure of Harbor Schools), Rhode Island, Vermont and Connecticut.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Easter Seals New Hampshire, Inc. and the subsidiaries of which it is the sole member. Significant intercompany accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

Easter Seals NH considers all highly liquid securities purchased with an original maturity of 90 days or less to be cash equivalents. Cash equivalents consist of cash, overnight repurchase agreements and money market funds, excluding assets limited as to use.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

2. Summary of Significant Accounting Policies (Continued)

Management has implemented a practice to establish cash reserves on hand. Approximately \$2,432,000 and \$2,277,000, respectively, of cash and cash equivalents, and approximately \$2,238,000 and \$2,070,000, respectively, of investments were on-hand under this practice as of August 31, 2013 and 2012, respectively.

Assets Limited as to Use and Investments

Assets limited as to use consists of cash and cash equivalents, short-term certificates of deposit with original maturities greater than 90 days, but less than one year, and investments. Investments are stated at fair value. Realized gains and losses on investments are computed on a specific identification basis. The changes in net unrealized and realized gains and losses on investments are recorded in other nonoperating expenses, gains and losses in the accompanying consolidated statements of activities and changes in net assets. Donated securities are stated at fair value determined at the date of donation.

Beneficial Interest in Trusts

Easter Seals NH is the beneficiary of several trusts held by others. Easter Seals NH has recorded as an asset the fair value of its interest in the trusts and such amount is included in permanently restricted net assets, based on the underlying donor stipulations. The change in the interest due to fair value change is recorded within other nonoperating expenses, gains and losses as permanently restricted activity.

Fixed Assets

Fixed assets are recorded at cost less accumulated depreciation and amortization. Expenditures for maintenance and repairs are charged to expense as incurred, and expenditures for major renovations are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the underlying assets.

Fixed assets obtained by Easter Seals NH as a result of acquisitions on or after September 1, 2011 are recorded at estimated fair value as of the date of the acquisition in accordance with generally accepted accounting principles guidance for acquisitions by a not-for-profit entity.

Donated property and equipment not subject to donor stipulated conditions is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support or, if significant uncertainties exist, as deferred revenue pending resolution of the uncertainties. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. See also note 5.

Property held for sale is recorded at the lower of net realizable value or carrying value.

Intangible Assets and Long-Lived Assets

Accounting rules require that intangible assets with estimable or determinable useful lives be amortized over their respective estimated useful lives to their estimated residual values, and be reviewed by management for impairment. Based on management's assessments, there is no impairment of intangible assets at August 31, 2013. Intangible assets at August 31, 2013 consist of a patient list obtained in the acquisition of Webster Place (see note 12).

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

2. Summary of Significant Accounting Policies (Continued)

Expected amortization of intangible assets through the end of their useful lives is as follows:

2014	\$ 33,130
2015	33,130
2016	33,130
2017	33,130
2018	33,130
Thereafter	<u>99,393</u>
	<u>\$265,043</u>

Amortization expense recognized for the patient list in 2013 and 2012 totaled \$33,130 and \$32,827, respectively.

When there is an indication of impairment, management considers whether long-lived assets are impaired by comparing gross future undiscounted cash flows expected to be generated from utilizing the assets to their carrying amounts. If cash flows are not sufficient to recover the carrying amount of the assets, impairment has occurred and the assets are written down to their fair value. Significant estimates and assumptions are required to be made by management in order to evaluate possible impairment.

Based on current facts, estimates and assumptions, management believes that no long-lived assets were impaired at August 31, 2013 and 2012.

Bond Issuance Costs

Bond issuance costs are being amortized by the straight-line method over the repayment period of the related bonds, or the expected time until the next refinancing, whichever is shorter. Amortization expense recognized during 2013 and 2012 was \$9,639 and \$36,418, respectively.

Revenue Recognition

Revenue generated from services provided to the public is reported at the estimated net realizable amounts from clients, third-party payors and others based upon approved rates as services are rendered. A significant portion of Easter Seals NH's revenues are derived through arrangements with third-party payors. As such, Easter Seals NH is dependent on these payors in order to carry out its operating activities. There is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in other fees and grants in the year that such amounts become known. Easter Seals NY recognized additional revenue of approximately \$1,046,000 in 2013 due to a favorable rate adjustment approved by the State of New York in April 2013. Easter Seals NY had also established rate reserves of \$435,008 at August 31, 2012 for differences between rates previously estimated and amounts which will be either recoverable or payable to third-party payors based upon actual rates approved by third-parties. These rate reserves were reversed in 2013.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

2. Summary of Significant Accounting Policies (Continued)

A third-party payor for three Easter Seals NY programs began to recoup a facility tax assessment on a monthly basis in 2013. The recoupment is a part of Easter Seals NY's reimbursement contract with the payor. The facility tax assessment is based on approved rates. As of August 31, 2013 the facility tax assessment due was approximately \$138,000, and is recorded in deferred revenue in the accompanying 2013 statement of financial position.

Revenues are recognized as earned, or attributable to the period in which specific terms of the funding agreement are satisfied, and to the extent that expenses have been incurred for the purposes specified by the funding source. Revenue balances in excess of the foregoing amounts are accounted for as deferred revenue until any restrictions are met or allowable expenditures are incurred.

The allowance for doubtful accounts is provided based on an analysis by management of the collectibility of outstanding balances. Management considers the age of outstanding balances and past collection efforts in determining the allowance for doubtful accounts. Accounts are charged against the allowance for doubtful accounts when deemed uncollectible.

Unconditional contributions are recognized when pledged.

Advertising

Easter Seals NH's policy is to expense advertising costs as incurred.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services based mainly on time records and estimates made by Easter Seals NH's management.

Charity Care (Unaudited)

Easter Seals NH has a formal charity care policy under which program fees are subsidized as determined by the Board of Directors. Free and subsidized services are rendered in accordance with decisions made by the Board of Directors and, at established charges, amounted to approximately \$7,373,000 and \$5,979,000 for the years ended August 31, 2013 and 2012, respectively.

Income Taxes

Easter Seals New Hampshire, Inc., Easter Seals NY, Easter Seals ME, Easter Seals VT, Easter Seals Rhode Island, Harbor Schools, Webster Place, Manchester Alcoholism Rehabilitation Center, Easter Seals CT and Special Transit Services, Inc. are exempt from both federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and, for Easter Seals NY of the Not-for-Profit Corporation Law of the State of New York. Agency Realty, Inc. received a determination letter from the Internal Revenue Service stating that it qualifies for tax-exempt status under Section 501(c)(2) of the Internal Revenue Code.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

2. Summary of Significant Accounting Policies (Continued)

Tax-exempt organizations could be required to record an obligation for income taxes as the result of a tax position historically taken on various tax exposure items including unrelated business income or tax status. In accordance with accounting principles generally accepted in the United States of America, assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the “more-likely-than-not” threshold, based upon the technical merits of the position.

Management has evaluated tax positions taken by Easter Seals New Hampshire, Inc. and its subsidiaries on their respective filed tax returns and concluded that the organizations have maintained their tax-exempt status, do not have any significant unrelated business income, and have taken no uncertain tax positions that require adjustment to or disclosure in the accompanying consolidated financial statements. Easter Seals New Hampshire, Inc. and its subsidiaries are no longer subject to income tax examinations by the federal or state tax authorities for years prior to 2010.

Use of Estimates

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

Derivatives and Hedging Activities

Accounting guidance requires that Easter Seals NH record as an asset or liability the fair value of the interest rate swap agreements described in note 8. Easter Seals NH is exposed to repayment loss equal to the net amounts receivable under the swap agreements (not the notional amount) in the event of nonperformance of the other party to the swap agreements. However, Easter Seals NH does not anticipate nonperformance and does not obtain collateral from the other party.

As of August 31, 2013 and 2012, Easter Seals NH had recognized a liability of \$2,758,346 and \$5,135,978, respectively, as a result of the interest rate swap agreements discussed in note 8. As a result of changes in the fair value of these derivative financial instruments and excluding a termination payment related to one swap agreement of \$159,678 in 2012 (see note 8), Easter Seals NH recognized an increase in net assets of \$2,377,632 for the year ending August 31, 2013 and a decrease in net assets of \$1,254,211 for the year ending August 31, 2012 (including increases in net assets of \$8,185, included in discontinued operations) related to swap agreements.

Increase in Net Assets from Operations

For purposes of display, transactions deemed by management to be ongoing, major or central to the provision of services are reported as revenue and expenses that comprise the increase (decrease) in net assets from operations. The primary transactions reported as other nonoperating expenses, gains and losses include the adjustment to fair value of interest rate swaps, the increase in the fair value of beneficial interest in trusts held by others, gains and losses on sales and disposals of property, plant and equipment, and net realized and unrealized gains on investments.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

2. Summary of Significant Accounting Policies (Continued)

Reclassifications

Certain amounts in the 2012 consolidated financial statements have been reclassified to conform to the 2013 presentation.

Subsequent Events

Events occurring after the statement of financial position date are evaluated by management to determine whether such events should be recognized or disclosed in the consolidated financial statements. Management has evaluated events occurring between the end of Easter Seals NH's fiscal year end and December 14, 2013, the date these consolidated financial statements were available to be issued.

3. Classification of Net Assets

In accordance with the *Uniform Prudent Management of Institutional Funds Act* (UPMIFA), net assets are classified and reported based on the existence or absence of donor-imposed restrictions. Gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of donated assets. Temporarily restricted net assets are those whose use by Easter Seals NH has been limited by donors to a specific time period or purpose. When a donor restriction expires (when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of activities and changes in net assets as net assets released from restrictions. Permanently restricted net assets have been restricted by donors to be maintained by Easter Seals NH in perpetuity, the income from which is expendable to support all activities of the organization, or as stipulated by the donor.

Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements.

In accordance with UPMIFA, Easter Seals NH considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (a) the duration and preservation of the fund; (b) the purpose of the organization and the donor-restricted endowment fund; (c) general economic conditions; (d) the possible effect of inflation and deflation; (e) the expected total return from income and the appreciation of investments; (f) other resources of the organization; and (g) the investment policies of the organization.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

3. Classification of Net Assets (Continued)

Endowment Net Asset Composition by Type of Fund

The major categories of endowment funds at August 31, 2013 and 2012 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>2013</u>				
Camping program	\$ —	\$ 1,918	\$ 363,869	\$ 365,787
Other programs	—	18,913	340,203	359,116
Operations	<u>—</u>	<u>—</u>	<u>3,613,207</u>	<u>3,613,207</u>
Total endowment net assets	<u>\$ —</u>	<u>\$20,831</u>	<u>\$4,317,279</u>	<u>\$4,338,110</u>
<u>2012</u>				
Camping program	\$ —	\$ 1,698	\$ 362,869	\$ 364,567
Other programs	—	14,345	327,555	341,900
Operations	<u>—</u>	<u>—</u>	<u>3,613,207</u>	<u>3,613,207</u>
Total endowment net assets	<u>\$ —</u>	<u>\$16,043</u>	<u>\$4,303,631</u>	<u>\$4,319,674</u>

Changes in Endowment Net Assets

During the years ended August 31, 2013 and 2012, Easter Seals NH had the following endowment-related activities:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net endowment assets, August 31, 2011	\$ —	\$ 14,785	\$4,241,308	\$4,256,093
Investment return:				
Investment income, net of fees	—	54,655	—	54,655
Net appreciation (realized and unrealized)	—	523,768	—	523,768
Contributions	—	—	62,323	62,323
Appropriated for expenditure	<u>—</u>	<u>(577,165)</u>	<u>—</u>	<u>(577,165)</u>
Net endowment assets, August 31, 2012	—	16,043	4,303,631	4,319,674
Investment return:				
Investment income, net of fees	—	18,777	—	18,777
Net appreciation (realized and unrealized)	—	563,208	—	563,208
Contributions	—	—	13,648	13,648
Appropriated for expenditure	<u>—</u>	<u>(577,197)</u>	<u>—</u>	<u>(577,197)</u>
Net endowment assets, August 31, 2013	<u>\$ —</u>	<u>\$ 20,831</u>	<u>\$4,317,279</u>	<u>\$4,338,110</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

3. Classification of Net Assets (Continued)

In addition to endowment net assets, Easter Seals NH also maintains non-endowed funds. The major categories of non-endowment funds, at August 31, 2013 and 2012 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Non- Endowment Net Assets</u>
<u>2013</u>				
Seniors program	\$ 88,902	\$ 11,729	\$ —	\$ 100,631
Veterans program	—	517,035	—	517,035
India initiative	—	57,881	—	57,881
Other programs	—	285,461	—	285,461
Operations	<u>14,678,806</u>	<u>32,500</u>	<u>5,837,727</u>	<u>20,549,033</u>
Total non-endowment net assets	<u>\$14,767,708</u>	<u>\$904,606</u>	<u>\$5,837,727</u>	<u>\$21,510,041</u>
<u>2012</u>				
Seniors program	\$ 106,866	\$ 16,386	\$ —	\$ 123,252
Veterans program	—	353,044	—	353,044
India initiative	—	51,900	—	51,900
Other programs	35,199	128,877	—	164,076
Operations	<u>11,795,694</u>	<u>32,500</u>	<u>5,598,291</u>	<u>17,426,485</u>
Total non-endowment net assets	<u>\$11,937,759</u>	<u>\$582,707</u>	<u>\$5,598,291</u>	<u>\$18,118,757</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires Easter Seals NH to retain as a fund of permanent duration. Deficiencies of this nature are reported in unrestricted net assets. There were no deficiencies between the fair value of the investments of the endowment funds and the level required by donor stipulation at August 31, 2013 or 2012.

Investment and Spending Policies

Easter Seals NH has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that Easter Seals NH must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of an appropriate market index while assuming a moderate level of investment risk. Easter Seals NH expects its endowment funds to provide an average rate of return over a five year period equal to the rate of 2% over the inflation rate. Actual returns in any given year may vary from this amount.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

3. Classification of Net Assets (Continued)

To satisfy its long-term rate-of-return objectives, Easter Seals NH relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Easter Seals NH targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Easter Seals NH may appropriate for distribution some or all of the earnings and appreciation on its endowment for funding of operations. In establishing this policy, Easter Seals NH considered the objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to, so long as it would not detract from Easter Seals NH's critical goals and initiatives, provide additional real growth through new gifts and investment return.

4. Leases

Easter Seals NH leases certain assets under various arrangements which have been classified as operating leases. Total expense under all leases (including month-to-month leases) was approximately \$2,168,000 and \$2,101,000 for the years ended August 31, 2013 and 2012, respectively. Some of these leases have terms which include renewal options, and others may be terminated at Easter Seals NH's option without substantial penalty. Future minimum payments required under the leases in effect at August 31, 2013, through the remaining contractual term of the underlying lease agreements, are as follows:

Year Ended August 31:

2014	\$1,850,275
2015	1,073,592
2016	850,435
2017	608,811
2018	305,738
Thereafter	371,118

Easter Seals NY leases certain facilities for school operations from unrelated parties at lease terms that are either below fair market value, or that are almost entirely rent-free. Under accounting principles generally accepted in the United States of America, lease agreements must be evaluated based upon their economic substance rather than legal form, and a lease subsidy would be recorded as both contribution and rental expense. However, Easter Seals NH has determined that such amounts would not be material to the accompanying consolidated financial statements.

Easter Seals NY subleases certain office space located at 11 West 42nd Street in New York to an unrelated party. The sublease agreement expires in February 2014. Total rental income earned under this sublease agreement for the years ended August 31, 2013 and 2012 was approximately \$144,000 and \$140,000, respectively.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

5. Fixed Assets

Fixed assets consist of the following at August 31:

	<u>2013</u>	<u>2012</u>
Buildings	\$ 33,015,085	\$ 28,872,993
Land and land improvements	3,494,009	3,493,590
Leasehold improvements	952,100	892,094
Office equipment and furniture	9,917,122	9,993,575
Vehicles	3,225,015	3,093,740
Construction in progress	<u>216,678</u>	<u>861,415</u>
	50,820,009	47,207,407
Less accumulated depreciation and amortization	<u>(22,753,125)</u>	<u>(22,074,926)</u>
	<u>\$ 28,066,884</u>	<u>\$ 25,132,481</u>

Depreciation and amortization expense related to fixed assets totaled \$1,765,074 and \$1,827,988 in 2013 and 2012, respectively. Depreciation and amortization of fixed assets included within discontinued operations in 2013 and 2012 totaled \$191,588 and \$287,815, respectively.

During 2012, Easter Seals NH received a donated building with an estimated fair value of approximately \$1,100,000. Under the terms of the donation, for a period of six years, Easter Seals NH must continue to use the building as a child care center. Should Easter Seals NH cease to operate the program, or wish to sell or donate the property, Easter Seals NH must first provide the donor with the opportunity to purchase the property for \$1. The contribution representing the fair value of the building has been recorded as deferred revenue at August 31, 2013 and 2012.

6. Investments and Assets Limited as to Use

Investments and assets limited as to use, at fair value, are as follows at August 31:

	<u>2013</u>	<u>2012</u>
Cash and cash equivalents	\$ 3,513,266	\$ 2,784,158
Certificates of deposit	554,282	1,650,399
Marketable equity securities	2,770,110	2,301,934
Mutual funds	10,992,033	10,504,252
Corporate and foreign bonds	903,497	930,355
Government and agency securities	<u>631,627</u>	<u>310,437</u>
	19,364,815	18,481,535
Less: assets limited as to use	<u>(5,100,474)</u>	<u>(5,475,778)</u>
Total investments, at fair value	<u>\$14,264,341</u>	<u>\$13,005,757</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

6. Investments and Assets Limited as to Use (Continued)

The composition of assets limited as to use at August 31, 2013 and 2012 is set forth in the table shown below at fair value. The portion of assets limited as to use that is required for obligations classified as current liabilities is reported in current assets.

	<u>2013</u>	<u>2012</u>
Under an agreement with the State of Connecticut, which provides that the funds be utilized for certain allowable program expenditures:		
Cash and cash equivalents	\$2,310,566	\$2,246,143
Certificates of deposit	554,282	1,650,399
Mutual funds	428,148	137,686
Marketable equity securities	<u>151,573</u>	<u>—</u>
	3,444,569	4,034,228
Under a deferred compensation plan (see note 7):		
Investments	1,367,127	1,167,789
Maintained in escrow to make required payments on certain bonds (see note 8):		
Cash and cash equivalents	<u>288,778</u>	<u>273,761</u>
Total assets limited as to use	<u>\$5,100,474</u>	<u>\$5,475,778</u>

The principal components of investment income and net realized and unrealized gains included in continuing operations are summarized below. Amounts included in discontinued operations for 2013 and 2012 were not significant.

	<u>2013</u>	<u>2012</u>
Unrestricted investment income and unrealized and realized gains on investments:		
Dividend and interest income	\$ 681,151	\$ 680,465
Net unrealized gains	231,743	393,815
Net realized gains	<u>557,753</u>	<u>168,831</u>
	1,470,647	1,243,111
Restricted investment income and unrealized and realized gains on investments:		
Dividend and interest income	1,141	3,635
Net unrealized gains	7,631	1,905
Net realized gains	<u>16,542</u>	<u>4,776</u>
	<u>25,314</u>	<u>10,316</u>
	<u>\$1,495,961</u>	<u>\$1,253,427</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

7. Retirement Plans

Easter Seals NH maintains a Section 403(b) Plan (a defined contribution retirement plan), which covers substantially all employees. Eligible employees may contribute any whole percentage of their annual salary. Employee contributions may be matched by Easter Seals NH as determined in the annual budget. The combined amount of employer and employee contributions is subject by law to annual maximum amounts. The employer match was approximately \$474,000 and \$490,000 for the years ended August 31, 2013 and 2012, respectively.

Easter Seals New Hampshire, Inc. offers, to certain management personnel, the option to participate in an Internal Revenue Code Section 457 Deferred Compensation Plan to which the organization may make a discretionary contribution. The employees' accounts are not available until termination, retirement, death or an unforeseeable emergency. Easter Seals New Hampshire, Inc. contributed approximately \$130,000 and \$120,000 to this plan during the years ended August 31, 2013 and 2012, respectively. The assets and liabilities associated with this plan were \$1,367,127 and \$1,167,789 at August 31, 2013 and 2012, respectively, and are included within assets limited as to use and other liabilities in the accompanying consolidated statements of financial position.

8. Borrowings

Borrowings consist of the following at August 31:

	<u>2013</u>	<u>2012</u>
Revenue Bonds, Series 2004A, tax exempt, issued through the New Hampshire Health and Education Facilities Authority (NHHEFA), with a variable rate determined through weekly remarketing (0.07% at August 31, 2013) through December 2034, annual principal payments continually increasing from \$385,000 to \$1,060,000 with a final payment of \$1,060,000 due December 2034, secured by a pledge of all gross receipts of Easter Seals NH and certain letters of credit (see below)	\$14,660,000	\$15,025,000
Revenue Bonds, Series 2010, issued through the Monroe County Industrial Development Corporation, interest only payments due through December 2011, after which monthly principal and interest payments ranging from \$10,050 to \$21,980 are required through the maturity date of December 31, 2040. Interest is payable monthly at a rate equal to 68% of the sum of the monthly LIBOR rate plus 2.65% (1.93% at August 31, 2013)	5,052,360	5,171,840
Mortgage payable to a bank with a variable rate of LIBOR plus 2.65% (2.83% at August 31, 2013), principal of \$9,500 plus interest payable monthly, with a final payment of \$2,299,000 due March 2015, secured by all business assets and property of Easter Seals CT, excluding certain assets limited as to use totaling \$3,444,569 at August 31, 2013	2,470,000	2,584,000
Note payable to a bank with a fixed rate of 4.25%, principal and interest of \$823 payable monthly, paid in full in July 2013	—	8,941

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

8. Borrowings (Continued)

	<u>2013</u>	<u>2012</u>
Note payable to a bank with a fixed rate of 2.50%, principal and interest of \$985 payable monthly through April 2018, secured by vehicles	\$ 52,008	\$ —
Note payable to a bank with a fixed rate of 3.66%, principal and interest of \$3,177 payable monthly, due August 2015, secured by vehicles	73,357	108,052
Unsecured note payable to an individual with a fixed rate of 5.25%, principal and interest of \$10,311 payable monthly, due April 2016	307,232	411,835
Non-revolving note payable to a bank with a total availability of \$3,500,000 with a variable rate of LIBOR plus 4.07% (4.25% at August 31, 2013), interest only payments through June 2014, after which monthly principal and interest payments are required through the maturity in June 2015, secured by an interest in certain property with a net book value of \$3,955,615 at August 31, 2013	<u>3,500,000</u>	<u>360,982</u>
	26,114,957	23,670,650
Less current portion	<u>796,290</u>	<u>746,716</u>
	<u>\$25,318,667</u>	<u>22,923,934</u>

Principal payments on long-term debt for each of the following years ending August 31 are as follows:

2014	\$ 796,290
2015	6,529,599
2016	642,389
2017	585,665
2018	610,934
Thereafter	<u>16,950,080</u>
	<u>\$26,114,957</u>

Lines of Credit

Easter Seals New Hampshire, Inc. has an agreement with a bank for a \$500,000 nonrevolving equipment line of credit. The line of credit is to be used to fund the purchase of New Hampshire titled vehicles for use by Easter Seals NH through April 2, 2014. The interest rate charged on outstanding borrowings is at a fixed rate at the then prime rate minus 0.75% for maturities up to a five-year term. Availability under this nonrevolving line of credit, which is reduced by the original amount of certain notes payable as of August 31, 2013 and 2012, is \$229,640 at August 31, 2013. The balances outstanding under the note payable at August 31, 2013 and 2012 were converted to the \$52,008 and \$8,941 term notes, respectively, as described above.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

8. Borrowings (Continued)

Easter Seals New Hampshire, Inc. (the sole member of Easter Seals NY and Harbor Schools), Easter Seals NY and Harbor Schools have a revolving line of credit with a bank, with available borrowings up to \$7 million (a portion of which is secured by available letters of credit of \$98,795, of which \$39,795 is related to Easter Seals NY). Outstanding advances are due on demand. The revolving line of credit has the following sub-limits which were last amended in May 2013: Easter Seals NH \$3.725 million, Easter Seals NY \$3 million and Harbor Schools \$275,000. The interest rate charged on outstanding borrowings is at LIBOR plus 2.25% (2.43% at August 31, 2013). Under an event of default, the interest rate will increase from LIBOR plus 2.25% to LIBOR plus 5.25%. The line is secured by a first priority interest in all business assets of Easter Seals New Hampshire, Inc., Easter Seals NY and Harbor Schools. The agreement requires that collective borrowings under the line of credit be reduced to \$3,500,000 for 30 consecutive days during each calendar year. The agreement also limits each borrower's ability to incur additional indebtedness in excess of \$500,000. Amounts outstanding under this revolving line of credit agreement at August 31, 2013 and 2012 were \$262,356 and \$451,302, respectively, related to Harbor Schools, \$1,599,505 and \$1,124,649, respectively, related to Easter Seals NY and \$1,425,875 and \$0, respectively, related to Easter Seals NH.

Easter Seals CT has a demand revolving line of credit with a bank with available borrowings up to \$1 million. The interest rate charged on outstanding borrowings is at LIBOR plus 2.25% (2.43% at August 31, 2013). The line is secured by all business assets and property of Easter Seals CT, except for certain assets limited as to use (\$3,444,569 carrying value as of August 31, 2013). Additionally, this line is guaranteed by Easter Seals NH. The agreement also limits Easter Seals CT's ability to incur additional indebtedness in excess of \$1,000,000 related to real estate, and is cross collateralized with all Easter Seals NH borrowings at this bank. Amounts outstanding under this revolving line of credit agreement at August 31, 2013 and 2012 were \$924,658 and \$406,653, respectively.

NHHEFA 2004A Revenue Bonds

In connection with the NHHEFA 2004A Revenue Bonds, Easter Seals NH is required to make deposits of interest and principal of sufficient amounts to make the required interest payments and to retire the Bonds when due. The 2004A Revenue Bonds require that Easter Seals NH maintain certain reserve funds with a trustee for current required principal and interest payments. Such amounts, which are included within assets limited as to use, totaled \$288,778 and \$273,761 at August 31, 2013 and 2012, respectively. This agreement also requires bank approval prior to Easter Seals NH incurring additional indebtedness. Easter Seals NH has two letters of credit securing the bonds each for \$14,840,246 (expiring and subject to renewal on December 1, 2013, and mainly to support future principal and interest repayments due under the 2004A Revenue Bonds), Easter Seals NH is required to replace or renew the two \$14,840,246 letters of credit upon their expiration or the related bonds may be subject to early redemption. Easter Seals NH pays an annual fee for the two letters of credit relating to the 2004A NHHEFA Revenue Bonds. Fees incurred on these letters of credit totaled approximately \$157,000 and \$234,000 in 2013 and 2012, respectively.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

8. Borrowings (Continued)

Series 2010 Revenue Bonds

On December 1, 2010, Easter Seals NY, in connection with the Monroe County Industrial Development Corporation and RBS Citizens, issued \$5,250,000 in Series 2010 tax-exempt Revenue Bonds (the Series 2010 Bonds). The Series 2010 Bonds were used to finance the acquisition of certain property located in Irondequoit, New York, provide for improvements to a school building and an existing rehabilitation facility, and construct two residential rehabilitation facilities. Additionally, proceeds were used to refinance certain Easter Seals NY outstanding debt.

The Series 2010 Bonds are secured by a mortgage on all properties and improvements financed by the bonds, and are guaranteed by Easter Seals NH. Easter Seals NY may elect to prepay some portion or all of the outstanding bonds subject to a prepayment fee, as defined. This agreement also requires bank approval prior to Easter Seals NY incurring additional indebtedness. The Series 2010 Bonds are subject to tender for mandatory purchase at the election of the bondholder beginning June 1, 2016, and thereafter every five years through June 1, 2036.

Interest Rate Swap Agreements

Easter Seals NH has an interest rate swap agreement with a bank in connection with the Series 2004A Revenue Bonds. The swap agreement has an outstanding notional amount of \$14,660,000 and \$15,025,000 at August 31, 2013 and 2012, respectively, which reduces, in conjunction with bond principal reductions, until the agreement terminates in December 2034. Easter Seals NH remits interest at the fixed rate of 3.54% and receives interest at a variable rate (0.07% at August 31, 2013).

On February 23, 2011, Easter Seals NY entered into an interest rate swap agreement with a bank in connection with the Series 2010 Revenue Bonds. The swap agreement had an outstanding notional amount of \$5,052,360 and \$5,171,840 at August 31, 2013 and 2012, respectively, which reduces, in conjunction with bond principal reductions, until the agreement terminates in January 2031. Easter Seals NY remits interest at a fixed rate of 2.99% and receives interest at a variable rate (68% of monthly LIBOR).

On December 27, 2010, Easter Seals CT entered into an interest rate swap agreement in connection with an outstanding mortgage payable (\$2,470,000 and \$2,584,000 at August 31, 2013 and 2012, respectively), until the agreement terminates in March 2015. The original notional amount of \$1,800,000 will reduce ratably in conjunction with repayment of the note payable. The swap agreement effectively changed the variable rate (2.83% at August 31, 2013) to a fixed rate of 2.72% for the notional amounts outstanding, which is approximately 65% of the related mortgage payable.

The fair value of the above interest rate swap agreements totaled \$2,758,346 and \$5,135,978 at August 31, 2013 and 2012, respectively, \$708,132 and \$734,470 of which was current at August 31, 2013 and 2012, respectively. During the years ended August 31, 2013 and 2012 net payments required by the agreements totaled \$692,269 and \$708,196, respectively. These payments have been included in interest expense within the consolidated statements of activities and changes in net assets. See note 11 with respect to fair value determinations.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

8. Borrowings (Continued)

In addition to the above swap agreements, Harbor Schools had an interest rate swap agreement with a bank in connection with certain bonds issued through the Massachusetts Development Finance Authority. The interest rate swap agreement, which would otherwise have terminated in October 2015, was terminated effective November 15, 2011 upon Harbor Schools full repayment of those bonds. This triggered a swap termination payment of \$159,678, which was recognized in 2012.

Debt Covenants

In connection with the bonds, lines of credit and various other notes payable described above, Easter Seals NH is required to comply with certain financial covenants including, but not limited to, minimum liquidity and debt service coverage ratios. At August 31, 2013, Easter Seals NH was in compliance with restrictive covenants specified under the NHHEFA bonds, Series 2010 Bonds, and other debt obligations.

9. Donated Services

A number of volunteers have donated their time in connection with Easter Seals NH's program services and fundraising campaigns. However, no amounts have been reflected in the accompanying consolidated financial statements for such donated services, as no objective basis is available to measure the value.

10. Related Party Transactions

Approximately 13% and 19% of other fees and grants revenue is derived from a pass-through grant from Easter Seals, Inc. for the years ended August 31, 2013 and 2012, respectively. Easter Seals NH is a member of Easter Seals, Inc. As of August 31, 2013 and 2012, Easter Seals NH had a receivable of \$247,471 and \$441,980, respectively, from Easter Seals, Inc. related to amounts due under this grant. Membership fees to Easter Seals, Inc. were \$121,780 and \$134,887 for the years ended August 31, 2013 and 2012, respectively and are reflected as support of National programs on the accompanying consolidated statements of activity and changes in net assets.

11. Fair Value of Financial Instruments

Fair value of a financial instrument is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at their measurement date. In determining fair value, Easter Seals NH uses various methods including market, income and cost approaches, and utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in factors used in the valuation. These factors may be readily observable, market corroborated, or generally unobservable. Easter Seals NH utilizes valuation techniques that maximize the use of observable factors and minimizes the use of unobservable factors.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

11. Fair Value of Financial Instruments (Continued)

Certain of Easter Seals NH's financial instruments are reported at fair value, which include beneficial interest held in trusts, investments and the interest rate swaps, and are classified by levels that rank the quality and reliability of the information used to determine fair value:

Level 1 – Valuations for financial instruments traded in active exchange markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical instruments.

Level 2 – Valuations for financial instruments traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar instruments.

Level 3 – Valuations for financial instruments derived from other methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining fair value.

The following describes the valuation methodologies used to measure financial assets and liabilities at fair value. The levels relate to valuation only and do not necessarily indicate a measure of investment risk. There have been no changes in the methodologies used by Easter Seals NH at August 31, 2013 and 2012.

Investments and Assets Limited as to Use

Cash and cash equivalents are deemed to be Level 1. The fair values of marketable equity securities, money market and mutual funds and government and agency securities that are based upon quoted prices in active markets for identical assets are reflected as Level 1. Investments in certain other mutual funds and corporate and foreign bonds where securities are transparent and generally are based upon quoted prices in active markets are valued by the investment managers and reflected as Level 2. Investments in certificates of deposit are at cost plus accrued interest, which is estimated to approximate fair value and are included in Level 2.

Beneficial Interest in Trusts Held by Others

The beneficial interest in trusts held by others has been assigned fair value levels based on the fair value levels of the underlying investments within the trusts. The fair values of marketable equity securities, money market and mutual funds, government and agency securities and other asset funds are based upon quoted prices in active markets for identical assets and are reflected as Level 1. Investments in marketable equity securities, mutual funds and corporate and foreign bonds where securities are transparent and generally are based upon quoted prices in active markets are valued by the investment managers and reflected as Level 2. Investments in alternative and other asset funds are derived from other methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions, and are reflected as Level 3. Level 3 valuations incorporate certain assumptions and projections in determining fair value.

Interest Rate Swap Agreements

The fair value for the interest rate swap liabilities is included in Level 3 and is estimated by the counterparty using industry standard valuation models. These models project future cash flows and discount the future amounts to present value using market-based observable inputs, including interest rates.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

11. Fair Value of Financial Instruments (Continued)

At August 31, 2013 and 2012, Easter Seals NH's assets and liabilities measured at fair value on a recurring basis were classified as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2013</u>				
Assets:				
Assets limited as to use and investments at fair value:				
Cash and cash equivalents	\$ 3,513,266	\$ —	\$ —	\$ 3,513,266
Certificates of deposit	—	554,282	—	554,282
Marketable equity securities:				
Large-cap	2,550,313	—	—	2,550,313
International	219,797	—	—	219,797
Mutual funds, open-ended:				
Short-term fixed income	3,304,368	—	—	3,304,368
Intermediate-term bond fund	543,938	—	—	543,938
High yield bond fund	274,582	—	—	274,582
Foreign bond	210,342	—	—	210,342
Government securities	511,971	—	—	511,971
International equities	693,837	—	—	693,837
Domestic, large-cap	816,851	—	—	816,851
Domestic, mid-cap	369,532	—	—	369,532
Domestic, small-cap	237,828	—	—	237,828
Real estate fund	3,868	—	—	3,868
Mutual funds, closed-ended:				
Fixed income and bond	427,663	—	—	427,663
Domestic, large-cap	2,002,955	—	—	2,002,955
Domestic, mid-cap	493,556	—	—	493,556
Domestic, small-cap	913,054	—	—	913,054
International equity	173,305	—	—	173,305
Commodity	14,383	—	—	14,383
Corporate and foreign bonds	—	903,497	—	903,497
Government and agency securities	<u>631,627</u>	<u>—</u>	<u>—</u>	<u>631,627</u>
	<u>\$17,907,036</u>	<u>\$1,457,779</u>	<u>\$ —</u>	<u>\$19,364,815</u>
Beneficial interest in trust held by others:				
Money market funds	\$ 4,555	\$ —	\$ —	\$ 4,555
Marketable equity securities:				
Large-cap	2,544,889	148,594	—	2,693,483
Mid-cap	809,286	45,600	—	854,886
Small-cap	—	33,110	—	33,110
International	319,796	40,369	—	360,165
Emerging markets	118,842	—	—	118,842
Corporate bonds	—	709,131	—	709,131
Foreign bonds	—	6,029	—	6,029

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

11. Fair Value of Financial Instruments (Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Domestic fixed income	\$ —	\$ 654,361	\$ —	\$ 654,361
International equity	34,664	—	—	34,664
International fixed income	19,931	—	—	19,931
Domestic large-cap equity	67,476	—	—	67,476
Domestic mid-cap equity	16,984	—	—	16,984
Domestic small-cap equity	20,565	—	—	20,565
Commodity	5,465	—	—	5,465
Government and agency securities	20,202	—	—	20,202
Real estate investment trust	95,123	—	—	95,123
Alternative and structured asset funds	<u>33,921</u>	<u>—</u>	<u>88,834</u>	<u>122,755</u>
	<u>\$ 4,111,699</u>	<u>\$ 1,637,194</u>	<u>\$ 88,834</u>	<u>\$ 5,837,727</u>
Liabilities:				
Interest rate swap agreements	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,758,346</u>	<u>\$ 2,758,346</u>
<u>2012</u>				
Assets:				
Assets limited as to use and investments at fair value:				
Cash and cash equivalents	\$ 2,784,158	\$ —	\$ —	\$ 2,784,158
Certificates of deposit	—	1,650,399	—	1,650,399
Marketable equity securities:				
Large-cap	2,112,576	—	—	2,112,576
International	189,358	—	—	189,358
Mutual funds, open-ended:				
Short-term fixed income	2,704,530	—	—	2,704,530
Intermediate-term bond fund	776,015	—	—	776,015
High yield bond fund	277,483	—	—	277,483
Foreign bond	142,305	—	—	142,305
Government securities	684,829	—	—	684,829
International equities	350,761	—	—	350,761
Domestic, large-cap	850,491	—	—	850,491
Domestic, mid-cap	1,039,241	—	—	1,039,241
Domestic, small-cap	159,736	—	—	159,736
Real estate fund	68,271	—	—	68,271
Mutual funds, closed-ended:				
Fixed income and bond	339,555	—	—	339,555
Domestic, large-cap	2,120,790	—	—	2,120,790
Domestic, mid-cap	16,045	—	—	16,045
Domestic, small-cap	239,693	—	—	239,693
International equity	614,770	—	—	614,770
Commodity	119,737	—	—	119,737
Corporate and foreign bonds	—	930,355	—	930,355
Government and agency securities	<u>310,437</u>	<u>—</u>	<u>—</u>	<u>310,437</u>
	<u>\$ 15,900,781</u>	<u>\$ 2,580,754</u>	<u>\$ —</u>	<u>\$ 18,481,535</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

11. Fair Value of Financial Instruments (Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Beneficial interest in trust held by others:				
Money market funds	\$ 403,426	\$ —	\$ —	\$ 403,426
Marketable equity securities:				
Large-cap	2,128,511	136,980	—	2,265,491
Mid-cap	367,586	38,092	—	405,678
Small-cap	—	26,099	—	26,099
International	421,345	35,421	—	456,766
Emerging markets	23,776	—	—	23,776
Corporate bonds	—	622,220	—	622,220
Foreign bonds	—	20,659	—	20,659
Mutual funds:				
Domestic fixed income	—	975,161	—	975,161
International equity	32,132	—	—	32,132
International fixed income	20,938	—	—	20,938
Domestic large-cap equity	62,604	—	—	62,604
Domestic mid-cap equity	14,062	—	—	14,062
Domestic small-cap equity	18,779	—	—	18,779
Government and agency securities	34,061	—	—	34,061
Real estate investment trust	102,373	—	—	102,373
Alternative and structured asset funds	<u>35,452</u>	<u>—</u>	<u>78,614</u>	<u>114,066</u>
	<u>\$ 3,665,045</u>	<u>\$ 1,854,632</u>	<u>\$ 78,614</u>	<u>\$ 5,598,291</u>
Liabilities:				
Interest rate swap agreements	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5,135,978</u>	<u>\$ 5,135,978</u>

The table below sets forth a summary of changes in the fair value of Easter Seals NH's Level 3 assets and liabilities for the years ended August 31, 2013 and 2012:

	<u>Interest Rate Swaps</u>	<u>Alternative and Other Asset Funds</u>
Beginning balance, September 1, 2011	\$(4,041,445)	\$ 57,709
Unrealized (losses) gains, net	(1,254,211)	20,905
Swap termination payment	<u>159,678</u>	<u>—</u>
Ending balance, August 31, 2012	(5,135,978)	78,614
Unrealized gains, net	<u>2,377,632</u>	<u>10,220</u>
Ending balance, August 31, 2013	<u>\$(2,758,346)</u>	<u>\$ 88,834</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

11. Fair Value of Financial Instruments (Continued)

Unrealized gains relating to the Harbor Schools interest rate swap totaled \$8,185 in 2012, and are included within discontinued operations (see note 13).

The net amounts of unrealized gains (losses) for the period attributable to the change in unrealized gains (losses) relating to the interest rate swaps still held at August 31, 2013 and 2012 were \$2,377,632 and (\$1,254,211), respectively. The amount of unrealized gains for the period attributable to the change in unrealized gains relating to the Level 3 investments still held at August 31, 2013 and 2012 were \$10,220 and \$12,817, respectively.

Easter Seals NH's other financial instruments, including cash and cash equivalents, accounts receivable from affiliates, program and other accounts receivable, contributions receivable, accounts payable, lines of credit, and long-term debt, have fair values approximating their carrying values because of the short-term nature of the financial instruments or because interest rates approximate current market rates.

12. Acquisition

On September 1, 2011, Easter Seals NH entered into an affiliation agreement under which Easter Seals NH became the sole member of Webster Place. Webster Place was not controlled by Easter Seals NH prior to this agreement. This affiliation was accounted for in the year ended August 31, 2012 in accordance with generally accepted accounting principles guidance on acquisitions by a not-for-profit entity. Substantially all revenue and support of Webster Place is from fees charged for services. Webster Place had revenue of approximately \$2,064,000, and an increase in net assets from operations of approximately \$763,000 for the year ended August 31, 2012, which results were attributed by the management of Easter Seals NH to being driven by effective management of the programs and identification of candidates for those programs. The tangible and identifiable intangible assets acquired, and deferred revenue and liabilities assumed, were initially recorded at their estimated fair values as determined by management at the acquisition date, as summarized below:

Assets acquired:	
Cash and cash equivalents	\$ 227,830
Other current assets	26,789
Patient list	331,000
Fixed assets	<u>112,776</u>
	698,395
Liabilities assumed:	
Accounts payable	(54,125)
Deferred revenue	(131,582)
Debt	<u>(512,688)</u>
Fair value of net assets acquired	\$ <u> -</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

13. Discontinued Operations

On March 22, 2013, the Board of Directors of Easter Seals NY voted to discontinue the Bronx Early Intervention program. On July 1, 2013, the Center for Therapeutic Recreation program located in Portland, Maine was transferred to the City of Portland and at that same time Easter Seals ME discontinued offering those services. On September 1, 2012, the Board of Directors of Easter Seals NH voted to discontinue the Raymond Preschool program and surrender the related operating license. On September 25, 2013, the Board of Directors of Easter Seals CT voted to discontinue the camp programs and cease all operations effective November 16, 2013. On January 25, 2012, the Board of Directors of Easter Seals NH voted to close Harbor Schools and cease all operations of this subsidiary. On January 25, 2012, the Board of Directors of Easter Seals New Hampshire, Inc. also voted to approve discontinuing the group home and special education programs in Rutland, Vermont.

The management of Easter Seals NH has determined that the closure of each of these programs/entities met the criteria for classification as discontinued operations. The decisions to close the programs were based on performance factors.

Summary statements of financial position for each of the above discontinued programs/entities as of August 31, 2013 and 2012 are as follows:

	<u>Rutland, Vermont</u>		<u>Harbor Schools</u>		<u>Bronx EI</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Total assets	\$ -	\$ 1,000	\$ 872,744	\$ 1,118,306	\$ 24,451	\$ 53,066
Total liabilities	1,197	-	595,053	813,880	9,289	-
Net assets (deficit):						
Unrestricted	(1,197)	1,000	230,951	251,319	15,162	53,066
Temporarily restricted	-	-	22,914	29,281	-	-
Permanently restricted	-	-	23,826	23,826	-	-
	<u>CTR Maine</u>		<u>CT Camp</u>		<u>NH Preschool</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Total assets	\$ 1,888	\$ 8,799	\$ 2,119,068	\$ 2,202,704	\$ -	\$ 17,786
Total liabilities	38	-	2,470,000	2,582,681	-	-
Net assets (deficit):						
Unrestricted	1,850	8,799	(350,932)	(379,977)	-	17,786
Temporarily restricted	-	-	-	-	-	-
Permanently restricted	-	-	-	-	-	-

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2013 and 2012

13. Discontinued Operations (Continued)

Summary statements of activities for each of the above discontinued programs/entities for the years ended August 31, 2013 and 2012 are as follows:

	<u>Rutland Vermont</u>		<u>Harbor Schools</u>		<u>Bronx EI</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Total public support and revenue	\$ -	\$ 242,500	\$ 12,907	\$ 2,589,615	\$ 320,740	\$ 330,968
Operating expenses	(20,310)	(401,216)	(329,961)	(3,871,472)	(531,841)	(455,208)
Other nonoperating expense, gains or losses	-	-	(1,469)	(57,538)	-	-
Gain on sale of properties, net	<u>-</u>	<u>106,474</u>	<u>291,788</u>	<u>1,913,435</u>	<u>-</u>	<u>-</u>
Total increase (decrease) in net assets	<u>\$ (20,310)</u>	<u>\$ (52,242)</u>	<u>\$ (26,735)</u>	<u>\$ 574,040</u>	<u>\$ (211,101)</u>	<u>\$ (124,240)</u>
	<u>CTR Maine</u>		<u>CT Camp</u>		<u>NH Preschool</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Total public support and revenue	\$ 124,872	\$ 167,848	\$ 774,143	\$ 619,084	\$ -	\$ 64,084
Operating expenses	(165,621)	(203,959)	(1,431,704)	(980,659)	(53,735)	(145,060)
Other nonoperating expense, gains or losses	-	-	-	-	-	-
Gain (loss) on sale of properties, net	<u>325</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,563)</u>	<u>-</u>
Total increase (decrease) in net assets	<u>\$ (40,424)</u>	<u>\$ (36,111)</u>	<u>\$ (657,561)</u>	<u>\$ (361,575)</u>	<u>\$ (69,298)</u>	<u>\$ (80,976)</u>

During 2013 and 2012, Easter Seals NH sold two and six properties, respectively, related to the closure of these programs, which resulted in gains on the sale of property of \$276,550 and \$2,019,909 for the years ending August 31, 2013 and 2012, respectively.

14. Concentrations

Easter Seals NH maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed amounts guaranteed by the Federal Deposit Insurance Corporation. Easter Seals NH has not experienced any losses in such accounts, and management believes Easter Seals NH is not exposed to any significant credit risk on cash and cash equivalents.

OTHER FINANCIAL INFORMATION

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

August 31, 2013

ASSETS

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimi- nations	Total
Current assets:									
Cash and cash equivalents	\$ 1,884,939	\$ 500	\$ 300	\$ 500	\$ -	\$ 270,732	\$ 885,650	\$ -	\$ 3,042,621
Accounts receivable from affiliates	8,588,060	983,077	-	-	-	-	247,471	(9,571,137)	247,471
Program and other accounts receivable, net	6,375,827	627,330	541,354	160,914	3,500	283,994	3,231,789	-	11,224,708
Contributions receivable, net	343,482	-	1,725	20,175	-	28,350	292,378	-	686,110
Current portion of assets limited as to use	288,778	-	-	-	-	253,183	-	-	541,961
Prepaid expenses and other current assets	<u>426,695</u>	<u>4,950</u>	<u>37,302</u>	<u>9,276</u>	<u>-</u>	<u>80,358</u>	<u>225,263</u>	<u>-</u>	<u>783,844</u>
Total current assets	17,907,781	1,615,857	580,681	190,865	3,500	916,617	4,882,551	(9,571,137)	16,526,715
Assets limited as to use, net of current portion	1,367,127	-	-	-	-	3,191,386	-	-	4,558,513
Fixed assets, net	20,574,542	1,994	29,777	20,130	-	1,919,988	5,520,453	-	28,066,884
Property held for sale	-	-	-	-	822,504	-	-	-	822,504
Bond issuance costs, net	65,290	-	-	-	-	-	179,461	-	244,751
Investments, at fair value	11,646,528	-	-	-	46,740	1,699,874	871,199	-	14,264,341
Beneficial interest in trusts held by others and other assets	<u>969,247</u>	<u>-</u>	<u>-</u>	<u>35,917</u>	<u>-</u>	<u>5,207,585</u>	<u>618,051</u>	<u>-</u>	<u>6,830,800</u>
	<u>\$52,530,515</u>	<u>\$1,617,851</u>	<u>\$ 610,458</u>	<u>\$ 246,912</u>	<u>\$ 872,744</u>	<u>\$12,935,450</u>	<u>\$12,071,715</u>	<u>\$ (9,571,137)</u>	<u>\$71,314,508</u>

LIABILITIES AND NET ASSETS

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimi- nations	Total
Current liabilities:									
Lines of credit	\$ 1,425,875	\$ -	\$ -	\$ -	\$ 262,356	\$ 924,658	\$ 1,599,505	\$ -	\$ 4,212,394
Accounts payable	1,259,499	8,467	1,492	3,458	907	65,152	473,153	-	1,812,128
Accrued expenses	3,058,850	7,722	28,013	6,617	29,988	115,836	896,428	-	4,143,454
Accounts payable to affiliates	4,654,485	-	2,790,841	58,729	296,552	493,735	1,276,795	(9,571,137)	-
Current portion of deferred revenue	1,368,832	12,095	55,123	-	5,250	264,818	160,116	-	1,866,234
Current portion of interest swap- agreements	525,435	-	-	-	-	39,267	143,430	-	708,132
Current portion of long-term debt	523,287	-	-	-	-	114,000	159,003	-	796,290
Total current liabilities	12,816,263	28,284	2,875,469	68,804	595,053	2,017,466	4,708,430	(9,571,137)	13,538,632
Deferred revenue, net of current portion	-	-	-	-	-	-	-	-	-
Other liabilities	1,367,458	-	-	-	-	3,191,386	-	-	3,191,386
Interest rate swap agreements, less current portion	1,699,286	-	-	-	-	17,475	333,453	-	2,050,214
Long-term debt, less current portion	17,995,953	-	-	-	-	2,356,000	4,966,714	-	25,318,667
Total liabilities	33,878,960	28,284	2,875,469	68,804	595,053	7,582,327	10,008,597	(9,571,137)	45,466,357
Net assets (deficit):									
Unrestricted	13,547,926	1,589,568	(2,279,862)	140,709	230,951	145,539	1,392,877	-	14,767,708
Temporarily restricted	734,001	(1)	14,851	1,482	22,914	-	152,190	-	925,437
Permanently restricted	4,369,628	-	-	35,917	23,826	5,207,584	518,051	-	10,155,006
Total net assets (deficit)	18,651,555	1,589,567	(2,265,011)	178,108	277,691	5,353,123	2,063,118	-	25,848,151
	<u>\$52,530,515</u>	<u>\$1,617,851</u>	<u>\$ 610,458</u>	<u>\$ 246,912</u>	<u>\$ 872,744</u>	<u>\$12,935,450</u>	<u>\$12,071,715</u>	<u>\$ (9,571,137)</u>	<u>\$71,314,508</u>

* Includes Agency Realty, Inc., Webster Place, Inc. and Manchester Alcoholism Rehabilitation Center

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

August 31, 2012

ASSETS

	<u>* New Hampshire</u>	<u>Vermont</u>	<u>Maine</u>	<u>Rhode Island</u>	<u>Harbor Schools, Inc.</u>	<u>Connecticut</u>	<u>New York</u>	<u>Elimi- nations</u>	<u>Total</u>
Current assets:									
Cash and cash equivalents	\$ 3,261,116	\$ 1,500	\$ 400	\$ 500	\$ -	\$ 217,128	\$ 921,543	\$ -	\$ 4,402,187
Accounts receivable from affiliates	7,589,576	1,223,181	-	-	-	-	441,980	(8,812,757)	441,980
Program and other accounts receivable, net	6,205,477	307,858	140,420	140,702	2,655	213,524	2,310,934	-	9,321,570
Contributions receivable, net	184,118	250	4,242	8,642	-	10,160	284,317	-	491,729
Current portion of assets limited as to use	273,761	-	-	-	-	184,244	-	-	458,005
Prepaid expenses and other current assets	796,271	12,698	20,780	11,863	17,625	56,849	388,087	-	1,304,173
Total current assets	18,310,319	1,545,487	165,842	161,707	20,280	681,905	4,346,861	(8,812,757)	16,419,644
Assets limited as to use, net of current portion	1,167,789	-	-	-	-	3,849,984	-	-	5,017,773
Fixed assets, net	17,149,053	1,621	9,272	14,324	140,666	2,061,397	5,756,148	-	25,132,481
Property held for sale	-	-	-	-	910,171	-	-	-	910,171
Bond issuance costs, net	68,363	-	-	-	-	-	186,027	-	254,390
Investments, at fair value	10,609,510	-	-	-	47,189	1,526,328	822,730	-	13,005,757
Beneficial interest in trusts held by others and other assets	992,034	-	-	34,488	-	4,999,548	593,941	-	6,620,011
	<u>\$48,297,068</u>	<u>\$ 1,547,108</u>	<u>\$ 175,114</u>	<u>\$ 210,519</u>	<u>\$ 1,118,306</u>	<u>\$ 13,119,162</u>	<u>\$ 11,705,707</u>	<u>\$ (8,812,757)</u>	<u>\$ 67,360,227</u>

LIABILITIES AND NET ASSETS

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimi- nations	Total
Current liabilities:									
Lines of credit	\$ -	\$ -	\$ -	\$ -	\$ 451,302	\$ 406,653	\$ 1,124,649	\$ -	\$ 1,982,604
Accounts payable	1,646,794	9,093	476	4,154	236,194	43,982	690,242	-	2,630,935
Accrued expenses	3,200,668	6,041	20,936	7,584	95,290	142,447	889,226	-	4,362,192
Accounts payable to affiliates	4,867,724	-	2,386,803	25,941	31,094	476,403	1,024,792	(8,812,757)	-
Rate reserves	-	-	-	-	-	-	435,008	-	435,008
Current portion of deferred revenue	1,469,308	21,337	19,644	450	-	190,312	56,232	-	1,757,283
Current portion of interest swap agreements	545,538	-	-	-	-	41,541	147,391	-	734,470
Current portion of long-term debt	478,544	-	-	-	-	114,000	154,172	-	746,716
Total current liabilities	12,208,576	36,471	2,427,859	38,129	813,880	1,415,338	4,521,712	(8,812,757)	12,649,208
Deferred revenue, net of current portion									
Other liabilities	1,168,659	-	-	-	-	3,778,487	-	-	3,778,487
Interest rate swap agreements, less current portion	3,435,046	-	-	-	-	56,467	909,995	-	4,401,508
Long-term debt, less current portion	15,328,214	-	-	-	-	2,470,000	5,125,720	-	22,923,934
Total liabilities	32,140,495	36,471	2,427,859	38,129	813,880	7,720,292	10,557,427	(8,812,757)	44,921,796
Net assets (deficit):									
Unrestricted	11,322,701	1,510,638	(2,255,245)	132,103	251,319	399,323	576,920	-	11,937,759
Temporarily restricted	483,752	(1)	2,500	5,799	29,281	-	77,419	-	598,750
Permanently restricted	4,350,120	-	-	34,488	23,826	4,999,547	493,941	-	9,901,922
Total net assets (deficit)	16,156,573	1,510,637	(2,252,745)	172,390	304,426	5,398,870	1,148,280	-	22,438,431
	\$48,297,068	\$1,547,108	\$ 175,114	\$ 210,519	\$1,118,306	\$13,119,162	\$11,705,707	\$ (8,812,757)	\$67,360,227

* Includes Agency Realty, Inc., Special Transit Service, Inc., Webster Place, Inc. and Manchester Alcoholism Rehabilitation Center

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2013

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimi- nations	Total
Public support and revenue:									
Public support:									
Contributions	\$ 1,982,061	\$ 833	\$ 20,222	\$ 34,516	\$ -	\$ 43,732	\$ 416,983	\$ -	\$ 2,498,347
Special events, net	323,059	176	57,225	106,647	-	35,291	466,125	-	988,523
Annual campaigns, net	379,744	15,804	12,321	32,663	-	2,702	-	-	443,234
Bequests	108,362	-	79,247	1,710	-	20,270	160,234	-	369,823
Total public support	2,793,226	16,813	169,015	175,536	-	101,995	1,043,342	-	4,299,927
Revenue:									
Fees and grants from governmental agencies	36,843,073	2,855,468	1,456,933	1,077,769	-	481,247	23,739,100	-	66,453,590
Other fees and grants	19,378,555	727,962	30,673	64,890	-	16,554	3,794,589	-	24,013,223
Sales to public	4,019,558	-	-	-	-	-	-	-	4,019,558
Dividend and interest income	353,638	-	-	1,431	-	305,749	52,749	(31,275)	682,292
Rental income	1,240	-	-	-	-	-	143,531	-	144,771
Intercompany revenue	1,966,264	-	-	-	-	-	54,004	(2,020,268)	-
Other	111,174	9,294	131	5,600	-	527,885	41,211	-	695,295
Total revenue	62,673,502	3,592,724	1,487,737	1,149,690	-	1,331,435	27,825,184	(2,051,543)	96,008,729
Total public support and revenue	65,466,728	3,609,537	1,656,752	1,325,226	-	1,433,430	28,868,526	(2,051,543)	100,308,656
Operating expenses:									
Program services:									
Public health education	257,956	885	87	3,746	-	241	346,187	-	609,102
Professional education	41,275	-	-	-	-	-	-	-	41,275
Direct services	56,210,877	3,177,319	1,437,204	1,073,809	-	945,531	24,682,214	(148,200)	87,378,754
Total program services	56,510,108	3,178,204	1,437,291	1,077,555	-	945,772	25,028,401	(148,200)	88,029,131

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimi- nations	Total
Supporting services:									
Management and general	\$ 7,893,023	\$ 329,705	\$ 154,349	\$ 121,246	\$ -	\$ 75,977	\$ 2,686,098	\$ (1,855,742)	\$ 9,404,656
Fundraising	<u>958,211</u>	<u>2,388</u>	<u>36,359</u>	<u>116,701</u>	-	<u>156,362</u>	<u>533,649</u>	<u>(47,601)</u>	<u>1,756,069</u>
Total supporting services	<u>8,851,234</u>	<u>332,093</u>	<u>190,708</u>	<u>237,947</u>	-	<u>232,339</u>	<u>3,219,747</u>	<u>(1,903,343)</u>	<u>11,160,725</u>
Total functional expenses	65,361,342	3,510,297	1,627,999	1,315,502	-	1,178,111	28,248,148	(2,051,543)	99,189,856
Support of National programs	<u>25,325</u>	-	<u>595</u>	<u>5,435</u>	-	<u>5,029</u>	<u>85,396</u>	-	<u>121,780</u>
Total operating expenses	<u>65,386,667</u>	<u>3,510,297</u>	<u>1,628,594</u>	<u>1,320,937</u>	-	<u>1,183,140</u>	<u>28,333,544</u>	<u>(2,051,543)</u>	<u>99,311,636</u>
Increase in net assets from operations	80,061	99,240	28,158	4,289	-	250,290	534,982	-	997,020
Other nonoperating expenses, gains and losses:									
Change in fair value of interest rate swaps	1,755,863	-	-	-	-	41,266	580,503	-	2,377,632
Net realized and unrealized gains (losses) on investments	715,103	-	-	-	-	112,222	(13,656)	-	813,669
Increase in fair value of beneficial interest in trusts held by others	5,861	-	-	1,429	-	208,036	24,110	-	239,436
Gain on sales and disposals of property, plant and equipment	<u>7,392</u>	-	-	-	-	-	-	-	<u>7,392</u>
	<u>2,484,219</u>	-	-	<u>1,429</u>	-	<u>361,524</u>	<u>590,957</u>	-	<u>3,438,129</u>
Increase in net assets before effects of discontinued operations	2,564,280	99,240	28,158	5,718	-	611,814	1,125,939	-	4,435,149
Loss from discontinued operations	<u>(69,298)</u>	<u>(20,310)</u>	<u>(40,424)</u>	-	<u>(26,735)</u>	<u>(657,561)</u>	<u>(211,101)</u>	-	<u>(1,025,429)</u>
Total increase (decrease) in net assets	2,494,982	78,930	(12,266)	5,718	(26,735)	(45,747)	914,838	-	3,409,720
Net assets (deficit) at beginning of year	<u>16,156,573</u>	<u>1,510,637</u>	<u>(2,252,745)</u>	<u>172,390</u>	<u>304,426</u>	<u>5,398,870</u>	<u>1,148,280</u>	-	<u>22,438,431</u>
Net assets (deficit) at end of year	<u>\$ 18,651,555</u>	<u>\$ 1,589,567</u>	<u>\$ (2,265,011)</u>	<u>\$ 178,108</u>	<u>\$ 277,691</u>	<u>\$ 5,353,123</u>	<u>\$ 2,063,118</u>	-	<u>\$ 25,848,151</u>

* Includes Agency Realty, Inc., Webster Place Inc., and Manchester Alcoholism Rehabilitation Center

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2012

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimi- nations	Total
Public support and revenue:									
Public support:									
Contributions	\$ 1,156,204	\$ 1,724	\$ 32,327	\$ 20,558	\$ -	\$ 38,367	\$ 713,660	\$ -	\$ 1,962,840
Special events, net	334,262	2,290	50,586	100,824	-	60,337	637,478	-	1,185,777
Annual campaigns, net	407,951	4,795	21,089	33,306	-	10,830	-	-	477,971
Bequests	(3,000)	-	-	-	-	8,761	122,000	-	127,761
Total public support	1,895,417	8,809	104,002	154,688	-	118,295	1,473,138	-	3,754,349
Revenue:									
Fees and grants from governmental agencies	38,016,845	2,551,544	1,200,957	996,191	-	148,477	20,301,892	-	63,215,906
Other fees and grants	20,545,703	561,452	8,401	68,030	-	25,818	5,545,943	-	26,755,347
Sales to public	4,057,412	-	-	-	-	-	-	-	4,057,412
Dividend and interest income	322,079	-	-	1,413	-	308,690	51,918	-	684,100
Rental income	320	-	-	-	-	-	140,053	-	140,373
Intercompany revenue	1,933,277	-	-	-	-	-	18,388	(1,951,665)	-
Other	141,239	14,553	100	3,170	-	429,122	53,816	-	642,000
Total revenue	65,016,875	3,127,549	1,209,458	1,068,804	-	912,107	26,112,010	(1,951,665)	95,495,138
Total public support and revenue	66,912,292	3,136,358	1,313,460	1,223,492	-	1,030,402	27,585,148	(1,951,665)	99,249,487
Operating expenses:									
Program services:									
Public health education	264,402	1,099	2,195	4,160	-	-	323,778	-	595,634
Professional education	22,251	-	-	-	-	-	-	-	22,251
Direct services	56,732,061	2,829,132	1,313,305	980,690	-	483,305	24,548,142	(243,332)	86,643,303
Total program services	57,018,714	2,830,231	1,315,500	984,850	-	483,305	24,871,920	(243,332)	87,261,188

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimi- nations	Total
Supporting services: Management and general Fundraising	\$ 7,553,872 <u>712,742</u>	\$ 259,458 <u>24,527</u>	\$ 146,294 <u>92,116</u>	\$ 101,051 <u>133,417</u>	\$ — <u>—</u>	\$ 172,564 <u>265,115</u>	\$ 2,175,566 <u>654,438</u>	\$ (1,708,333) <u>—</u>	\$ 8,700,472 <u>1,882,355</u>
Total supporting services	<u>8,266,614</u>	<u>283,985</u>	<u>238,410</u>	<u>234,468</u>	<u>—</u>	<u>437,679</u>	<u>2,830,004</u>	<u>(1,708,333)</u>	<u>10,582,827</u>
Total functional expenses	65,285,328	3,114,216	1,553,910	1,219,318	—	920,984	27,701,924	(1,951,665)	97,844,015
Support of National programs	<u>25,325</u>	<u>—</u>	<u>595</u>	<u>3,768</u>	<u>—</u>	<u>5,943</u>	<u>99,256</u>	<u>—</u>	<u>134,887</u>
Total operating expenses	<u>65,310,653</u>	<u>3,114,216</u>	<u>1,554,505</u>	<u>1,223,086</u>	<u>—</u>	<u>926,927</u>	<u>27,801,180</u>	<u>(1,951,665)</u>	<u>97,978,902</u>
Increase (decrease) in net assets from operations	1,601,639	22,142	(241,045)	406	—	103,475	(216,032)	—	1,270,585
Other nonoperating expenses, gains and losses: Change in fair value of interest rate swaps	(939,843)	—	—	—	—	19,090	(341,643)	—	(1,262,396)
Net realized and unrealized gains on investments	456,206	—	—	—	—	100,791	12,330	—	569,327
Increase (decrease) in fair value of beneficial interest in trust held by others	1,678	—	—	(636)	—	310,400	34,132	—	345,574
Gain on sales and disposals of property, plant and equipment	<u>3,537</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>905</u>	<u>—</u>	<u>4,442</u>
	<u>(478,422)</u>	<u>—</u>	<u>—</u>	<u>(636)</u>	<u>—</u>	<u>430,281</u>	<u>(294,276)</u>	<u>—</u>	<u>(343,053)</u>
Increase (decrease) in net assets before effects of discontinued operations	1,123,217	22,142	(241,045)	(230)	—	533,756	(510,308)	—	927,532
Gain (loss) from discontinued operations	<u>35,455</u>	<u>(168,673)</u>	<u>(36,111)</u>	<u>—</u>	<u>574,040</u>	<u>(361,575)</u>	<u>(124,240)</u>	<u>—</u>	<u>(81,104)</u>
Total increase (decrease) in net assets	1,158,672	(146,531)	(277,156)	(230)	574,040	172,181	(634,548)	—	846,428
Net assets (deficit) at beginning of year	<u>14,997,901</u>	<u>1,657,168</u>	<u>(1,975,589)</u>	<u>172,620</u>	<u>(269,614)</u>	<u>5,226,689</u>	<u>1,782,828</u>	<u>—</u>	<u>21,592,003</u>
Net assets (deficit) at end of year	<u>\$ 16,156,573</u>	<u>\$ 1,510,637</u>	<u>\$ (2,252,745)</u>	<u>\$ 172,390</u>	<u>\$ 304,426</u>	<u>\$ 5,398,870</u>	<u>\$ 1,148,280</u>	<u>\$ —</u>	<u>\$ 22,438,431</u>

* Includes Agency Realty, Inc., Special Transit Service, Inc., Webster Place Inc., and Manchester Alcoholism Rehabilitation Center

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2013

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimi- nations	Total
Salaries and related expenses	\$ 48,037,219	\$ 2,582,606	\$ 1,300,853	\$ 950,569	\$ -	\$ 755,476	\$ 19,918,642	\$ -	\$ 73,545,365
Professional fees	6,675,312	573,778	52,230	197,171	-	128,550	3,691,127	(2,020,268)	9,297,900
Supplies	1,856,481	24,018	27,890	7,177	-	26,740	775,217	-	2,717,523
Telephone	686,084	15,458	6,469	7,864	-	6,589	134,204	-	856,668
Postage and shipping	77,619	1,528	2,726	2,455	-	908	30,823	-	116,059
Occupancy	2,249,396	55,018	148,022	83,516	-	52,053	1,566,838	-	4,154,843
Outside printing, artwork and media	77,910	4,336	5,209	7,299	-	10,719	29,282	-	134,755
Travel	2,246,338	114,616	13,324	42,513	-	10,516	193,587	-	2,620,894
Conventions and meetings	215,572	27,374	2,877	1,668	-	11,465	134,210	-	393,166
Specific assistance to individuals	735,652	87,860	2,864	-	-	595	153,144	-	980,115
Dues and subscriptions	24,498	538	4,902	1,246	-	1,280	16,753	-	49,217
Minor equipment purchases- and equipment rental	296,845	19,148	10,555	11,565	-	7,157	88,269	-	433,539
Ads, fees and miscellaneous	50,794	2,962	3,204	225	-	1,594	49,361	-	108,140
Interest	780,721	-	-	-	-	26,201	319,338	(31,275)	1,094,985
Bad debt provision	112,016	264	43,006	500	-	134,598	469,007	-	759,391
Facility tax assessment	-	-	-	-	-	-	311,041	-	311,041
Depreciation and amortization	1,238,885	793	3,868	1,734	-	3,670	367,305	-	1,616,255
	<u>\$ 65,361,342</u>	<u>\$ 3,510,297</u>	<u>\$ 1,627,999</u>	<u>\$ 1,315,502</u>	<u>\$ -</u>	<u>\$ 1,178,111</u>	<u>\$ 28,248,148</u>	<u>\$ (2,051,543)</u>	<u>\$ 99,189,856</u>

* Includes Agency Realty, Inc., Webster Place Inc., and Manchester Alcoholism Rehabilitation Center

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2012

	* New Hampshire	Vermont	Maine	Rhode Island	Harbor Schools, Inc.	Connecticut	New York	Elimi- nations	Total
Salaries and related expenses	\$ 47,631,496	\$ 2,331,243	\$ 1,227,582	\$ 887,734	\$ -	\$ 614,326	\$ 20,224,843	\$ -	\$ 72,917,224
Professional fees	7,199,064	418,106	115,331	159,033	-	163,197	3,662,564	(1,951,665)	9,765,630
Supplies	1,833,429	15,939	19,425	7,528	-	17,533	793,865	-	2,687,719
Telephone	657,148	18,761	7,247	6,753	-	5,390	141,152	-	836,451
Postage and shipping	93,190	1,684	3,293	1,912	-	999	31,390	-	132,468
Occupancy	2,072,140	64,424	147,517	82,431	-	34,178	1,431,078	-	3,831,768
Outside printing, artwork and media	76,312	2,871	5,210	6,094	-	3,538	25,631	-	119,656
Travel	2,262,901	104,480	14,508	39,640	-	8,358	256,846	-	2,686,733
Conventions and meetings	220,963	34,900	3,954	2,011	-	9,480	122,601	-	393,909
Specific assistance to individuals	654,429	107,006	120	-	-	-	165,496	-	927,051
Dues and subscriptions	24,855	200	535	573	-	325	18,869	-	45,357
Minor equipment purchases and equipment rental	545,315	11,639	6,143	21,414	-	20,837	83,541	-	688,889
Ads, fees and miscellaneous	27,523	1,165	1,609	143	-	28,858	(3,112)	-	56,186
Interest	794,332	-	-	-	-	10,725	296,755	-	1,101,812
Bad debt provision	27,075	-	-	1,925	-	-	14,744	-	43,744
Depreciation and amortization	1,165,156	1,798	1,436	2,127	-	3,240	435,661	-	1,609,418
	<u>\$ 65,285,328</u>	<u>\$ 3,114,216</u>	<u>\$ 1,553,910</u>	<u>\$ 1,219,318</u>	<u>\$ -</u>	<u>\$ 920,984</u>	<u>\$ 27,701,924</u>	<u>\$ (1,951,665)</u>	<u>\$ 97,844,015</u>

* Includes Agency Realty, Inc., Special Transit Service, Inc., Webster Place Inc., and Manchester Alcoholism Rehabilitation Center

**Easter Seals New Hampshire, Inc.
and Subsidiaries**

Single Audit Act Reports

Year Ended August 31, 2013

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

SINGLE AUDIT ACT REPORTS

August 31, 2013

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BAKER | NEWMAN | NOYES

Chartered Accountants

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

The Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Easter Seals New Hampshire, Inc. and Subsidiaries (Easter Seals NH), which comprise the consolidated statement of financial position as of August 31, 2013, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 14, 2013.

Internal Control Over Financial Reporting

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

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

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

The Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

Compliance and Other Matters

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

Purpose of this Report

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

Manchester, New Hampshire
December 14, 2013

Baker Nauman & Noyes
Limited Liability Company

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133**

The Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

Report on Compliance for Each Major Federal Program

We have audited Easter Seals New Hampshire, Inc. and Subsidiaries' (Easter Seals NH) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Easter Seals NH's major federal programs for the year ended August 31, 2013. Easter Seals NH's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Easter Seals NH's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Easter Seals NH's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Easter Seals NH's compliance.

The Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

Opinion on Each Major Federal Program

In our opinion, Easter Seals NH complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular No. A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2013-1. Our opinion on each major federal program is not modified with respect to this matter.

Easter Seals NH's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Easter Seals NH's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Easter Seals NH is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Easter Seals NH's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Easter Seals NH's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

The Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the consolidated financial statements of Easter Seals NH as of and for the year ended August 31, 2013, and have issued our report thereon dated December 14, 2013, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Manchester, New Hampshire
December 14, 2013

Baker Newman & Noyes
Limited Liability Company

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended August 31, 2013

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
U.S. Department of Agriculture:			
Passed through the New Hampshire Department of Education:			
Child Nutrition Program:			
School Breakfast Program	10.553	02-6000618	\$ 16,876
National School Lunch Program	10.555	02-6000618	164,192
Child and Adult Care Food Program	10.558*	02-6000618	261,799
Passed through the New York Department of Education:			
Child Nutrition Program:			
Child and Adult Care Food Program	10.558*	14-6013200	<u>138,259</u>
Total U.S. Department of Agriculture			581,126
U.S. Department of Housing and Urban Development:			
Passed through the City of Dover Department of Planning and Community Development:			
CDBG Project – ES Family Place	14.218	02-6000230	35,162
Passed through the City of Manchester Community Improvement Program:			
CIP Project – Easter Seals (VNA) Child Care	14.218	02-6000517	23,250
Passed through the New York Office of Mental Retardation and Developmental Disabilities:			
Community Development Block / Entitlement Grants	14.218	14-6013200	35,411
Passed through the State of Maine Cumberland County:			
Community Development Block / Entitlement Grants	14.218	14-6013200	<u>6,000</u>
Total U.S. Department of Housing and Urban Development			99,823
U.S. Department of Justice:			
Passed through Goodwill Industries of Northern New England:			
Second Chance Act Prisoner Reentry Initiative	16.812	01-0284340	<u>1,597</u>
Total U.S. Department of Justice			1,597
U.S. Department of Labor:			
Passed through Services for the Underserved:			
Homeless Veteran’s Reintegration Program	17.805	91-1918247	41,645
Homeless Female Veterans/Veterans with Families	17.805	N/A	10,575
Passed through Easter Seals, Inc.:			
Senior Community Service Employment Program	17.235	36-2171729	<u>3,151,074</u>
Total U.S. Department of Labor			3,203,294

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

Year Ended August 31, 2013

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
U.S. Department of Veteran's Affairs:			
Passed through the Harbor Homes Inc:			
VA Supportive Services for Veteran Families (SSVF)	64.033	02-0351932	\$ <u>67,939</u>
Total U.S. Department of Veteran's Affairs			67,939
Americorp National – Corporation for National and Community Service:			
Passed through the University of Maryland Department of Health Services Administration:			
Legacy Corps (Americorp)	94.006	52-6002033	<u>47,013</u>
Total Americorp National			47,013
U.S. Department of Education:			
Passed through the New Hampshire Department of Children, Youth and Families:			
Title 1 Part D Subpart 1	84.010A	02-6000618	16,090
Passed through the New York Department of Education:			
Special Education – Grants to States (IDEA 611)	84.027*	13-6007141	1,374
	84.027*	13-6007112	22,429
	84.027*	13-6007113	(2,781)
	84.027*	14-6009250	1,334
	84.027*	14-6001456	7,855
	84.027*	13-2615395	7,565
	84.207*	13-2630619	1,352
	84.207*	13-6007117	1,321
	84.027*	13-6007116	6,310
	84.027*	14-6001632	9,234
	84.027*	13-6007132	3,222
	84.027*	14-6010769	1,239
	84.027*	14-6001973	38,150
	84.027*	13-1888668	3,618
	84.027*	13-6007142	8,670
	84.027*	13-6400434	95,980
	84.027*	13-6007160	4,824
	84.027*	13-6007163	1,302
	84.027*	13-6007136	3,708
	84.027*	14-6001844	28,111
	84.027*	13-6007172	1,716
	84.027*	14-1815092	2,752
	84.027*	13-6007115	1,727
	84.027*	13-7007114	1,148
	84.027*	13-6007139	3,405

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

Year Ended August 31, 2013

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
Special Education – Grants to States (IDEA 611) (Continued)	84.027*	13-6007183	\$ 8,695
	84.027*	13-6007340	12,460
Special Education – Preschool Grants (IDEA 619)	84.173*	13-6007141	209
	84.173*	13-6007112	2,838
	84.173*	13-6007113	(572)
	84.173*	14-6009250	336
	84.173*	14-6001456	2,335
	84.173*	13-2615395	1,475
	84.173*	13-2630619	228
	84.173*	13-6007117	382
	84.173*	13-6007116	1,065
	84.173*	14-6001632	2,454
	84.173*	13-6007132	966
	84.173*	14-6010769	400
	84.173*	14-6001973	13,734
	84.173*	13-1888668	669
	84.173*	13-6007142	1,700
	84.173*	13-6400434	11,423
	84.173*	13-6007160	956
	84.173*	13-6007163	496
	84.173*	13-6007136	642
	84.173*	14-6001844	14,500
	84.173*	13-6007172	327
	84.173*	14-1815092	1,775
	84.173*	13-6007115	179
	84.173*	13-6007114	150
	84.173*	13-6007139	822
	84.173*	13-6007183	1,795
	84.173*	13-6007340	<u>2,680</u>
Total U.S. Department of Education			356,774
U.S. Department of Health and Human Services:			
Administration on Aging, Community Innovations for Aging in Place	93.048		102,702
Passed through the Vermont Department of Social and Rehabilitation Services:			
Foster Care – Title IV – E	93.659*	03-6000264	211,198
Promoting Safe and Stable Families	93.556	03-6000264	131,448
Juvenile Justice Services	16.523	03-6000264	4,329

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

Year Ended August 31, 2013

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
Passed through the New Hampshire Bureau of Elderly and Adult Services:			
Special Programs for the Aging – Title III, Part B –			
Grants For Supportive Services and Senior Centers	93.044	02-6000618	\$ 113,219
National Family Caregiver Support	93.052	02-6000618	38,854
Social Services Block Grant	93.667	02-6000618	108,430
Medical Assistance Program (Medicaid: Title XIX)	93.778	02-6000618	124,794
CMS Research, Demonstrations and Evaluations	93.779	02-6000618	51,937
Medicare Improvements for Patients and Providers Act – Beneficiary Outreach and Assistance (MIPPA)	93.071	02-6000937	27,099
Passed through the New Hampshire Division of Public Health Bureau of Community Health Services, Alcohol & Other Drug Treatment Section:			
Substance Abuse Prevention and Treatment Block Grant	93.959	02-6000618	729,627
Regional Network	93.959	02-6000618	44,440
Substance Abuse Prevention and Treatment Project Grant	93.275	02-6000618	79,902
Passed through the New Hampshire Department of Health and Human Services:			
Child Care and Development Fund	93.596*	02-6000618	736,602
National Guard Military Operations and Maintenance	12.401*	02-6000618	800,777
Division of Public Health Services	93.991	02-6000618	10,513
Passed through the New Hampshire Department of Children, Youth and Families:			
Child Care and Development Block Grant	93.575*	02-6000618	393,473
After Hours Information & Referral Services for the DCYF System to Individuals & Law Enforcement	93.xxx	02-6000618	44,225
Passed through the Commonwealth of Massachusetts			
Department of Social Services:			
Temporary Assistance to Needy Families	93.558	04-2523961	734,152
Social Services Block Grant	93.667	04-2523961	722,930
Passed through the Rhode Island and Providence Plantations			
Department of Human Services:			
Early Intervention Part C	84.181	05-6000522	<u>62,959</u>
Total U.S. Department of Health and Human Services			<u>5,273,610</u>
Total Federal Expenditures			<u>\$ 9,631,176</u>

* Major Program

See notes to this schedule.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended August 31, 2013

1. Basis of Accounting

The Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting. Consequently, expenditures are recognized when the obligation is incurred. The Schedule of Expenditures of Federal Awards does not include matching amounts that Easter Seals NH expends in connection with its federal programs. Easter Seals NH affiliates that received federal awards that are included in the Schedule of Expenditures of Federal Awards include The Harbor Schools Incorporated, Manchester Alcoholism Rehabilitation Center, Webster Place, Inc., Easter Seals New York, Inc., Easter Seals Maine, Inc., Easter Seals Rhode Island, Inc., Easter Seals Vermont, Inc., and Easter Seals Connecticut, Inc.

2. Categorization of Expenditures

The categorization of expenditures by program included in the Schedule of Expenditures of Federal Awards is based upon the Catalog of Federal Domestic Assistance (CFDA).

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended August 31, 2013

SECTION I – Summary of Audit Results

Financial Statements:

Type of auditor’s report issued: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) that are not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards:

Internal control over major programs:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) that are not considered to be material weaknesses? _____ yes X none reported

Type of auditor’s report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? X yes _____ no

Identification of Major Programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
10.558	U.S. Department of Agriculture: Child and Adult Care Food Program
84.027 and 84.173	U.S. Department of Education: Special Education – Grants to States (IDEA 611), Special Education – Preschool Grants (IDEA 619)
93.659 93.596 and 93.575	U.S. Department of Health and Human Services: Foster Care – Title IV-E Child Care and Development Fund, Child Care and Development Block Grant
12.401	National Guard Military Operations and Maintenance

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? X yes _____ no

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended August 31, 2013

SECTION II – Financial Statement Findings

None reported.

SECTION III – Federal Award Findings and Questioned Costs

Reference Number:

Finding 2013-1

Federal Program Information:

U.S. Department of Agriculture: Passed through the Department of Education: Child Nutrition Program
Cluster: Child and Adult Care Food Program: CFDA #10.558

Criteria or Specific Requirement:

Allowable Costs

Condition:

Three of the seven months of meal counts reviewed did not agree to the meal counts submitted to the State for reimbursement. In total for the three months, meal counts, including breakfast, lunch and snacks, were under-reported by 604 meals. The total quantified error is \$1,046. While the net impact was favorable to the State, one of the three months resulted in over-reported costs of \$13.

Questioned Costs:

None

Context:

Compliance testing

Effect:

Total meal counts were added incorrectly and resulted in inaccurate meal counts reported to the State.

Cause:

Meal Counts for the CACFP program are maintained manually, and must be totaled each day, subtotaled each month, and then entered into a spreadsheet. Given the manual nature of the calculation, errors are more likely.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended August 31, 2013

Recommendation:

Easter Seals NH should implement an electronic system to calculate the number of meals, and reduce the likelihood of human error.

Corrective Action Taken:

As a long term solution, Easter Seals NH will investigate the feasibility of using Pro-care or a similar program for attendance and meal tracking in all locations not already using it.

Until a long term solution is implemented:

- accounting staff will work with the individual programs to develop tools and double checks to minimize errors in site sub-totals; and
- grant accounting staff will immediately begin a process of auditing meal counts by selecting one site per month to request all meal count and attendance records. These checks will be done after completion of month-end close and claims corrected as soon as possible when errors are found. Staff training will be reviewed and reinforced as needed to reduce errors. Each site will be reviewed at least once during the year.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CORRECTIVE ACTION PLAN

Year Ended August 31, 2013

Identifying Number: 2013-1

Finding: Allowable costs, Child and Adult Care Food Program

Contact: Sherry Garretson, Sr. Accountant – Grants, Easter Seals NH

Corrective Actions Taken or Planned: See Schedule of Findings and Questioned Costs

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended August 31, 2013

Finding 12-01: E-mail Encryption

Criteria:

Easter Seals NH's policies and procedures regarding secure transmitting should provide adequate means to ensure secure transmitting of potential protected health information (PHI) or other sensitive information.

Condition:

Although Easter Seals NH has a policy in place regarding secure transmitting of PHI or other sensitive information, Easter Seals NH does not utilize email encryption for this sensitive information. Additionally, there are no detective controls in place that would identify and report on PHI embedded in user emails. Software that can scan outgoing emails for predetermined "data" would enable Easter Seals NH to automatically encrypt emails and further safeguard and protect patients' health information. It was noted that Easter Seals NH is currently investigating encryption options from Citrix. A trial run has been established using Citrix's ShareFile, and Easter Seals NH is taking steps to complete a full roll out.

Context:

The deficiency identified above creates a risk that sensitive information is not securely transmitted by Easter Seals NH, which could result in a breach event as defined by the *Health Insurance Portability and Accountability Act* (HIPAA).

Effect:

The lack of appropriate controls over securely transmitting sensitive information could result in sensitive information being compromised if it is intercepted by an unintended party, and a potential liability and penalties for Easter Seals NH.

Cause:

There is a lack of sufficient detective and preventive controls relating to the secure transmitting of sensitive information.

Recommendation:

We recommend that Easter Seals NH move forward with the roll out of ShareFile, as planned. A Secure file-transfer solution that integrates with Outlook and other workflow tools could help prevent a HIPAA breach notification event and could help secure enterprise data. We also recommend that Easter Seals NH investigate solutions to scan outgoing and internal mail for potential PHI as an added measure.

Corrective Action Taken:

Easter Seals NH has moved away from the ShareFile application as a means to secure transmitted PHI in email messages and has purchased email encryption services from our hosted exchange partner. The encryption service encompasses subject and email message scanning for predetermined "data" that could be considered PHI. The encryption is administered and applied at the email account level and cannot be overridden by the sender or the recipient. Once the email is encrypted, all subsequent replies or forwards are encrypted as well. The application for the enhancement is active. Additionally we will continue to enforce Easter Seals NH's compliance policies regarding email usage and the appropriate way to protect and transmit all data.

Easter Seals Mission Statement

Easter Seals mission is to provide exceptional services to ensure that all people with disabilities or special needs and their families have equal opportunities to live, learn, work and play in their communities.

2014 Easter Seals New Hampshire Board of Directors

Chairman

Jim Bee

Lori Levesque

Past Chairman

Richard Rawlings

Timm Runnion

Michael Salter

General Counsel &

Assistant Secretary

(non voting member)

Bradford Cook, Esq.

Treasurer

Andrew MacWilliam

John Rogers

Assistant Treasurer

Tim Murray,

Dennis Beaulieu

Cynthia Makris

Secretary

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Assistant Secretary

Tom Sullivan

Charles S. Goodwin

Doris Labbe

Chairman - ME

Dennis Brown

Ann-Marie Forrester

Chairman - NY

Joe DiChiara

Matthew Boucher

Charles Panasis

Chairman - Farnum

Center

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Sue MacDermott

Leisa Maxwell, MD

Chairman - RI

Tracey Colucci

Ben Gamache

Vice Chairman - VT

Sally Garmon

Rick Courtemanche

Tim Lorenz

Kurt Patten

Wendell Butcher

Pam Telfer

Elin Treanor

CAREER SUMMARY:

Leadership, management and teamwork involving all business related functions and administration. Major emphasis on providing high quality and cost effective services to customers.

SKILLS & EXPERIENCE:

- Accounting, financial reporting, budgeting, internal controls, auditing, cost reporting, variance analysis, accounts payable, purchasing and payroll
- Cash management, investments, borrowing, banking relationships
- Billing, receivables, collections, funding sources, third party reimbursement
- Insurances, contracts, grants, legal issues
- Policies and procedures development, problem solving
- Financial training and consultation
- Strategic and business planning
- Liaison with Board of Directors and Committees

WORK HISTORY:

- | | |
|----------------|--|
| 1994 – Present | Easter Seals New Hampshire, Inc., Manchester, NH
<u>Senior Vice President & Chief Financial Officer</u>
Oversee fiscal management for 100 million-dollar budget size, multi-corporate, multi-state entity. Also, responsible for reception, maintenance, customer service functions. |
| 1988 – 1994 | Easter Seal Society of NH, Inc., Manchester, NH
<u>Vice President of Finance</u>
Responsible for finance functions and information systems agency wide. Instrumental in major financial turnaround from \$600,000 deficit in 1988 to \$100,000 surplus in 1989 and surpluses every year thereafter. |
| 1984 – 1988 | Easter Seal Society of NH, Inc., Manchester, NH
<u>Controller</u>
Promoted to position with added responsibilities of managing billing function and staff. Converted financial applications to integrated automated systems. Involved in corporate reorganizations to multiple entities and external corporate mergers and acquisitions. |

Elin Treanor
work history cont'd

- 1982 – 1984 Easter Seal Society of NH, Inc., Manchester, NH
Chief Accountant
Promoted to supervisory position to manage accounting, payroll, payables, purchasing. Revised budget process, audit work, procedures and monitoring systems.
- 1981 – 1982 Easter Seal Society of NH, Inc., Manchester, NH
Accountant
Promoted to take charge of general ledger, reconciliations and financial reporting. Established chart of accounts, fund accounting system and internal controls.
- 1980 – 1981 Easter Seal Society of NH, Inc., Manchester, NH
Internal Auditor
Handled accounts payable, cash flow, grant billing and review of general ledger accounts.
-
- 1974 – 1980 Marshalls, Peabody, MA
Senior Clerk
Worked as cashier, customer service representative and bookkeeper, while attending college.

EDUCATION:

- 1989 New Hampshire College, Hooksett, NH
Masters in Business Administration
- 1980 Bentley College, Waltham, MA
Bachelor of Science, Accounting Major
- 1977 North Shore Community College, Beverly, MA
Associates Degree, Accounting Major

SERVICE:

National Easter Seals:
Leader of Northeast Region Chief Financial Officers
Treasurer of Northeast Region Leadership Association
Past Chairman of the Quality Council

Harry E. Miller, Jr.

Goal:

- To become the Executive Director of Veterans Affairs for Easter Seals NH

Education:

- United States Army War College. Master of Strategic Studies, 2005
- Saint Martin's College, Master of Business Administration, 1992
- Washington and Jefferson College, Bachelor of Arts, Economics, 1980
- Valley Forge Military Jr. College, Associate of Arts, 1978

Professional Experience:

- **United States Army** (1980-1992)-12-years active duty with assignments to the 1st Armored Division, 82nd Airborne Division, and the 1st Special Forces Group
- **National Career Centers** (1993-1994)
- **Pfizer Inc** (1994-Present)
 - ☐ Primary Care Pharmaceutical Sales-VPC 1997
 - ☐ Specialty Care Pharmaceutical Sales (Neuroscience) –CMR 1998, VPC 2008
- **Army National Guard** (1995-Present) -17-years with assignments to the New Hampshire National Guard, the 1st Infantry Division/Iraq Assistance Group (Active Duty-Iraq), 5th Special Forces Group (Active Duty-Iraq), National Guard Bureau, the 10th Mountain Division (Active Duty), and the New York National Guard.

Professional Associations:

- Member, Association of the United States Army
- Member, National Guard Association of the United States
- Member, Special Forces Association
- Member, American Legion
- Member, Veterans Count Club
- Member, Horse Pond Fish and Game

Personal:

- Married with three daughters
- 2x combat veteran of Iraq, 32+ years military service
- Avid outdoorsman-interests include hunting, fishing, backpacking, and fitness training

References:

- Available upon request

Larry J. Gammon

Employment

7/88 to Present

President, Chief Executive Officer
Easter Seals New Hampshire/Vermont/New York
555 Auburn St.
Manchester, NH 03103

A member of Easter Seals National, the Agency is a comprehensive, multi-facility organization with services throughout New Hampshire, Vermont and New York. Employing over 1000 persons, and operating in excess of 40 million dollars, the Agency has services in Vocational, Educational, Residential, Clinical, Medical and Camping/Recreational. Position reports to the Chairman of the Board of Directors.

6/85 – 7/88

Executive Vice President
Vice President

8/75 – 6/85

Deputy Executive Director
Easter Seal Society/Goodwill Industries of New Hampshire/Vermont

In progressive management experiences, guided the Agency's programs through a growth from 1+ million dollar budget, and status as one of the most comprehensive service organizations in the country.

Directly responsible to the Executive Director, later President, for supervision of all professional programs of the comprehensive rehabilitation centers, with CARF accreditation in Audiology, Speech Pathology, Social Adjustment, Physical Restoration and Vocational Adjustment. In addition, the Society operates a large day school for handicapped pupils, 3 work adjustment center/sheltered workshops, a comprehensive camping program, retail sales outlets, and a pupil transportation program of 75 students per day. Duties included, but were not limited to, hiring and supervision of staff, program development, budget development and control, procuring funding, and staffing of various Board committees.

9/71 – 8/75 New Hampshire Easter Seal Society for Crippled Children & Adults, Inc.
870 Hayward St.
Manchester, NH 03103

Position: Facilities Director, Easter Seal School

Program Development, supervision and recruitment of staff, screening of pupils; developing budget, and securing funding.

9/70 – 7/71 New Hampshire Department of Education
Keene Public Schools
Keene, NH 03431

Position: Special Education Consultant

1 year study of special education needs of 6 small towns in New Hampshire. Responsible to 6 school boards and the New Hampshire Department of Special Education, Title VI-B Grant.

2/69 – 8/70 Gary Public Schools
Gary, IN

Position: Teacher, Special Education

Classroom teacher, M.R. Summer program for trainable M.R.

9/67 – 1/69 Charlottesville Public Schools
Charlottesville, VA

Position: Teacher M.R. – Department Chairman

Teacher, pre-vocational services, Department Chairman for Junior High age M.R. Director, Summer project (7/68), Title I.

Education

- 9/62 – 8/66 University of Virginia, Charlottesville, VA
B.S. in Special Education, emphasis in Mental Retardation. All
undergraduate courses were at the Master's Level. Dean's List, Junior &
Senior years.
- 9/66 –8/67 University of Virginia, Charlottesville, VA
36 hours of Graduate School of Education, emphasis in Administration,
Testing & Evaluation and Research. Full time graduate scholarship.
-

Service

National

- Chairman, Board of Trustees, CARF, 1990-1991
Member, Board of Trustees, CARF, 1985-1991
Medders Award, Outstanding Easter Seals Executive, 1995
President, Easter Seals Leadership Association, 1998-2000

Local

- Queen City Rotary Club, Member
Serenity Place, Board of Directors
Mayor's Task Force/Senior Services
Hillcrest Terrace, Board of Directors
CEO Council
Dartmouth Hitchcock Medical Center – Assembly of Overseers
YMCA Disability Council

Recognition

- Non-Profit Business of the Year, *Business NH Magazine*, 2010
Non-Profit Business of the Year, *Business NH Magazine*, 2005
Non-Profit Business of the Decade, *Business NH Magazine*, 2000
Non-Profit Business of the Year, *Business NH Magazine*, 1994

Tina M. Sharby, PIIR

Human Resources Professional with multi-state experience working as a strategic partner in all aspects of Human Resources Management.

Areas of expertise include

Strong analytical and organizational skills	Problem solving and complaint resolution
Ability to manage multiple tasks simultaneously	Policy development and implementation
Employment Law and Regulation Compliance	Compensation and benefits administration
Strategic management, mergers and acquisitions	

MS Office (Word, Excel, Outlook, PowerPoint), PeopleSoft, Oracle

PROFESSIONAL EXPERIENCE

**Senior Vice President Human Resources
Easter Seals, NH, VT, NY, ME, RI, Harbor Schools & Farnum Center
1998- Present**

Reporting directly to the President with total human resources and administration. Responsible for employee relations, recruitment and retention, compensation, benefits, risk management, health and safety, staff development for over 2100 employees in a six state not-for-profit organization. Developed and implemented human resources policies to meet all organizational, state and federal requirements. Research and implemented an organizational wide benefits plan that is supportive of on-boarding and retention needs.

Developed and implemented a due diligence research and analysis system for assessing merger and acquisition opportunities. Partnered with senior staff team in preparation of strategic planning initiatives.

Member of the organizations Compliance Committee, Wellness Committee and Risk Management Committee. Attended various board meetings as part of the senior management team, and sit on the investment committee of the Board of Directors for Easter Seals NH, Inc.

**Human Resources Director
Moore Center Services, Inc., Manchester, NH
1986-1998**

Held progressively responsible positions in this not-for-profit organization of 450 employees. Responsible for the development and administration of all Human Resources activities. Implemented key regulatory compliance programs and developed innovative

employee relations initiatives in a rapidly changing business environment. Lead the expansion of the Human Resources department from basic benefit administration to becoming a key advisor to the senior management.

Key responsibilities included benefit design, implementation and administration; workers compensation administration; wage and salary administration, new employee orientation and training; policy development and communication; retirement plan administration; budgetary development; and recruitment.

EDUCATION

Bachelor of Science Degree, Keene State College, 1986
Minor in Human Resources and Safety Management

MS Organizational Leadership, Southern NH University (in process)

ORGANIZATIONS

Manchester Area Human Resource Association
Diversity Chair 2010

Society for Human Resource Management

BIA Human Resources

Health Care & Workforce Development Committee 2009, 2010

Easter Seals New Hampshire, Inc.

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Larry Gammon	President/CEO	\$352,452	0%	\$ 0
Elin Treanor	CFO	\$240,000	0%	\$ 0
Tina Sharby	Chief Human Resources Officer	\$140,000	0%	\$ 0
Harry Miller	Executive Director Vets Svcs	\$135,000	0%	\$ 0



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

129 PLEASANT STREET, CONCORD, NH 03301

603-271-9410 1-800-852-3345 Ext. 9410

Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Nicholas A. Toumpas
 Commissioner

Nancy L. Rollins
 Associate Commissioner

June 17, 2013

G&C Approved

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

Date 7-24-13
 Item # 28

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services to amend an existing Agreement (Purchase Order #1006949) with Easter Seals New Hampshire, Inc., vendor number 177204, to continue to manage the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat, by increasing the current amount by \$584,415 from \$6,352,338 to an amount not to exceed \$6,936,753 and extending the completion date from June 30, 2014 to September 30, 2014, effective July 24, 2013, or date of Governor and Executive Council approval, whichever is later. The original contract was approved by Governor and Executive Council on March 24, 2010 Item #88 and subsequently amended on September 22, 2010 Item #185A, June 8, 2011 Item #115, June 20, 2012 Item #74, September 19, 2012 Item #69A, March 6, 2013 Item #15, April 17, 2013 Late Item B and May 1, 2013 Item #37C. Funds to support this request are anticipated to be available upon the availability and continued appropriation of funds in the future operating budgets.

05-95-95-958010-5192 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:COMMISSIONER, COMMUNITY BASED CARE SERVICES, DIRECTORS OFFICE

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Amount</u>	<u>Increase Amount</u>	<u>Revised Modified Amount</u>
2010	102-500731	Contracts for Program Svcs	\$ 888,025		\$ 888,025
2011	102-500731	Contracts for Program Svcs	\$2,409,816		\$2,409,816
2012	102-500731	Contracts for Program Svcs	\$2,000,000		\$2,000,000
2013	102-500731	Contracts for Program Svcs	\$ 617,423		\$ 617,423

05-95-49-490510-2983 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS:DIV OF COMM BASED CARE SVC, COMMUNITY BASED CARE SERVICES, DIRECTORS OFFICE

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Amount</u>	<u>Increase Amount</u>	<u>Revised Modified Amount</u>
2014	102-500731	Contracts for Program Svcs	\$ 437,074	\$456,864	\$ 893,938
2015	102-500731	Contracts for Program Svcs	\$ 0	\$127,551	\$ 127,551
Total			\$6,352,338	\$584,415	\$6,936,753

EXPLANATION

The purpose of this request is to amend an existing Agreement with Easter Seals New Hampshire, Inc. to continue the operation and management of the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat. These funds represent additional federal funds available from the National Guard that were not known at the time the contract was effective back in July 1, 2012. The Deployment Cycle Support Program builds a community-based support system, which integrates current veteran services with existing service delivery systems and allows local access for a full-spectrum of care. It is a preventive approach supporting families and military members pre, during and post deployments. Crisis prevention for families and military members is addressed through early development of "care plans" by professional care providers. The "care plan" is a risk assessment used to organize support services early, thereby reducing the overall number of emergency situations for service members and families involved in the war effort. Case managers proactively address "care plan" needs and refer or provide further treatment, as necessary.

The original contract was awarded as a result of a competitive bid process. The Department of Health and Human Services and the National Guard released a Request for Proposal to select a vendor to implement and manage the statewide Deployment Cycle Support Program on December 1, 2009. The Request For Proposal was posted on the Department of Health and Human Services' website and a notice of the release was sent to all known potential vendors. Easter Seals New Hampshire, Inc. was selected following a comprehensive evaluation of three proposals received, consistent with the following criteria identified in the Request For Proposal: Format and Adherence to Instructions, Background and Capacity, Plan of Operation and Workplan, and Budget and Budget Justification. The Request for Proposal stated that the bid amount was not the main factor in selecting a vendor to manage the program. The selected bidder, Easter Seals New Hampshire, Inc., did not submit the lowest price bid but they received the overall highest score and committed the highest amount of in-kind support. In addition, they have contracted with the Division of Community Based Care Services to develop and manage the pilot program since its inception in 2008. Approval of this contract amendment will ensure that the needs of New Hampshire National Guard, Reserves and Active Duty service members and their families who are engaged in the deployment cycle will continue to be met as described in the contract.

The contractor's performance will continue to be measured by their ability to meet the performance measures and other terms and conditions of the contract as evidenced by monthly invoices, program/financial reports and site reviews performed by the Division of Community Based Care Services. The contractor has met or exceeded performance criteria during the prior contract periods.

Should the Governor and Executive Council determine to not authorize to amend this existing Agreement, military men and women and their families will not be provided community-based support services pre, during and post-deployment in active military duty.

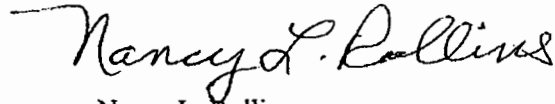
Area served: statewide.

Source of funds: 100% Other Funds (federal funds received and transferred from the State of New Hampshire's Adjutant General's Department).

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
June 17, 2013
Page 3

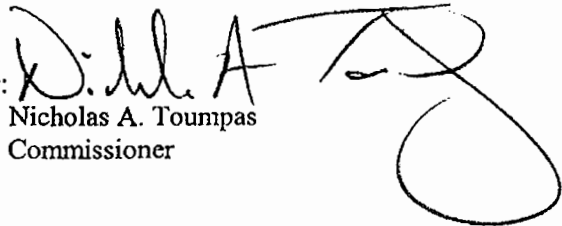
In the event Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Nancy L. Rollins
Associate Commissioner

Approved by:



Nicholas A. Toumpas
Commissioner

Exhibit B-1 Contract Budget Form

**Easter Seals New Hampshire
Deployment Cycle Support Program**

SFY 2014 July 1, 2013 - June 30, 2014

	<u>Easter Seals In-Kind SFY14</u>	<u>Total SFY14 Funding</u>
Salaries and Benefits		
Salary & Wages		556,159
Taxes @ 7.65%		42,546
Fringes @ 19.35%		117,405
Direct Costs		0
Meetings		1,500
Occupancy		26,751
Telephone		11,400
Equipment		1,200
Travel		24,000
Advertising	194	0
Subcontracts		24,000
Supplies		6,000
Printing		210
Postage		1,500
Financial Assistance		
Subtotal	180,194	812,671
Indirect Administrative Overhead		81,267
Total	198,213	893,938

Initial ET
Date 6/13/2013

Exhibit B-1 Contract Budget Form

**Easter Seals New Hampshire
Deployment Cycle Support Program**

SFY 2015 July 1, 2014 - June 30, 2015

	<u>Easter Seals In- Kind SFY15</u>	<u>Total SFY15 Funding</u>
<u>Salaries and Benefits</u>		
Salary & Wages		79,355
Taxes @ 7.65%		6,071
Fringes @ 19.35%		16,751
<u>Direct Costs</u>		0
Meetings		214
Occupancy		3,817
Telephone		1,627
Equipment		171
Travel		3,425
Advertising	49	0
Subcontracts		3,424
Supplies		856
Printing		30
Postage		214
Financial Assistance	45,000	
Subtotal	45,049	115,955
Indirect Administrative Overhead	4,505	11,596
Total	49,554	127,551

Initial ET
Date 6/13/2015

Division of Community Based Care Services
Deployment Cycle Support Care Coordination Program
Easter Seals New Hampshire, Inc.

Budget Narrative – SFY14

<u>Line Item</u>	<u>Justification</u>
Salary & Wages	Includes the monthly wages of Easter Seals staff charged to grant for direct service, administrative support and oversight of program.
Taxes	7.65% of salary and wages as budgeted.
Fringe Benefits	21.11% of salary & wages, includes benefit rate reconciliation true up. Benefits include medical, dental, life, workers compensation and long term disability insurance.
Meetings and Conventions	Includes the cost of training clinical staff.
Occupancy	Includes cost of renting remote office space used exclusively by program and allocated share of program's occupancy costs (rent, utilities, grounds keeping, etc.) at central office.
Telephone	Cost of cell phones and land lines used by program staff.
Equipment	Allows for purchase of replacement laptops for program staff
Travel	Monthly reimbursement to program staff for work related travel at .28 per mile.
Printing	Includes costs of copying program materials, business cards for staff.
Subcontracts	Includes monthly fees paid to organizations and individuals for direct service to Service Members and their families.
Supplies	Includes the cost of consumable office supplies (paper, binders, file labels).
Postage	Includes the cost of mailing correspondence, and reports.

Initial ET
Date 6/13/03

Financial Assistance

Emergency Financial Assistance provided to consumers
(provided in-kind).

Administrative Overhead

Agency approved rate of 10% of direct expense to cover
administrative functions associated with program
(Management, IT, Payroll, Accounts Payable, HR,
Accounting, etc.)

Initial ET
Date 6/13/2013

AMENDMENT

This Agreement (hereinafter called the "Amendment") dated June 13, 2013, by and between the State of New Hampshire acting by and through its Division of Community Based Care Services of the Department of Health & Human Services (hereinafter referred to as the "Division") and Easter Seals New Hampshire, Inc., corporation, organized under the laws of the State of New Hampshire, with a place of business at 555 Auburn Street, Manchester, NH (hereinafter referred to as the "Provider").

WHEREAS, pursuant to an agreement (hereinafter called the "Agreement"), dated May 1, 2013, the Provider agreed to perform certain services upon the terms and conditions specified in the Agreement and in consideration of payment by the Division of certain sums as specified therein;

WHEREAS, pursuant to the provisions of Section 18 of the Agreement, the Agreement may be amended or discharged only by a written instrument executed by the parties thereto and only after approval of such modification by the Governor & Executive Council, or amendment;

WHEREAS, the Provider and the Division have agreed to amend the Agreement in certain respects;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties hereto do hereby agree as follows;

1. Amendment and modification of Agreement:

The Agreement is hereby amended as follows:

1.1. Amend Section 1.8 of the General Provisions by replacing \$6,352,338 with \$6,936,753.

1.2. Replace Exhibit B, Purchase of Services, paragraph 1 with the following:

Service	Rate	SFY 2010	SFY 2011	SFY 2012	SFY 2013	SFY 2014	SFY 2015	Total
Deployment Cycle Support Program	Cost Reimbursement	\$888,025	\$2,409,816	\$2,000,000	\$617,423	\$437,074	\$ 0	\$6,352,338
Additional Funds						\$456,864	\$127,551	\$ 584,415
Totals		\$888,025	\$2,409,816	\$2,000,000	\$617,423	\$893,938	\$127,551	\$6,936,753

1.3. Replace Exhibit B, Purchase of Services, paragraph 2 with the following:

It is understood that in no event shall the total payments made by the Division of Community Based Care Services under this Agreement exceed the sum of \$6,936,753.

1.4. Replace Exhibit B-1, by adding a Contract Budget Form to identify the additional Deployment Cycle Support Program costs in the amount of \$893,938 in SFY 2014 and \$127,551 in SFY 2015.

1.5. Amend Section 1.7 of the General Provisions by extending the completion to September 30, 2014.

1.6. Amend end dates of all exhibits to September 30, 2014.

2. Effective Date of Amendment:

This Amendment shall be effective July 10, 2013 or the date of Governor and Executive Council approval, whichever is later.

3. Continuance of Agreement:

Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement and the obligation of the parties thereunder shall remain in full force and effect in accordance with the terms and conditions set forth therein.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

STATE OF NEW HAMPSHIRE
Division of Community Based Care Services

By Nancy L. Rollins
Nancy L. Rollins, Associate Commissioner

Easter Seals New Hampshire, Inc.
Name of Corporation

By Elin Treanor
Elin Treanor
Chief Operating Officer/Chief Financial Officer

State of New Hampshire
County of Hillsborough ~~Merrimack~~

On this the 13th day of June 2013, before me, Diane L Boulay, the undersigned officer personally appeared Elin Treanor who executed the foregoing instrument by signing her name.

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

Diane L Boulay
Notary Public/Justice of the Peace

DIANE L. BOULAY, Notary Public
My Commission Expires September 3, 2013

My Commission expires:

Approved by the Office of the Attorney General:

By Jeanne P. Herrick
Jeanne P. Herrick, Attorney

Date 25 June, 2013

Division of Community Based Care Services
Deployment Cycle Support Care Coordination Program
Easter Seals New Hampshire, Inc.

Budget Narrative – SFY15

<u>Line Item</u>	<u>Justification</u>
Salary & Wages	Includes the monthly wages of Easter Seals staff charged to grant for direct service, administrative support and oversight of program.
Taxes	7.65% of salary and wages as budgeted.
Fringe Benefits	21.11% of salary & wages, includes benefit rate reconciliation true up. Benefits include medical, dental, life, workers compensation and long term disability insurance.
Meetings and Conventions	Includes the cost of training clinical staff.
Occupancy	Includes cost of renting remote office space used exclusively by program and allocated share of program's occupancy costs (rent, utilities, grounds keeping, etc.) at central office.
Telephone	Cost of cell phones and land lines used by program staff.
Equipment	allows for purchase of replacement laptops for program staff
Travel	Monthly reimbursement to program staff for work related travel at .28 per mile.
Printing	Includes costs of copying program materials, business cards for staff.
Subcontracts	Includes monthly fees paid to organizations and individuals for direct service to Service Members and their families.
Supplies	Includes the cost of consumable office supplies (paper, binders, file labels).
Postage	Includes the cost of mailing correspondence, and reports.

Initial ET
Date 6/15/15

Financial Assistance

Emergency Financial Assistance provided to consumers
(provided in-kind).

Administrative Overhead

Agency approved rate of 10% of direct expense to cover
administrative functions associated with program
(Management, IT, Payroll, Accounts Payable, HR,
Accounting, etc.)

Initial ET
Date 6/13/10/13



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

129 PLEASANT STREET, CONCORD, NH 03301

603-271-9410 1-800-852-3345 Ext. 9410

Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Nicholas A. Toumpas
 Commissioner

Nancy L. Rollins
 Associate Commissioner

Approved by B+C

Date 5-1-13

April 25, 2013

Item # 37C

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

Contract # 1006949

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services to amend an existing Agreement (Purchase Order #1006949) with Easter Seals New Hampshire, Inc., vendor number 177204, to continue to manage the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat, by increasing the current amount by \$535,000 from \$5,817,338 to an amount not to exceed \$6,352,338 and extending the completion date from June 30, 2013 to June 30, 2014, effective May 1, 2013, or date of Governor and Executive Council approval, whichever is later. The original contract was approved by Governor and Executive Council on March 24, 2010 Item #88 and subsequently amended on September 22, 2010 Item #185A, June 20, 2012 Item #74, September 19, 2012 Item #69A, March 6, 2013 Item #15 and April 17, 2013 Late Item B. Funds to support this request are available in the following account in State Fiscal Year 2013 and funds for State Fiscal Year 2014 are anticipated to be available upon the availability and continued appropriation of funds in the future operating budgets.

05-95-95-958010-5192 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:COMMISSIONER, COMMUNITY BASED CARE SERVICES, DIRECTORS OFFICE

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Amount</u>	<u>Increase Amount</u>	<u>Revised Modified Amount</u>
2010	102-500731	Contracts for Program Svcs	\$ 888,025		\$ 888,025
2011	102-500731	Contracts for Program Svcs	\$2,409,816		\$2,409,816
2012	102-500731	Contracts for Program Svcs	\$2,000,000		\$2,000,000
2013	102-500731	Contracts for Program Svcs	\$ 519,497	\$97,926	\$ 617,423

05-95-49-490510-2983 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS:DIV OF COMM BASED CARE SVC, COMMUNITY BASED CARE SERVICES, DIRECTORS OFFICE

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Amount</u>	<u>Increase Amount</u>	<u>Revised Modified Amount</u>
2014	102-500731	Contracts for Program Svcs	\$ 0	\$437,074	\$ 437,074
		Total	\$5,817,338	\$535,000	\$6,352,338

EXPLANATION

The purpose of this request is to amend an existing Agreement with Easter Seals New Hampshire, Inc. to continue the operation and management of the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat. These funds represent additional federal funds available from the National Guard that were not known at the time the contract was effective back in July 1, 2012. The Deployment Cycle Support Program builds a community-based support system, which integrates current veteran services with existing service delivery systems and allows local access for a full-spectrum of care. It is a preventive approach supporting families and military members pre, during and post deployments. Crisis prevention for families and military members is addressed through early development of "care plans" by professional care providers. The "care plan" is a risk assessment used to organize support services early, thereby reducing the overall number of emergency situations for service members and families involved in the war effort. Case managers proactively address "care plan" needs and refer or provide further treatment, as necessary.

The original contract was awarded as a result of a competitive bid process. The Department of Health and Human Services and the National Guard released a Request for Proposal to select a vendor to implement and manage the statewide Deployment Cycle Support Program on December 1, 2009. The Request For Proposal was posted on the Department of Health and Human Services' website and a notice of the release was sent to all known potential vendors. Easter Seals New Hampshire, Inc. was selected following a comprehensive evaluation of three proposals received, consistent with the following criteria identified in the Request For Proposal: Format and Adherence to Instructions, Background and Capacity, Plan of Operation and Workplan, and Budget and Budget Justification. The Request for Proposal stated that the bid amount was not the main factor in selecting a vendor to manage the program. The selected bidder, Easter Seals New Hampshire, Inc., did not submit the lowest price bid but they received the overall highest score and committed the highest amount of in-kind support. In addition, they have contracted with the Division of Community Based Care Services to develop and manage the pilot program since its inception in 2008. Approval of this contract amendment will ensure that the needs of New Hampshire National Guard, Reserves and Active Duty service members and their families who are engaged in the deployment cycle will continue to be met as described in the contract.

The contractor's performance will continue to be measured by their ability to meet the performance measures and other terms and conditions of the contract as evidenced by monthly invoices, program/financial reports and site reviews performed by the Division of Community Based Care Services. The contractor has met or exceeded performance criteria during the prior contract periods.

Should the Governor and Executive Council determine to not authorize to amend this existing Agreement, military men and women and their families will not be provided community-based support services pre, during and post-deployment in active military duty.

Area served: statewide.

Source of funds: 100% Other Funds (federal funds received and transferred from the State of New Hampshire's Adjutant General's Department).

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
April 25, 2013
Page 3

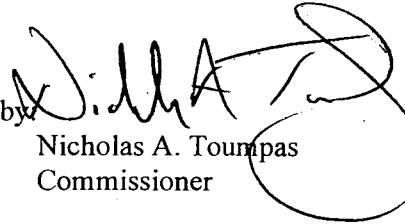
In the event Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Nancy L. Rollins
Associate Commissioner

Approved by



Nicholas A. Tounpas
Commissioner

AMENDMENT

This Agreement (hereinafter called the "Amendment") dated April 24, 2013, by and between the State of New Hampshire acting by and through its Division of Community Based Care Services of the Department of Health & Human Services (hereinafter referred to as the "Division") and Easter Seals New Hampshire, Inc., corporation, organized under the laws of the State of New Hampshire, with a place of business at 555 Auburn Street, Manchester, NH (hereinafter referred to as the "Provider").

WHEREAS, pursuant to an agreement (hereinafter called the "Agreement"), dated April 17, 2013, the Provider agreed to perform certain services upon the terms and conditions specified in the Agreement and in consideration of payment by the Division of certain sums as specified therein;

WHEREAS, pursuant to the provisions of Section 18 of the Agreement, the Agreement may be amended or discharged only by a written instrument executed by the parties thereto and only after approval of such modification by the Governor & Executive Council, or amendment;

WHEREAS, the Provider and the Division have agreed to amend the Agreement in certain respects;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties hereto do hereby agree as follows;

1. Amendment and modification of Agreement:

The Agreement is hereby amended as follows:

- 1.1. Amend Section 1.8 of the General Provisions by replacing \$5,817,338 with \$6,352,338.
- 1.2. Replace Exhibit B, Purchase of Services, paragraph 1 with the following:

Service	Rate	SFY 2010	SFY 2011	SFY 2012	SFY 2013	SFY 2014	Total
Deployment Cycle Support Program	Cost Reimbursement	\$888,025	\$2,409,816	\$2,000,000	\$519,497	\$ 0	\$5,817,338
Additional Funds					\$ 97,926	\$437,074	\$ 535,000
Totals		\$888,025	\$2,409,816	\$2,000,000	\$617,423	\$437,074	\$6,352,338

- 1.3. Replace Exhibit B, Purchase of Services, paragraph 2 with the following:

It is understood that in no event shall the total payments made by the Division of Community Based Care Services under this Agreement exceed the sum of \$6,352,338.

- 1.4. Replace Exhibit B-1, by adding a Contract Budget Form to identify the additional Deployment Cycle Support Program costs in the amount of \$97,926 in SFY 2013 and \$437,074 in SFY 2014.
- 1.5. Amend Section 1.7 of the General Provisions by extending the completion to June 30, 2014.
- 1.6. Amend the end date of all exhibits to June 30, 2014.

2. Effective Date of Amendment:

This Amendment shall be effective May 1, 2013 or the date of Governor and Executive Council approval, whichever is later.

3. Continuance of Agreement:

Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement and the obligation of the parties thereunder shall remain in full force and effect in accordance with the terms and conditions set forth therein.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

STATE OF NEW HAMPSHIRE
Division of Community Based Care Services

By Nancy L. Rollins
Nancy L. Rollins, Associate Commissioner

Easter Seals New Hampshire, Inc.
Name of Corporation

By Elin Treanor
Elin Treanor
Chief Operating Officer/Chief Financial Officer

State of New Hampshire
County of Hillsborough

On this the 24th day of April 2013, before me, Diane L. Boulay, the undersigned officer personally appeared Elin Treanor who executed the foregoing instrument by signing her name.

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

Diane L. Boulay
Notary Public/Justice of the Peace

My Commission expires: DIANE L. BOULAY, Notary Public
My Commission Expires September 3, 2013

Approved by the Office of the Attorney General:

By Jeanne P. Herrick
Jeanne P. Herrick, Attorney

Date 25 April, 2013

Exhibit B-1 Contract Budget Form

Easter Seals New Hampshire
Deployment Cycle Support Program

SFY 2013 July 1, 2012 - June 30, 2013

	Easter Seals In-Kind	DHHS Funding SFY13 Amendment	Total Cost
Salaries and Benefits			
Salary & Wages		293,909	293,909
Taxes @ 7.65%		22,485	22,485
Fringes @ 19.35%		56,871	56,871
Direct Costs			
Meetings		0	0
Occupancy		6,600	6,600
Telephone		3,822	3,822
Equipment		2,100	2,100
Travel		4,000	4,000
Advertising	80	0	80
Subcontracts		169,014	169,014
Supplies		2,393	2,393
Postage		100	100
Financial Assistance	288,000		288,000
Subtotal	288,080	561,294	849,374
Indirect Administrative Overhead	28,808	56,129	84,937
Total	316,888	617,423	934,311

ET 4/24/2011

Division of Community Based Care Services
Deployment Cycle Support Care Coordination Program
Easter Seals New Hampshire, Inc.

Budget Narrative – SFY13

<u>Line Item</u>	<u>Justification</u>
Salary & Wages	Includes the monthly wages of Easter Seals staff charged to grant for direct service, administrative support and oversight of program.
Taxes	7.65% of salary and wages as budgeted.
Fringe Benefits	19.35% of salary & wages, includes benefit rate reconciliation true up. Benefits include medical, dental, life, workers compensation and long term disability insurance.
Meetings and Conventions	Includes the cost of training clinical staff.
Occupancy	Includes cost of renting remote office space used exclusively by program and allocated share of program's occupancy costs (rent, utilities, grounds keeping, etc.) at central office.
Telephone	Cost of cell phones and land lines used by program staff. Feb phone bill in March rather than Feb because it was received late making Mar expense higher than usual.
Equipment	allows for purchase of replacement laptops for program staff
Travel	Monthly reimbursement to program staff for work related travel at .28 per mile.
Printing	Includes costs of copying program materials, business cards for new staff (provided in-kind).
Subcontracts	Includes monthly fees paid to organizations and individuals for direct service to Service Members and their families.
Supplies	Includes the cost of consumable office supplies (paper, binders, file labels).

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11/11/13

Exhibit B-1 Contract Budget Form

Easter Seals New Hampshire
Deployment Cycle Support Program

SFY 2014 July 1, 2013 - June 30, 2014

	Easter Seals In-Kind	DHHS Funding SFY14 Amendment	Total Cost
Salaries and Benefits			
Salary & Wages		267,810	267,810
Taxes @ 7.65%		20,487	20,487
Fringes @ 19.35%		53,563	53,563
Direct Costs			
Meetings		178	178
Occupancy		14,953	14,953
Telephone		10,146	10,146
Equipment		1,187	1,187
Travel		14,241	14,241
Advertising	100	0	100
Subcontracts		12,817	12,817
Supplies		1,780	1,780
Postage		178	178
Financial Assistance	180,000		180,000
Subtotal	180,100	397,340	577,440
Indirect Administrative Overhead	18,010	39,734	57,744
Total	198,110	437,074	635,184

ET
4/24/13

Division of Community Based Care Services
Deployment Cycle Support Care Coordination Program
Easter Seals New Hampshire, Inc.

Budget Narrative – SFY14

<u>Line Item</u>	<u>Justification</u>
Salary & Wages	Includes the monthly wages of Easter Seals staff charged to grant for direct service, administrative support and oversight of program.
Taxes	7.65% of salary and wages as budgeted.
Fringe Benefits	19.35% of salary & wages, includes benefit rate reconciliation true up. Benefits include medical, dental, life, workers compensation and long term disability insurance.
Meetings and Conventions	Includes the cost of training clinical staff.
Occupancy	Includes cost of renting remote office space used exclusively by program and allocated share of program's occupancy costs (rent, utilities, grounds keeping, etc.) at central office.
Telephone	Cost of cell phones and land lines used by program staff. Feb phone bill in March rather than Feb because it was received late making Mar expense higher than usual.
Equipment	allows for purchase of replacement laptops for program staff
Travel	Monthly reimbursement to program staff for work related travel at .28 per mile.
Printing	Includes costs of copying program materials, business cards for new staff (provided in-kind).
Subcontracts	Includes monthly fees paid to organizations and individuals for direct service to Service Members and their families.
Supplies	Includes the cost of consumable office supplies (paper, binders, file labels).

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4/24/13

Postage	Includes the cost of mailing correspondence, and reports.
Financial Assistance	Emergency Financial Assistance provided to consumers (provided in-kind).
Administrative Overhead	Agency approved rate of 10% of direct expense to cover administrative functions associated with program (Management, IT, Payroll, Accounts Payable, HR, Accounting, etc.)

201
4/24/2013



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

129 PLEASANT STREET, CONCORD, NH 03301
 603-271-9410 1-800-852-3345 Ext. 9410

Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Nicholas A. Toumpas
 Commissioner

Nancy L. Rollins
 Associate Commissioner

Approved by G+C

Date 4-17-13

Item # Late Item B

April 11, 2013

Contract # 1006949

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services to amend an existing Agreement (Purchase Order #1006949) with Easter Seals New Hampshire, Inc., vendor number 177204, to continue to manage the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat, by increasing the current amount by \$35,000 from \$5,782,338 to an amount not to exceed \$5,817,338, effective date of Governor and Executive Council approval. The original contract was approved by Governor and Executive Council on March 24, 2010 Item #88 and subsequently amended on September 22, 2010 Item #185A, June 20, 2012 Item #74, September 19, 2012 Item #69A and March 6, 2013 Item #15. Funds to support this request are available in the following account.

05-95-95-958010-5192 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:COMMISSIONER, COMMUNITY BASED CARE SERVICES, DIRECTORS OFFICE

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Amount</u>	<u>Increase Amount</u>	<u>Revised Modified Amount</u>
2010	102-500731	Contracts for Program Svcs	\$ 888,025		\$ 888,025
2011	102-500731	Contracts for Program Svcs	\$2,409,816		\$2,409,816
2012	102-500731	Contracts for Program Svcs	\$2,000,000		\$2,000,000
2013	102-500731	Contracts for Program Svcs	\$ 484,497	\$35,000	\$ 519,497
			\$5,782,338	\$35,000	\$5,817,338

EXPLANATION

The purpose of this request is to amend an existing Agreement with Easter Seals New Hampshire, Inc. to continue the operation and management of the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat. These funds represent additional federal funds available from the National Guard that were not known at the time the contract was effective back in July 1, 2012. The Deployment Cycle Support Program builds a community-based support system, which integrates current veteran services with existing service delivery systems and allows local access for a full-spectrum of care. It is a preventive approach supporting families and military members pre, during and post deployments. Crisis prevention for families and military members is addressed through early development of "care plans" by

Her Excellency, Governor Margaret Wood Hassan

and the Honorable Council

April 11, 2013

Page 2

professional care providers. The "care plan" is a risk assessment used to organize support services early, thereby reducing the overall number of emergency situations for service members and families involved in the war effort. Case managers proactively address "care plan" needs and refer or provide further treatment, as necessary.

The original contract was awarded as a result of a competitive bid process. The Department of Health and Human Services and the National Guard released a Request for Proposal to select a vendor to implement and manage the statewide Deployment Cycle Support Program on December 1, 2009. The Request For Proposal was posted on the Department of Health and Human Services' website and a notice of the release was sent to all known potential vendors. Easter Seals New Hampshire, Inc. was selected following a comprehensive evaluation of three proposals received, consistent with the following criteria identified in the Request For Proposal: Format and Adherence to Instructions, Background and Capacity, Plan of Operation and Workplan, and Budget and Budget Justification. The Request for Proposal stated that the bid amount was not the main factor in selecting a vendor to manage the program. The selected bidder, Easter Seals New Hampshire, Inc., did not submit the lowest price bid but they received the overall highest score and committed the highest amount of in-kind support. In addition, they have contracted with the Division of Community Based Care Services to develop and manage the pilot program since its inception in 2008. Approval of this contract amendment will ensure that the needs of New Hampshire National Guard, Reserves and Active Duty service members and their families who are engaged in the deployment cycle will continue to be met as described in the contract.

The contractor's performance will continue to be measured by their ability to meet the performance measures and other terms and conditions of the contract as evidenced by monthly invoices, program/financial reports and site reviews performed by the Division of Community Based Care Services. The contractor has met or exceeded performance criteria during the prior contract periods.

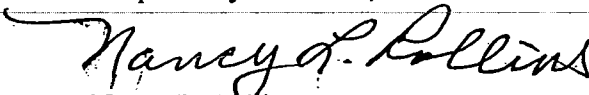
Should the Governor and Executive Council determine to not authorize to amend this existing Agreement, military men and women and their families will not be provided community-based support services pre, during and post-deployment in active military duty.

Area served: statewide.

Source of funds: 100% Other Funds (federal funds received and transferred from the State of New Hampshire's Adjutant General's Department).

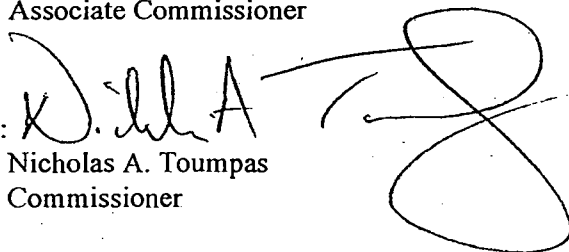
In the event Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Nancy L. Rollins
Associate Commissioner

Approved by:



Nicholas A. Toumpas
Commissioner

AMENDMENT

This Agreement (hereinafter called the "Amendment") dated April 11, 2013, by and between the State of New Hampshire acting by and through its Division of Community Based Care Services of the Department of Health & Human Services (hereinafter referred to as the "Division") and Easter Seals New Hampshire, Inc., corporation, organized under the laws of the State of New Hampshire, with a place of business at 555 Auburn Street, Manchester, NH (hereinafter referred to as the "Provider").

WHEREAS, pursuant to an agreement (hereinafter called the "Agreement"), dated March 6, 2013, the Provider agreed to perform certain services upon the terms and conditions specified in the Agreement and in consideration of payment by the Division of certain sums as specified therein;

WHEREAS, pursuant to the provisions of Section 18 of the Agreement, the Agreement may be amended or discharged only by a written instrument executed by the parties thereto and only after approval of such modification by the Governor & Executive Council, or amendment;

WHEREAS, the Provider and the Division have agreed to amend the Agreement in certain respects;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties hereto do hereby agree as follows;

1. Amendment and modification of Agreement:

The Agreement is hereby amended as follows:

1.1. Amend Section 1.8 of the General Provisions by replacing \$5,782,338 with \$5,817,338.

1.2. Replace Exhibit B, Purchase of Services, paragraph 1 with the following:

Service	Rate	SFY 2010	SFY 2011	SFY 2012	SFY 2013	Total
Deployment Cycle Support Program	Cost Reimbursement	\$888,025	\$2,409,816	\$2,000,000	\$484,497	\$5,782,338
Additional Funds					\$ 35,000	\$ 35,000
Totals		\$888,025	\$2,409,816	\$2,000,000	\$519,497	\$5,817,338

1.3. Replace Exhibit B, Purchase of Services, paragraph 2 with the following:

It is understood that in no event shall the total payments made by the Division of Community Based Care Services under this Agreement exceed the sum of \$5,817,338.

1.4. Replace Exhibit B-1, by adding a Contract Budget Form to identify the additional Deployment Cycle Support Program costs in the amount of \$35,000.

2. Effective Date of Amendment:

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

3. Continuance of Agreement:

Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement and the obligation of the parties thereunder shall remain in full force and effect in accordance with the terms and conditions set forth therein.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

STATE OF NEW HAMPSHIRE
Division of Community Based Care Services

By Nancy L. Rollins
Nancy L. Rollins, Associate Commissioner

Easter Seals New Hampshire, Inc.
Name of Corporation

By Elin Treanor
Elin Treanor
Chief Operating Officer/Chief Financial Officer

State of New Hampshire
County of ~~Merrimack~~ Hillsborough

On this the 11th day of April 2013, before me, ~~Elin Treanor~~ Diane Boulay the undersigned officer personally appeared Elin Treanor who executed the foregoing instrument by signing her name.

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

Diane L. Boulay
Notary Public/Justice of the Peace

DIANE L. BOULAY, Notary Public
My Commission Expires September 3, 2013

My Commission expires:

Approved by the Office of the Attorney General:

By Jeanne P. Herrick
Jeanne P. Herrick, Attorney

Date 11 Apr., 2013

Exhibit B-1 Contract Budget Form

Easter Seals New Hampshire
Deployment Cycle Support Program

SFY 2013 July 1, 2012 - June 30, 2013

	Easter Seals In-Kind	DHHS Funding SFY13 Amendment	Total Cost
Salaries and Benefits			
Salary & Wages		226,343	226,343
Taxes @ 7.65%		17,316	17,316
Fringes @ 19.35%		43,797	43,797
Direct Costs			
Meetings	80	0	80
Occupancy		6,600	6,600
Telephone		1,750	1,750
Equipment		1,100	1,100
Travel		4,000	4,000
Advertising		0	0
Subcontracts		169,014	169,014
Supplies		2,250	2,250
Postage		100	100
Financial Assistance	288,000		288,000
Subtotal	288,080	472,270	760,350
Indirect Administrative Overhead	28,808	47,227	76,035
Total	316,888	519,497	836,385

2/23/13
1/23

Division of Community Based Care Services
Deployment Cycle Support Care Coordination Program
Easter Seals New Hampshire, Inc.

Budget Narrative

<u>Line Item</u>	<u>Justification</u>
Salary & Wages	Includes the monthly wages of Easter Seals staff charged to grant for direct service, administrative support and oversight of program.
Taxes	7.65% of salary and wages as budgeted.
Fringe Benefits	21.35% of salary & wages, includes benefit rate reconciliation true up. Benefits include medical, dental, life, workers compensation and long term disability insurance.
Meetings and Conventions	Includes the cost of training clinical staff.
Occupancy	Includes cost of renting remote office space used exclusively by program and allocated share of program's occupancy costs (rent, utilities, grounds keeping, etc.) at central office.
Telephone	Cost of cell phones and land lines used by program staff.
Equipment	Computers for staff
Travel	Monthly reimbursement to program staff for work related travel at .28 per mile.
Printing	Includes costs of copying program materials, business cards for new staff (provided in-kind).
Subcontracts	Includes monthly fees paid to organizations and individuals for direct service to Service Members and their families.
Supplies	Includes the cost of consumable office supplies (paper, binders, file labels).
Postage	Includes the cost of mailing correspondence, and reports.

EJ
4/16/2013

Financial Assistance

Emergency Financial Assistance provided to consumers
(provided in-kind).

Administrative Overhead

Agency approved rate of 10% of direct expense to cover
administrative functions associated with program
(Management, IT, Payroll, Accounts Payable, HR,
Accounting, etc.)

EG
4/11/03



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

129 PLEASANT STREET, CONCORD, NH 03301
 603-271-9410 1-800-852-3345 Ext. 9410

Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Nicholas A. Toumpas
 Commissioner

Nancy L. Rollins
 Associate Commissioner

February 14, 2013

Approved by G+C

Date 3-6-13

Item # 15

Contract # 1006949

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services to amend an existing Agreement (Purchase Order #1006949) with Easter Seals New Hampshire, Inc., vendor number 177204, to continue to manage the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat, by increasing the current amount by \$148,497 from \$5,633,841 to an amount not to exceed \$5,782,338, effective March 6, 2013, or date of Governor and Executive Council approval, whichever is later. The original contract was approved by Governor and Executive Council on March 24, 2010 Item #88 and subsequently amended on September 22, 2010 Item #185A, June 20, 2012 Item #74 and September 19, 2012 Item #69A. Funds to support this request are available in the following account.

05-95-95-958010-5192 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:COMMISSIONER, COMMUNITY BASED CARE SERVICES, DIRECTORS OFFICE

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Amount</u>	<u>Increase Amount</u>	<u>Revised Modified Amount</u>
2010	102-500731	Contracts for Program Svcs	\$ 888,025		\$ 888,025
2011	102-500731	Contracts for Program Svcs	\$2,409,816		\$2,409,816
2012	102-500731	Contracts for Program Svcs	\$2,000,000		\$2,000,000
2013	102-500731	Contracts for Program Svcs	<u>\$ 336,000</u>	<u>\$148,497</u>	<u>\$ 484,497</u>
			\$5,633,841	\$148,497	\$5,782,338

EXPLANATION

The purpose of this request is to amend an existing Agreement with Easter Seals New Hampshire, Inc. to continue the operation and management of the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat. These funds represent additional federal funds available from the National Guard that were not known at the time the contract was effective back in July 1, 2012. The Deployment Cycle Support Program builds a community-based support system, which integrates current veteran services with existing service delivery systems and allows local access for a full-spectrum of care.. It is a preventive approach supporting families and military members pre, during and post deployments. Crisis prevention for families and military members is addressed through early development of "care plans" by

February 14, 2013

Page 2

professional care providers. The "care plan" is a risk assessment used to organize support services early, thereby reducing the overall number of emergency situations for service members and families involved in the war effort. Case managers proactively address "care plan" needs and refer or provide further treatment, as necessary.

The original contract was awarded as a result of a competitive bid process. The Department of Health and Human Services and the National Guard released a Request for Proposal to select a vendor to implement and manage the statewide Deployment Cycle Support Program on December 1, 2009. The Request For Proposal was posted on the Department of Health and Human Services' website and a notice of the release was sent to all known potential vendors. Easter Seals New Hampshire, Inc. was selected following a comprehensive evaluation of three proposals received, consistent with the following criteria identified in the Request For Proposal: Format and Adherence to Instructions, Background and Capacity, Plan of Operation and Workplan, and Budget and Budget Justification. The Request for Proposal stated that the bid amount was not the main factor in selecting a vendor to manage the program. The selected bidder, Easter Seals New Hampshire, Inc., did not submit the lowest price bid but they received the overall highest score and committed the highest amount of in-kind support. In addition, they have contracted with the Division of Community Based Care Services to develop and manage the pilot program since its inception in 2008. Approval of this contract amendment will ensure that the needs of New Hampshire National Guard, Reserves and Active Duty service members and their families who are engaged in the deployment cycle will continue to be met as described in the contract.

The contractor's performance will continue to be measured by their ability to meet the performance measures and other terms and conditions of the contract as evidenced by monthly invoices, program/financial reports and site reviews performed by the Division of Community Based Care Services. The contractor has met or exceeded performance criteria during the prior contract periods.

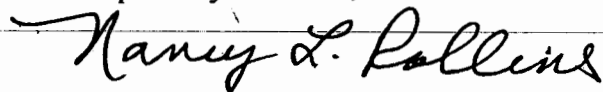
Should the Governor and Executive Council determine to not authorize to amend this existing Agreement, military men and women and their families will not be provided community-based support services pre, during and post-deployment in active military duty.

Area served: statewide.

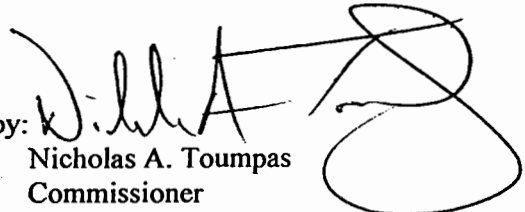
Source of funds: 100% Other Funds (federal funds received and transferred from the State of New Hampshire's Adjutant General's Department).

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

Respectfully submitted,



Nancy L. Rollins
Associate Commissioner

Approved by: 
Nicholas A. Toumpas
Commissioner

AMENDMENT

This Agreement (hereinafter called the "Amendment") dated February 12, 2013, by and between the State of New Hampshire acting by and through its Division of Community Based Care Services of the Department of Health & Human Services (hereinafter referred to as the "Division") and Easter Seals New Hampshire, Inc., corporation, organized under the laws of the State of New Hampshire, with a place of business at 555 Auburn Street, Manchester, NH (hereinafter referred to as the "Provider").

WHEREAS, pursuant to an agreement (hereinafter called the "Agreement"), dated September 19, 2012, the Provider agreed to perform certain services upon the terms and conditions specified in the Agreement and in consideration of payment by the Division of certain sums as specified therein;

WHEREAS, pursuant to the provisions of Section 18 of the Agreement, the Agreement may be amended or discharged only by a written instrument executed by the parties thereto and only after approval of such modification by the Governor & Executive Council, or amendment;

WHEREAS, the Provider and the Division have agreed to amend the Agreement in certain respects;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties hereto do hereby agree as follows;

1. Amendment and modification of Agreement:

The Agreement is hereby amended as follows:

1.1. Amend Section 1.8 of the General Provisions by replacing \$5,633,841 with \$5,782,338.

1.2. Replace Exhibit B, Purchase of Services, paragraph 1 with the following:

Service	Rate	SFY 2010	SFY 2011	SFY 2012	SFY 2013	Total
Deployment Cycle Support Program	Cost Reimbursement	\$888,025	\$2,409,816	\$2,000,000	\$336,000	\$5,633,841
Additional Funds					\$148,497	\$ 148,497
Totals		\$888,025	\$2,409,816	\$2,000,000	\$484,497	\$5,782,338

1.3. Replace Exhibit B, Purchase of Services, paragraph 2 with the following:

It is understood that in no event shall the total payments made by the Division of Community Based Care Services under this Agreement exceed the sum of \$5,782,338.

1.4. Replace Exhibit B-1, by adding a Contract Budget Form to identify the additional Deployment Cycle Support Program costs in the amount of \$148,497.

2. Effective Date of Amendment:

This Amendment shall be effective March 6, 2012 or the date of Governor & Executive Council approval, whichever is later.

3. Continuance of Agreement:

Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement and the obligation of the parties thereunder shall remain in full force and effect in accordance with the terms and conditions set forth therein.

JH 2/12/13

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

STATE OF NEW HAMPSHIRE

Division of Community Based Care Services

By Nancy L. Rollins
Nancy L. Rollins, Associate Commissioner

Easter Seals New Hampshire, Inc.
Name of Corporation

By Larry J. Gammon
Larry J. Gammon, President & CEO

State of New Hampshire

County of Merrimack

On this the 12 day of February 2013, before me, BETTY BURKE, the undersigned officer personally appeared Larry J. Gammon who executed the foregoing instrument by signing his/her name.

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

Betty R. Burke
Notary Public/Justice of the Peace
BETTY R. BURKE, Notary Public
My Commission Expires February 13, 2013

My Commission expires:

Approved by the Office of the Attorney General:

By Jeanne P. Herrick
Jeanne P. Herrick, Attorney

Date 19 Feb, 2013

JPH 2/12/13

Exhibit B-1 Contract Budget Form

Easter Seals New Hampshire
Deployment Cycle Support Program

SFY 2013 July 1, 2012 - June 30, 2013

	DHHHS Funding		Total Cost
	Easter Seals In-Kind	SFY13 Amendment	
Salaries and Benefits			
Salary & Wages		201,565	201,565
Taxes @ 7.65%		15,420	15,420
Fringes @ 19.35%		39,003	39,003
Direct Costs			
Meetings		0	0
Occupancy		6,600	6,600
Telephone		1,750	1,750
Equipment		1,100	1,100
Travel		4,000	4,000
Advertising	80	0	80
Subcontracts		169,014	169,014
Supplies		1,900	1,900
Postage		100	100
Financial Assistance		288,000	288,000
Subtotal	288,080	440,452	728,532
Indirect Administrative Overhead	28,808	44,045	72,853
Total	316,888	484,497	801,385

JP 2/12/13

Division of Community Based Care Services
Deployment Cycle Support Care Coordination Program
Easter Seals New Hampshire, Inc.

Budget Narrative
SFY 2013 – July, 2012 – June 30, 2013

<u>Line Item</u>	<u>Justification</u>
Salary & Wages	Wages for Easter Seals staff charged to grant for direct service, administrative support and oversight of program.
Taxes	7.65% of salary and wages as budgeted.
Fringe Benefits	19.35% of salary & wages. Benefits include medical, dental, life, workers compensation and long term disability insurance.
Meetings	Includes the cost of training clinical staff and attending essential meetings and conferences.
Occupancy	Includes cost of renting remote office space used exclusively by program and allocated share of program's occupancy costs (rent, utilities, grounds keeping, etc.) at central office.
Telephone	Cost of cell phones and land lines used by program staff.
Equipment	Includes cost of a laptop computer for new care coordination staff
Travel	Monthly reimbursement to program staff for work related travel at .28 per mile.
Advertising	Cost of advertising ES Veteran Services (provided in kind)
Subcontracts	Includes monthly fees paid to organizations and individuals for direct service to Service Members and their families.
Postage	Includes the cost of mailing correspondence and reports.
Supplies	Includes the cost of consumable office supplies (paper,

JS
2/12/13

binders, file labels, replacement toner/printer cartridges, etc).

Financial Assistance

Veterans Count Emergency Financial Assistance provided to consumers (provided in-kind).

Indirect Administrative Overhead

Agency approved rate of 10% of direct expense to cover administrative functions associated with program (Management, IT, Payroll, Accounts Payable, HR, Accounting, etc.)

JP
2/12/13

JK
5/5/11



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

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9410 1-800-852-3345 Ext. 9410

Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Nicholas A. Toumpas
Commissioner

Nancy L. Rollins
Associate Commissioner

Approved by 6+C

Date 9-19-12

August 31, 2012

Item # 69A

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

Contract # 10006949

STATE OF NH

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services, to amend an existing Agreement (Purchase Order #10006949) with Easter Seals New Hampshire, Inc., 555 Auburn Street, Manchester, NH 03103, (Vendor #177204) to continue to manage the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat, by extending the completion date from September 30, 2012 to June 30, 2013, with no additional cost, effective October 1, 2012 or the date of Governor and Executive Council approval, whichever is later. The original contract was approved by Governor and Executive Council on March 24, 2010 (Item # 88), and subsequently amended on September 22, 2010 (Item # 185A), June 8, 2011 (Item # 115) and June 20, 2012 (Item # 74).

These funds can be adjusted, if needed and justified, between State Fiscal Years. Funds are available in State Fiscal Year 2013 in the following account:

05-95-95-95810-5192 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:COMMISSIONER, COMMUNITY BASED CARE SERVICES, DIRECTORS OFFICE

State Fiscal Year	Class/Object	Class Title	Current Modified Budget
2010	102-500731	Contracts for program services	\$ 888,025.00
2012	102-500731	Contracts for program services	\$2,409,816.00
2012	102-500731	Contracts for program services	\$2,000,000.00
2013	102-500731	Contracts for program services	\$336,000.00
Total			\$5,633,841.00

EXPLANATION

The purpose of this request is to amend an existing Agreement with Easter Seals New Hampshire, Inc. to continue the operation and management of the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat. The Deployment Cycle Support Program builds a community-based support system, which integrates current veteran services with existing service delivery systems and allows local access for a full-spectrum of care. It is a preventive approach supporting families and military members pre, during, and post deployments. Crisis prevention for families and military members is addressed through early development of "care plans" by professional care providers. The "care plan" is a risk assessment used to organize support services early, thereby reducing the overall number of emergency situations for service members and families involved in the war effort. Case managers proactively address "care plan" needs and refer or provide further treatment, as necessary. The Agreement will be extended from September 30, 2012 to June 30, 2013. This request is not to increase or request additional appropriations, it is to allow Easter Seals to spend down any remaining funds that may exist as of September 30, 2012.

The original contract was awarded as a result of a competitive bid process. The Department of Health and Human Services and the National Guard released a Request For Proposal to select a vendor to implement and manage the statewide Deployment Cycle Support Program on December 1, 2009. The Request For Proposal was posted on the Department of Health and Human Services' website and a notice of the release was sent to all known potential vendors. Easter Seals New Hampshire, Inc. was selected following a comprehensive evaluation of three proposals received, consistent with the following criteria identified in the Request For Proposal: Format and Adherence to Instructions, Background and Capacity, Plan of Operation and Workplan, and Budget and Budget Justification. The Request For Proposal stated that the bid amount was not the main factor in selecting a vendor to manage the program. The selected bidder, Easter Seals New Hampshire, Inc., did not submit the lowest price bid but they received the overall highest score and committed the highest amount of in-kind support. In addition, they have contracted with the Division of Community Based Care Services to develop and manage the pilot program since its inception in 2008. Approval of this contract amendment will ensure that the needs of New Hampshire National Guard, Reserves and Active Duty service members and their families who are engaged in the deployment cycle will continue to be met as described in the contract.

The contractor's performance will continue to be measured by their ability to meet the performance measures and other terms and conditions of the contract as evidenced by monthly invoices, program/financial reports, and site reviews. Performed by the Division of Community Based Services. The contractor has met or exceeded performance criteria during the prior contract periods.

~~Should the Governor and Executive Council determine to not authorize to amend this existing Agreement,~~
military men and women and their families will not be provided community-based support services pre, during and post-deployment in active military duty.

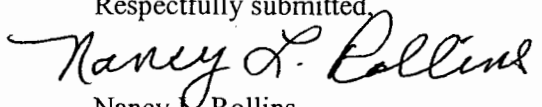
Area Served: Statewide

The source of funds: 100% other funds (i.e. federal funds received and transferred from the State of New Hampshire's Adjutant General's Department).

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
August 31, 2012
Page 3

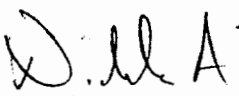
In the event that other funds are no longer available, general funds will not be requested to support this program.

Respectfully submitted,

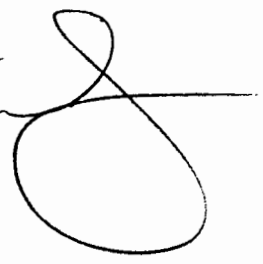


Nancy L. Rollins
Associate Commissioner

Approved by:



Nicholas A. Toumpas
Commissioner



AMENDMENT

This Agreement (hereinafter called the "Amendment") dated August 31, 2012, by and between the State of New Hampshire, acting by and through its Division of Community Based Care Services, Community Based Military Programs of the Department of Health and Human Services (hereinafter referred to as the "Bureau") and Easter Seals New Hampshire, Inc., a corporation organized under the laws of the State of New Hampshire, with a place of business at 555 Auburn Street, Manchester, New Hampshire 03103 (hereinafter referred to as the "Provider").

WHEREAS, pursuant to an Agreement (hereinafter called the "Agreement") dated May 30, 2012 the Provider agreed to perform certain services upon the terms and conditions specified in the Agreement and in consideration of payment by the Bureau of certain sums as specified therein; and

WHEREAS, pursuant to the provisions of Section 18 of the Agreement, the Agreement may be amended, waived or discharged only by a written instrument executed by the parties thereto; and

WHEREAS, the Provider and the Bureau have agreed to amend the Agreement in certain respects;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties do hereby agree as follows:

1. Amendment and Modification of Agreement:

The Agreement is hereby amended as follows:

To Amend Completion Date section 1.7 by extending the completion date from September 30, 2012 to June 30, 2013.

To Amend Exhibit A Scope of Services as follows:

Contract Period: July 1, 2009 through September 30, 2012, revised to "through June 30, 2013".

To Amend Exhibit B Purchase of Services as follows:

Contract Period: July 1, 2009 through September 30, 2012 revised to "through June 30, 2013".

To Amend Exhibit B-1 Contract Budget

Exhibit B-1: Budget Justification for July 1, 2011 through September 30, 2012 revised to "through June 30, 2013".

To Amend Standard Exhibits D, E, F, G, H, I and J by extending the Period Covered from September 30, 2012 to June 30, 2013.

2. Effective Date of Amendment:

This Amendment shall be effective October 1, 2012 or the date of Governor and Executive Council approval, whichever is later.

3. Continuance of Agreement:

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

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

THE STATE OF NEW HAMPSHIRE
Division of Community Based Care Services
Department of Health and Human Services

By Nancy L. Rollins
Nancy L. Rollins, Associate Commissioner

Easter Seals NH, Inc.

Name of Corporation

By JMS Chief Human Resources Officer
Name/Title

STATE OF New Hampshire

COUNTY OF Hillsborough

On this the 4th day of September, 2012, before me, Tina Alycia D Monroe the undersigned officer, personally appeared Tina M Sharby who acknowledged himself/herself to be the CHRO of Easter Seals NH, Inc, a corporation, and that he/she, as such CHRO being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as Tina M Sharby.

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

Alycia D Monroe
Notary Public/Justice of the Peace

My commission expires:

ALYCIA D. MONROE, Notary Public
My Commission Expires October 22, 2013

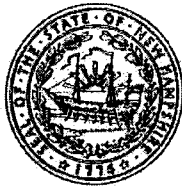
Approved by Attorney General this 4 day of Sept., 2012.

By Jeanne P. Herick
OFFICE OF THE ATTORNEY GENERAL
Jeanne P. Herick, Attorney

Approved by Governor and Council this _____ day of _____, 20____.

JAN
SAS
MP

700



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

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9410 1-800-852-3345 Ext. 9410
Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Nicholas A. Toumpas
Commissioner

Nancy L. Rollins
Associate
Commissioner

May 31, 2012

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

APPROVED BY _____
DATE 6/20/12
PAGE 9
ITEM # 74

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Community Based Care Services, to amend an existing Agreement (Purchase Order #1006949) with Easter Seals New Hampshire, Inc., 555 Auburn Street, Manchester, NH 03103, (Vendor #177204) to continue to manage the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat, by increasing the current amount by \$336,000 from \$5,297,841.00 to an amount not to exceed \$5,633,841.00 and extend the completion date from June 30, 2012 to September 30, 2012, effective July 1, 2012 or the date of Governor and Executive Council approval, whichever is later. The original contract was approved by Governor and Executive Council on March 24, 2010 (Item # 88), amended and approved by Governor and Executive Council on September 22, 2010 (Item # 185A) and June 8, 2011 (Item # 115). These funds can be adjusted, if needed and justified, between State Fiscal Years. Funds are available in State Fiscal Year 2013 in the following account:

05-95-95-95810-5192 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS,
HHS:COMMISSIONER, COMMUNITY BASED CARE SERVICES, DIRECTORS OFFICE

State Fiscal Year	Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
2010	102-500731	Contracts for program services	\$ 888,025.00	\$0.00	\$ 888,025.00
2012	102-500731	Contracts for program services	\$2,409,816.00	\$0.00	\$2,409,816.00
2012	102-500731	Contracts for program services	\$2,000,000.00	\$0.00	\$2,000,000.00
2013	102-500731	Contracts for program services	\$ 0.00	\$ 336,000.00	\$ 336,000.00
Total			\$5,297,841.00	\$ 336,000.00	\$5,633,841.00

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
May 31, 2012
Page 2

EXPLANATION

The purpose of this request is to amend an existing Agreement with Easter Seals New Hampshire, Inc. by increasing the price limitation and extending the completion date to September 30, 2012 from June 30, 2012 in order to continue the operation and management of the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat. The Deployment Cycle Support Program builds a community-based support system, which integrates current veteran services with existing service delivery systems and allows local access for a full-spectrum of care. It is a preventive approach supporting families and military members pre, during, and post deployments. Crisis prevention for families and military members is addressed through early development of "care plans" by professional care providers. The "care plan" is a risk assessment used to organize support services early, thereby reducing the overall number of emergency situations for service members and families involved in the war effort. Case managers proactively address "care plan" needs and refer or provide further treatment, as necessary.

The original Agreement and the original Governor and Executive Council letter approved on March 24, 2010 (Item #88) included the provision to renew the contract for up to five (5) one year renewals. This request is to exercise three months of the third renewal option during SFY 2013 based on an additional federal appropriations received by the State of New Hampshire's Adjutant General's Department that will be available through September 30, 2012 and that the contractor has met or exceeded performance criteria during the prior contract periods.

The contractor's performance will continue to be measured by their ability to meet the performance measures and other terms and conditions of the contract as evidenced by monthly invoices, program/financial reports, and site reviews performed by the Division of Community Based Care Services.

Should the Governor and Executive Council determine to not authorize to amend this existing Agreement, military men and women and their families will not be provided community-based support services pre, during and post-deployment in active military duty.

The original contract was awarded as a result of a competitive bid process. The Department of Health and Human Services and the National Guard released a Request For Proposal to select a vendor to implement and manage the statewide Deployment Cycle Support Program on December 1, 2009. The Request For Proposal was posted on the Department of Health and Human Services' website and a notice of the release was sent to all known potential vendors. Easter Seals New Hampshire, Inc. was selected following a comprehensive evaluation of three proposals received, consistent with the following criteria identified in the Request For Proposal: Format and Adherence to Instructions, Background and Capacity, Plan of Operation and Workplan, and Budget and Budget Justification. The Request For Proposal stated that the bid amount was not the main factor in selecting a vendor to manage the program. The selected bidder, Easter Seals New Hampshire, Inc., did not submit the lowest price bid but they received the overall highest score and committed the highest amount of in-kind support. In addition, they have contracted with the Division of Community Based Care Services to develop and manage the pilot program since its inception in 2008.

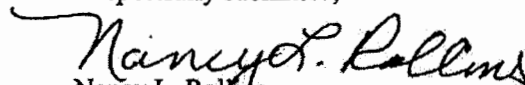
Area Served: Statewide

The source of funds: 100% other funds (i.e. federal funds received and transferred from the State of New Hampshire's Adjutant General's Department).

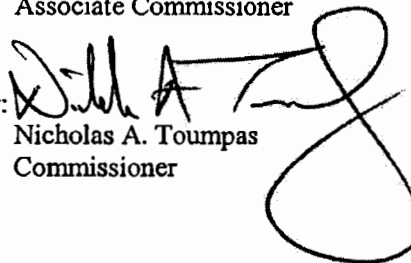
His Excellency, Governor John H. Lynch
and the Honorable Executive Council
May 31, 2012
Page 3

In the event that other funds are no longer available, general funds will not be requested to support this program.

Respectfully submitted,


Nancy L. Rollins
Associate Commissioner

Approved by:


Nicholas A. Toumpas
Commissioner

BID LIST FOR RFP # 10 DCBCS-CBMP-DCSP-02

REQUEST FOR PROPOSAL FOR IMPLEMENTATION AND AND MANAGEMENT OF DEPLOYMENT CYCLE SUPPORT PROGRAM

ORDER'S NAME/ADDRESS:

Easter Seals New Hampshire, Inc. 555 Auburn Street, Manchester, NH
 Family Strength, 85 North State Street, Concord, NH
 New Hampshire Children's Trust Fund, 10 Ferry Street, Suite 315, Concord, NH

RECOMMENDATION : Contract with Easter Seals New Hampshire, Inc.

		Easter Seals	Familystrength	NH Childrens Trust
Jo Moncher-Evaluator	Criteria/Max. Pts.			
Bureau Chief	Agency Capacity (30)	26	24	17
DHHS Community Based Military Programs	Workplan (50)	46	39	28
	Budget (15)	13	13	8
	Format (5)	5	5	4
	Points:	90	81	55
	Ranking:	1	2	3

		Easter Seals	Familystrength	NH Childrens Trust
William Howley-Evaluator	Criteria/Max. Pts.			
Financial Manager	Agency Capacity (30)	29	24	19
DHHS Community Based Care Services	Workplan (50)	48	40	33
	Budget (15)	14	13	11
	Format (5)	5	5	5
	Points:	96	82	68
	Ranking:	1	2	3

		Easter Seals	Familystrength	NH Childrens Trust
Col. Greenwood	Criteria/Max. Pts.			
J-1	Agency Capacity (30)	27	24	12
New Hampshire National Guard	Workplan (50)	49	43	17
	Budget (15)	14	13	11
	Format (5)	5	5	5
	Points:	95	85	45
	Ranking:	1	2	3

		Easter Seals	Familystrength	NH Childrens Trust
Col. Martell	Criteria/Max. Pts.			
Joint Chief of Staff	Agency Capacity (30)	20	18	11
New Hampshire National Guard	Workplan (50)	33	26	11
	Budget (15)	11	8	4
	Format (5)	5	3	3
	Points:	69	55	29
	Ranking:	1	2	3

		Easter Seals	Familystrength	NH Childrens Trust
Col. Protzmann Evaluator	Criteria/Max. Pts.			
2nd Wing Commander	Agency Capacity (30)	26	22	15
New Hampshire National Guard	Workplan (50)	42	35	31
	Budget (15)	14	11	11
	Format (5)	5	5	5
	Points:	87	73	62
	Ranking:	1	2	3

Average Scores		Easter Seals	Familystrength	NH Childrens Trust
	Points:	84	71	45
	Ranking:	1	2	3

Bid Amounts.		Easter Seals	Familystrength	NH Childrens Trust
	SFY 2010 (3/1/10 - 6/30/10)	\$ 888,025	\$ 811,818	\$ 799,999
	SFY 2011 (7/1/10 - 9/30/10)	\$ 604,816	\$ 523,671	\$ 600,000
	Total:	\$ 1,492,841	\$ 1,135,489	\$ 1,399,999
	In-Kind Funds:	\$ 155,182	\$ 14,834	\$ 67,792

AMENDMENT

This Agreement (hereinafter called the "Amendment") dated this 30th day of May 2012, by and between the State of New Hampshire, acting by and through its Division of Community Based Care Services, Community Based Military Programs of the Department of Health and Human Services (hereinafter referred to as the "Bureau") and Easter Seals New Hampshire, Inc., a corporation organized under the laws of the State of New Hampshire, with a place of business at 555 Auburn Street, Manchester, New Hampshire 03103 (hereinafter referred to as the "Provider").

WHEREAS, pursuant to an Agreement (hereinafter called the "Agreement") dated March 1, 2010, and approved by the Governor and Executive Council on March 24, 2010, (Item # 88), amended on September 22, 2010 (Item #185A), and amended on June 8, 2011 (Item # 115) the Provider agreed to perform certain services upon the terms and conditions specified in the Agreement and in consideration of payment by the Bureau of certain sums as specified therein; and

WHEREAS, pursuant to the provisions of Section 18 of the Agreement, the Agreement may be amended, waived or discharged only by a written instrument executed by the parties thereto; and

WHEREAS, the Provider and the Bureau have agreed to amend the Agreement in certain respects;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties do hereby agree as follows:

1. Amendment and Modification of Agreement:

The Agreement is hereby amended as follows:

To Amend Completion Date section 1.7 by extending the completion date from June 30, 2012 to September 30, 2012.

To Amend Price Limitation section 1.8 by increasing the amount by \$336,000 from \$5,297,841 to \$5,633,841.

To Amend Exhibit A Scope of Services as follows:

Contract Period: July 1, 2009 through June 30, 2012, revised to July 1, 2009 through September 30, 2012.

To Amend Exhibit B Purchase of Services as follows:

Contract Period: July 1, 2009 through June 30, 2012, revised to July 1, 2009 through September 30, 2012.

To Amend Exhibit B Purchase of Services paragraph 1 as follows:

Initials: QMS
Date: 5-31-12

1. Subject to the Contractor's compliance with the terms and conditions of the Agreement, the Division of Community Based Care Services shall reimburse the Contractor for services provided to eligible individuals, by the Contractor, as detailed below and in Exhibit B-2 Budget and Exhibit B-2 Narrative:

Service	Rate	SFY 2010	SFY 2011	SFY 2012	SFY 2013	Total
Deployment cycle Support Program	Cost Reimbursement	\$888,025	\$2,409,816	\$2,000,000	\$336,000	\$5,633,841

To Amend Exhibit B Purchase of Services paragraph 2 as follows:

2. It is understood that in no event shall the total payments made by the Division of Community Based Care Services under this Agreement exceed the sum of \$5,633,841.

To Amend Exhibit B-1 by adding a Contract Budget Form to identify the Deployment Cycle Support Program costs for the period of July 1, 2012 through September 30, 2012, in the amount of \$336,000.00

(see attached Exhibit B-1)

To Amend Exhibit B-2 Budget Justification as follows:

Exhibit B-2: Contract Justification for July 1, 2011 to June 30, 2012 revised to Exhibit B-2: Budget Justification for July 1, 2011 through September 30, 2012.

To Amend by adding Standard Exhibit C-1 Additional Special Provisions.

To Amend Standard Exhibits D, E, F, G, H, and I by extending the Period Covered from June 30, 2012 to September 30, 2012.

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Ames
5-31-12

2. Effective Date of Amendment:

This Amendment shall be effective July 1, 2012 or the date of Governor and Executive Council approval, whichever is later.

3. Continuance of Agreement:

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

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

THE STATE OF NEW HAMPSHIRE
Division of Community Based Care Services
Department of Health and Human Services

By Nancy L. Bellin
Associate Commissioner

Easter Seals NH, Inc.
Name of Corporation

By [Signature]
Name/Title

STATE OF New Hampshire
COUNTY OF Hillsborough

On this the 31st day of May, 2012, before me, Diane Boulay the undersigned officer, personally appeared Tina Sharby who acknowledged himself/herself to be the Sr VP of Human Resources of Easter Seals New Hampshire, Inc. a corporation, and that he/she, as such Sr VP of Human Resources being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by ~~himself~~/herself as Sr VP of Human Resources.

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

Diane L. Boulay
Notary Public/~~Justice of the Peace~~

My commission expires:

DIANE L. BOULAY, Notary Public
My Commission Expires September 3, 2013

Initials: QMS
Date: 5-31-12

Approved by Attorney General this 1 day of June, 2012.

By *James E. Morrison*
OFFICE OF THE ATTORNEY GENERAL

Approved by Governor and Council this _____ day of _____, 20____.

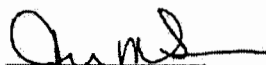
Initials: *AMW*
Date: 5-31-12

Exhibit B-1 Contract Budget Form

Easter Seals New Hampshire
Deployment Cycle Support Program

SFY 2013 July 1, 2012 - Sept 30, 2012

	Easter Seals in-kind	DHHS funding	Total Cost
Salaries and Benefits			
Personnel Wages		107,000	107,000
Taxes 7.65%	-	8,186	8,186
Fringe Benefits 19.35%	-	20,705	20,705
Direct Costs			
Meetings and Conventions			-
Occupancy		6,600	6,600
Telephone		1,750	1,750
Equipment			-
Travel		4,000	4,000
Printing			-
Advertising	80		80
Subcontracts		157,014	157,014
Supplies		100	100
Postage		100	100
Financial Assistance	75,000		75,000
Subtotal	75,080	305,455	380,535
Indirect Administrative Overhead	7,508	30,545	38,054
Total Expenses	82,588	336,000	418,589

Contractor's Initials: 
Date 5-31-12

NH Department of Health and Human Services

STANDARD EXHIBIT C-1

ADDITIONAL SPECIAL PROVISIONS

1. **Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:**

4. CONDITIONAL NATURE OF AGREEMENT.

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

2. **Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;**

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

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

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

Initials: CM
Date: 5-31-12

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

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

3. Subparagraph 14.1.1 of the General Provisions of this contract is deleted and the following subparagraph is added:

14.1.1 comprehensive general liability against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence and excess/umbrella liability coverage in the amount of \$15,000,000 per occurrence; and

Initials: QMS
Date: 5-31-12



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

129 PLEASANT STREET, CONCORD, NH 03301
 603-271-8560 1-800-852-3345 Ext. 8560
 Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Nicholas A. Toumpas
 Commissioner

Nancy L. Rollins
 Associate Commissioner

May 16, 2011

His Excellency, Governor John H. Lynch
 and the Honorable Executive Council
 State House
 Concord, New Hampshire 03301

APPROVED BY _____
 DATE 6/8/11
 PAGE 13
 ITEM # 115

REQUESTED ACTION

Authorize the Department of Health and Human Services (DHHS), Division of Community Based Care Services (DCBCS), to amend an existing Agreement (Purchase Order #1006949) with Easter Seals New Hampshire, Inc., 555 Auburn Street, Manchester, NH 03103, (Vendor #177204) to continue to manage the statewide Deployment Cycle Support Program (DCSP), by increasing the current amount of \$3,297,841.00 by \$2,000,000 to an amount not to exceed \$5,297,841.00 and extend the completion date from June 30, 2011 to June 30, 2012, effective July 1, 2011 upon Governor and Council approval. The original contract was approved by Governor and Council on March 24, 2010 (Item #88), and an amendment was approved by Governor and Council on September 22, 2010 (Item #185A). These funds can be adjusted, if needed and justified, between State Fiscal Years. Funds are anticipated to be available in State Fiscal Year 2012 in the following account:

05-95-95810-5192 HEALTH AND SOCIAL SERVICES, DEPT. OF HEALTH AND HUMAN SERVICES,
 HHS: COMMISSIONER, COMMUNITY BASES CARE SERVICES, DIRECTORS OFFICE

Fiscal Year	Class/Object	Class Title	Current Modified Amount	Increased /Decreased Amount	Revised Modified Amount
2010	102-0731	Contracts for Program Services	\$888,025.00	\$0.00	\$888,025.00
2011	102-0731	Contracts for Program Services	\$2,409,816.00	\$0.00	\$2,409,816.00
2012	102-0731	Contracts for Program Services	\$0.00	\$2,000,000.00	\$2,000,000.00
Total:			\$3,297,841.00	\$2,000,000.00	\$5,297,841.00

EXPLANATION

The purpose of this request is to amend an existing Agreement with Easter Seals New Hampshire, Inc. to continue the operation and management of the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat. The DCSP builds a community-based support system, which integrates current veteran services with existing service delivery systems, and allows local access for a full-spectrum of care. It is a preventive approach supporting families and military members pre, during, and post deployments. Crisis prevention for families and military members is addressed through early development of "care plans" by professional care providers. The "care plan" is basically a risk assessment used to organize support services early, thereby reducing the overall number of emergency situations for service members and families involved in the war effort. Case managers proactively address "care plan" needs and refer or provide further treatment, as necessary. The Agreement will be extended through June 30, 2012.

The original contract was awarded as a result of the competitive bid process. The Department of Health and Human Services and the National Guard released a Request-For-Proposal (RFP) to select a vendor to implement and manage the statewide DCSP on December 1, 2009. The RFP was posted on the DHHS Website and a notice of the release was sent to all known potential vendors. Easter Seals New Hampshire, Inc. was selected following a comprehensive evaluation of three proposals received, consistent with the following criteria identified in the Request for Proposals: Format and Adherence to Instructions, Background and Capacity, Plan of Operation and Workplan, and Budget and Budget Justification. The RFP stated that the bid amount was not the main factor in selecting a vendor to manage the program. The selected bidder, Easter Seals New Hampshire did not submit the lowest price bid but they received the overall highest score and committed to the highest amount of in-kind support. In addition, they have contracted with DCBCS to develop and manage the pilot program since its inception in 2008 and approval of this contract will ensure that the needs of New Hampshire National Guard, Reserves and Active Duty service members and their families who are engaged in the deployment cycle will continue to be met as described in this contract.

The contractor's performance will continue to be measured by their ability to meet the performance measures and other terms and conditions of the contract as evidenced by monthly invoices and program/financial reports submitted to DCBCS.

If this funding is not approved, military men and women and their families will not be provided community-based support services pre-, during and post-deployment in active military duty.

The original contract, as well as the letter to Governor and Council, was approved by Governor and Council on March 24, 2010 (Item #88) and included the provision to renew the contract for up to five (5) one year renewals. This request is to exercise the second one-year renewal option during SFY 2012.

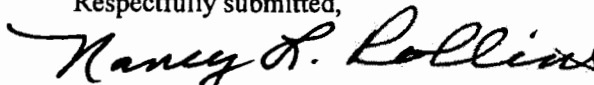
Area Served: Statewide

The source of funds is 100% other funds (i.e. federal funds transferred from the Adjutant General's Department to the Department of Health and Human Services).

In the event that federal funds are no longer available, general funds will not be requested to support this program.

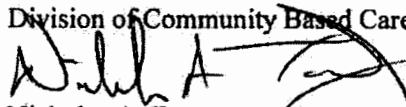
His Excellency, Governor John H. Lynch
And the Honorable Executive Council
May 16, 2011
Page 3

Respectfully submitted,



Nancy L. Rollins
Associate Commissioner
Division of Community Based Care Services

Approved by:



Nicholas A. Toumpas
Commissioner



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

129 PLEASANT STREET, CONCORD, NH 03301
603-271-8560 1-800-852-3345 Ext. 8560
Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dbhs.nh.gov

Nicholas A. Toumpas
Commissioner

Nancy L. Rollins
Associate Commissioner

August 24, 2010

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

APPROVED BY _____
DATE 9/20/10
PAGE 20
ITEM # 185 A

REQUESTED ACTION

Authorize the Department of Health and Human Services (DHHS), Division of Community Based Care Services (DCBCS), to amend an existing Agreement (Purchase Order #1006949) with Easter Seals New Hampshire, Inc., 555 Auburn Street, Manchester, NH 03103, (Vendor #177204) to continue to manage the statewide Deployment Cycle Support Program (DCSP), in an amount not to exceed \$1,805,000.00, effective October 1, 2020 or date of Governor and Council approval, whichever is later, through June 30, 2011. The original contract was approved by Governor and Council on March 24, 2010 (Item #88). These funds can be adjusted, if needed and justified, between State Fiscal Years. Funds are available in State Fiscal Year 2011 in the following account:

05-95-95-95810-5192 HEALTH AND SOCIAL SERVICES, DEPT. OF HEALTH AND HUMAN SERVICES, HHS: COMMISSIONER, COMMUNITY BASES CARE SERVICES, DIRECTORS OFFICE

Fiscal Year	Class/Object	Class Title	Amount	Revised	Adjusted Totals
2010	102-0731	Contracts for Program Services	\$888,025.00	\$0.00	\$888,025.00
2011	102-0731	Contracts for Program Services	\$604,816.00	\$1,805,000.00	\$2,409,816.00
Total			\$1,492,841.00	\$ 1,805,000.00	\$ 3,297,841.00

EXPLANATION

The purpose of this Requested Action is to amend an existing Agreement with Easter Seals New Hampshire, Inc. to continue the operation and management of the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat. The DCSP builds a community-based support system, which integrates current veteran services with existing service delivery systems, and allows local access

His Excellency, Governor John H. Lynch
And the Honorable Executive Council
March 1, 2010
Page 2

for a full-spectrum of care. It is a preventive approach supporting families and military members pre, during, and post deployments. Crisis prevention for families and military members is addressed through early development of "care plans" by professional care providers. The "care plan" is basically a risk assessment used to organize support services early, thereby reducing the overall number of emergency situations for service members and families involved in the war effort. Case managers proactively address "care plan" needs and refer or provide further treatment, as necessary. The Agreement will be extended through June 30, 2011.

The original contract was awarded as a result of the competitive bid process. The Department of Health and Human Services and the National Guard released a Request-For-Proposal (RFP) to select a vendor to implement and manage the statewide DCSP on December 1, 2009. The RFP was posted on the DHHS Website and a notice of the release was sent to all known potential vendors. Easter Seals New Hampshire, Inc. was selected following a comprehensive evaluation of three proposals received, consistent with the following criteria identified in the Request for Proposals: Format and Adherence to Instructions, Background and Capacity, Plan of Operation and Workplan, and Budget and Budget Justification. The RFP stated that the bid amount was not the main factor in selecting a vendor to manage the program. The selected bidder, Easter Seals New Hampshire did not submit the lowest price bid but they received the overall highest score and committed to the highest amount of in-kind support. In addition, they have contracted with DCBCS to develop and manage the pilot program since its inception in 2008 and approval of this contract will ensure that the needs of New Hampshire National Guard, Reserves and Active Duty service members and their families who are the deployment cycle will continue to be met as described in this contract. See attached Bid List for names of bidder, evaluators, criteria, scores and recommendation.

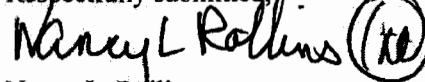
The contractor's performance will continue to be measured by their ability to meet the performance measures and other terms and conditions of the contract as evidenced by monthly invoices and program/financial reports submitted to DCBCS.

Area Served: Statewide

The source of funds is 100% other funds (i.e. federal funds transferred from the Adjutant General's Department to the Department of Health and Human Services).

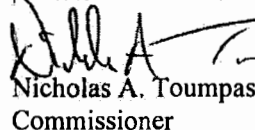
In the event that federal funds are no longer available, general funds will not be requested to support this program.

Respectfully submitted,

 (10)

Nancy L. Rollins
Associate Commissioner
Division of Community Based Care Services

Approved by:


Nicholas A. Toumpas
Commissioner

BID LIST FOR RFP # 10 DCBCS-CBMP-DCSP-02

**REQUEST FOR PROPOSAL FOR IMPLEMENTATION AND AND MANAGEMENT OF DEPLOYMENT CYCLE SUPPORT PROGRAM
 BIDDER'S NAME/ADDRESS:**

Easter Seals New Hampshire, Inc. 555 Auburn Street, Manchester, NH
 Family Strength, 85 North State Street, Concord, NH
 New Hampshire Children's Trust Fund, 10 Ferry Street, Suite 315, Concord, NH

RECOMMENDATION : Contract with Easter Seals New Hampshire, Inc.

Jo Moncher-Evaluator		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
Bureau Chief	Agency Capacity	(30)	26	24	17
DHHS Community Based Military Programs	Workplan	(50)	46	39	26
	Budget	(15)	13	13	8
	Format	(5)	5	5	4
Points:			90	81	55
Ranking:			1	2	3

William Howley-Evaluator		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
Financial Manager	Agency Capacity	(30)	29	24	19
DHHS Community Based Care Services	Workplan	(50)	48	40	33
	Budget	(15)	14	13	11
	Format	(5)	5	5	5
Points:			96	82	68
Ranking:			1	2	3

Col. Greenwood		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
J-1	Agency Capacity	(30)	27	24	12
New Hampshire National Guard	Workplan	(50)	49	43	17
	Budget	(15)	14	13	11
	Format	(5)	5	5	5
Points:			95	85	45
Ranking:			1	2	3

Col. Martell		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
Joint Chief of Staff	Agency Capacity	(30)	20	18	11
New Hampshire National Guard	Workplan	(50)	33	26	11
	Budget	(15)	11	8	4
	Format	(5)	5	3	3
Points:			69	55	29
Ranking:			1	2	3

Col. Protzmann Evaluator		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
2nd Wing Commander	Agency Capacity	(30)	26	22	15
New Hampshire National Guard	Workplan	(50)	42	35	31
	Budget	(15)	14	11	11
	Format	(5)	5	5	5
Points:			87	73	62
Ranking:			1	2	3

Average Scores		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
Points:			84	71	45
Ranking:			1	2	3

Bid Amounts		Easter Seals	Familystrength	NH Childrens Trust
SFY 2010 (3/1/10 - 6/30/10)		\$ 888,025	\$ 611,818	\$ 799,999
SFY 2011 (7/1/10 - 9/30/10)		\$ 604,816	\$ 523,671	\$ 600,000
Total:		\$ 1,492,841	\$ 1,135,489	\$ 1,399,999
In-Kind Funds:		\$ 155,182	\$ 14,834	\$ 67,792

AMENDMENT

This Agreement (hereinafter called the "Amendment") dated this 23rd day of August, 2010, by and between the State of New Hampshire, acting by and through its Division of Community Based Care Services, Community Based Military Programs of the Department of Health and Human Services (hereinafter referred to as the "Bureau") and Easter Seals NH, a corporation organized under the laws of the State of New Hampshire, with a place of business at 555 Auburn Street, Manchester, New Hampshire 03103 (hereinafter referred to as the "Provider").

WHEREAS, pursuant to an Agreement (hereinafter called the "Agreement") dated March 1, 2010, and approved by the Governor and Executive Council on March 24, 2010, (Item # 88), the Provider agreed to perform certain services upon the terms and conditions specified in the Agreement and in consideration of payment by the Bureau of certain sums as specified therein; and

WHEREAS, pursuant to the provisions of Section 18 of the Agreement, the Agreement may be amended, waived or discharged only by a written instrument executed by the parties thereto; and

WHEREAS, the Provider and the Bureau have agreed to amend the Agreement in certain respects;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties do hereby agree as follows:

1. Amendment and Modification of Agreement:

The Agreement is hereby amended as follows:

To Amend Price Limitation section 1.8 by increasing the amount from \$1,492,841.00 to \$3,297,841.00.

To Amend section 1.7 by extending the completion date from September 30, 2010 to *June 30, 2011*.

To Amend Exhibit A Scope of Services as follows:

Contract Period: March 1, 2010 to September 30, 2010 revised to March 1, 2010 to *June 30, 2011*.

Contractor's Initials: AWD
Date: 8.23.10

To Amend Exhibit B as detailed in *italics*:

**EXHIBIT B
PURCHASE OF SERVICES**

Contractor Name: Easter Seals New Hampshire, Inc.

Contract Period: July 1, 2009 through *June 30, 2011*

1. Subject to the Contractor's compliance with the terms and conditions of the Agreement, the Division of Community Based Care Services shall reimburse the Contractor for services provided to eligible individuals, by the Contractor, as detailed below and in Exhibit B-1 Budget and Exhibit B-2 Budget Narrative:

Service	Rate	SFY 2010	SFY 2011	Total
Deployment Cycle Support Program	Cost Reimbursement	\$ 888,025.00	\$ 2,409,816.00	\$ 3,297,841.00

2. It is understood that in no event shall the total payments made by the Division of Community Based Care Services under this Agreement exceed the sum of *\$3,297,841.00*.
3. Requests for Payment shall be submitted on a combined line item cost reimbursement basis for expenses incurred, on a monthly basis, on the Contractor's letterhead. The Contractor shall also submit monthly, quarterly and final financial reports that detail the line item expenses in accordance with instructions provided by the State to the Contractor. The Division of Community Based Care Services shall then pay the Contractor the amount of the request for payment which has been approved by the Division of Community Based Care Services.
4. The Contractor agrees to use and apply all payments made by the State for direct and indirect costs and expenses incurred for services rendered in accordance with the terms and conditions of this Agreement. Allowable costs and expenses shall be determined by the State in accordance with the applicable State and federal laws and regulations. The amount of any payment approved shall be determined at the sole discretion of the Division of Community Based Care Services.
5. Notwithstanding anything to the contrary, funding under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if such services or products have not been satisfactorily completed according to the terms and conditions of this Agreement.
6. The Contractor and the State may adjust the contract budget through line item increases, decreases, or the creation of new line items, provided these adjustments do not exceed the Contract price. Such adjustments shall only be made upon written request and written approval by the State with programmatic justifications.
7. Payment Requests, and financial and program reports shall be sent to:

NH Department of Health and Human Services
 Division of Community Based Care Services
 Community Based Military Programs
 Hugh Gallen Office Park
 129 Pleasant Street, Brown Building
 Concord, NH 03301

Contractor's Initials: OWS
 Date: 8.23.10

To Amend Exhibit B-1 by adding a Contract Budget Form to identify the Deployment Cycle Support program costs for the period of October 1, 2010 through June 30, 2011, in the amount of \$1,805,000.00. (See Attached)

To Amend Exhibit B-2 by adding language for the Budget Justification for the period of October 1, 2010 through June 30, 2011. (See Attached)

To Amend Standard Exhibits D, E, F, G, H, and I by extending the Period Covered from September 30, 2010 to June 30, 2011.

2. Effective Date of Amendment:

This Amendment shall be effective October 1, 2010, upon approval of Governor and Council.

3. Continuance of Agreement:

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

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

THE STATE OF NEW HAMPSHIRE
Division of Community Based Care Services
Community Military Based Programs
Department of Health and Human Services

By Nancy L. Ballin (N)
Associate Commissioner

Easter Seals NH
Name of Corporation

By Jmms SRP Human Resources
Name/Title

STATE OF New Hampshire

COUNTY OF Hillsborough

On this the 24 day of August, 2010, before me, Alycia D Durjer the undersigned officer, personally appeared Tina M Sharby who acknowledged himself/herself to be the SVP HR of Easter Seals NH, Inc, a corporation, and that he/she, as such Tina M Sharby being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as Jmms.

Contractor's Initials: JMS
Date: 8.23.10

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

Alycia D. Dwyer
Notary Public/Justice of the Peace

My commission expires:

ALYCIA D. DWYER, Notary Public
My Commission Expires October 22, 2013

Approved by Attorney General this 5th day of September, 2010.

By *Rebecca L. Woodlark*
OFFICE OF THE ATTORNEY GENERAL
Rebecca L. Woodlark, Attorney

Approved by Governor and Council this _____ day of _____, 20____.

Contractor's Initials: *AW*
Date: 8.23.10

**EXHIBIT B-1
Contract Budget Form**

Agency Name	Easter Seals New Hampshire		
Program Service Name	Deployment Cycle Support Program/Veterans Count		
SFY 2011 (October 1, 2010-June 30, 2011)			
	A=B+C	B	C
Program Service	Total Cost	Requested DHHS funding	Other Funding

Salaries & Benefits			
Personnel Salaries/Wages	\$ 429,219	\$ 414,219	\$ 15,000
Fringe Benefits:			
Taxes 7.65%	\$ 32,836	\$ 31,688	\$ 1,148
Benefits 13%	\$ 55,798	\$ 53,848	\$ 1,950
Total Salaries & Benefits	\$ 517,853	\$ 499,755	\$ 18,098

Direct Costs			
Meetings & Conventions	\$ 3,000	\$ 3,000	
Occupancy	\$ 27,330	\$ 14,000	\$ 13,330
Telephones	\$ 2,700	\$ 2,700	
Equipment	\$ 900	\$ 900	
Travel	\$ 8,100	\$ 8,100	
Printing	\$ 1,350	\$ 1,350	
Advertising	\$ 100	\$ 100	
Subcontracts	\$ 1,108,200	\$ 1,108,200	
Supplies	\$ 2,700	\$ 2,700	
Postage	\$ 104	\$ 104	
Financial Assistance	\$ 270,000		\$ 270,000
	\$ -		
	\$ -		
Total Direct Costs	\$ 1,424,484	\$ 1,141,154	\$ 283,330
Total Salary/Benefits/Direct	\$ 1,942,337	\$ 1,640,909	\$ 301,428

Admin Costs @ 10 % of Direct	\$ 194,234	\$ 164,091	\$ 30,143
Total Program Costs and Funding	\$ 2,136,571	\$ 1,805,000	\$ 331,571

Contractor's Initials: Quo
Date: 8.23.10

Exhibit B-2: Budget Justification for October 1, 2010 to June 30, 2011

Salaries/Wages: Salaries/wages for ESNH staff with salaries/wages allocated to this program as indicated on the Personnel Form

Fringe Benefits: Calculated as 7.65% for taxes and 13% for benefits for staff covered by this contract. Benefits include health insurance, dental insurance, life insurance, long term disability.

Meetings & Conventions: Includes the cost of attendance at any meetings or events pertaining to the work of this program as well as food for meetings.

Occupancy: Includes the cost of rented office in remote location to serve a specific geographic area and the allocated costs of space used by the program at 555 Auburn Street in Manchester, NH.

Telephones: Includes the cost of cell phones for key staff .

Equipment: Includes the monthly rental charge for office machines.

Travel: Includes the cost of staff travel, reimbursed at the agency rate of .28 per mile.

Printing: Includes the cost of brochures, promotional materials, newsletters, reports, training materials, etc.

Advertising: Includes the allocation of advertising/recruiting costs to agency.

Subcontracts: Includes payments to contracted agencies and individuals who provide direct service/care coordination to service members and their families across the State. Also included is the cost of program evaluation identified in our proposal as required by the RFP.

Supplies: Includes the cost of consumable office and program supplies.

Postage: Includes the cost of postage for mailings to fundor, clients, subcontractors.

Financial Assistance: Financial Assistance provided to Service Membes and their families, such as food, rental assistance, mortgage assistance, fuel assistance, childcare, medical treatment, etc.

Admin: Calculated at 10% of total program cost per agency policy. Includes expenses such as administration, accounting, billing, information technology, maintenance, human resources.

Contractor's Initials: AWJ
Date: 8.23.10

Personnel Form - Program Personnel Costs Budget By Service

Agency Name:	Easter Seals New Hampshire
Program Service Name:	Deployment Cycle Support Program

Position Title	SFY 2011 Period: October 1, 2010 - June 30, 2011		
	Total Annual Salary	Salary Allocated To Program	Salary Allocated to this Contract
Key Administrative Staff			
Larry Gammon-CEO	\$ 325,000	\$ -	\$ -
Elin Treanor-CFO	\$ 210,000	\$ -	\$ -
Noel Sullivan-COO	\$ 200,000	\$ 15,000	\$ -
Key Administrative Program Staff			
Daisy Wojewoda-Program Director	\$ 80,000	\$ 60,000	\$ 60,000
Peter Collins-Clinical Director	\$ 65,000	\$ 48,750	\$ 48,750
Linda Sirak-VP Major Gifts/Corporate Giving	\$ 90,000	\$ 33,750	\$ 33,750
John DeVos-Project Director-Finance	\$ 71,000	\$ 26,625	\$ 26,625
Direct Care Staff			
Peter Collins-Care Coordinator	\$ 46,800	\$ 35,100	\$ 35,100
Suzannah Carey-Care Coordinator	\$ 36,000	\$ 27,000	\$ 27,000
Deanna Monroe-Care Coordinator	\$ 42,000	\$ 31,500	\$ 31,500
Susan Hilchey-Care Coordinator	\$ 59,727	\$ 33,596	\$ 33,596
Chrystn Pitt-Intake Care Coordinator	\$ 42,000	\$ 31,500	\$ 31,500
Kim Reynolds-Care Coordinator	\$ 14,820	\$ 11,115	\$ 11,115
Donna McDonough-Job Placement Specialist	\$ 41,411	\$ 6,212	\$ 6,212
Linda Mattson-Job Placement Specialist	\$ 35,000	\$ 5,250	\$ 5,250
Wanda Follansbee-Job Placement Specialist	\$ 30,893	\$ 4,634	\$ 4,634
Nicole Johnson-Job Placement Specialist	\$ 32,000	\$ 4,800	\$ 4,800
Elizabeth Webster-Autism Family Support Worker	\$ 43,768	\$ 3,283	\$ 3,283
Non Key Administrative Staff			
Becki Malandrino-Office Manager	\$ 38,000	\$ 28,500	\$ 28,500
Michelle Smith-Volunteer Coordinator/office support	\$ 21,840	\$ 16,380	\$ 16,380
Kim Stewart-Grant Writer	\$ 50,999	\$ 1,912	\$ 1,912
Pam Langone-Director of Communications	\$ 57,491	\$ 4,312	\$ 4,312
TOTALS		\$ 429,219	\$ 414,219

Contractor's Initials MS
Date: 8.23.10

Handwritten initials: "AS" and "JA"



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

Nicholas A. Toumpas
Commissioner

129 PLEASANT STREET, CONCORD, NH 03301
603-271-8560 1-800-852-3345 Ext. 8560
Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Nancy L. Rollins
Associate Commissioner

March 1, 2010

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services (DHHS), Division of Community Based Care Services (DCBCS), to enter into an agreement with Easter Seals New Hampshire, Inc., 555 Auburn Street, Manchester, NH 03103, vendor code 177204 to implement and manage the statewide Deployment Cycle Support Program (DCSP), in an amount not to exceed \$1,492,841.00, effective March 24, 2010 or date of Governor and Council approval, whichever is later, through September 30, 2010. Funds are available in State Fiscal Years 2010 and 2011 in the following account, pending approval of an Inter-Agency Agreement between the Adjutant General's Office and the Department of Health and Human Services, submitted by the Adjutant General's Office to the Governor and Council for the March 24, 2010 meeting. These funds can be adjusted, if needed and justified, between State Fiscal Years.

05-95-48-95810-5192 HEALTH AND SOCIAL SERVICES, DEPT. OF HEALTH AND HUMAN SERVICES,
HHS: COMMISSIONER, COMMUNITY BASES CARE SERVICES, DIRECTORS OFFICE

Fiscal Year	Class/Object	Class Title	Amount
2010	102-0731	Contracts for Program Services	\$ 888,025.00
2011	102-0731	Contracts for Program Services	<u>\$ 604,816.00</u>
Total			\$ 1,492,841.00

thru 9/30/2010

EXPLANATION

The purpose of this Requested Action is to contract with Easter Seals New Hampshire, Inc. to operate and manage the statewide Deployment Cycle Support Program that provides support services to New Hampshire National Guard, Reserves and Active Duty service members and their families who are deployed or returning from combat. The DCSP builds a community-based support system, which integrates current veteran services with existing service delivery systems, and allows local access for a full-spectrum of care. It is a preventive approach supporting families and military members pre, during, and post deployments. Crisis prevention for

His Excellency, Governor John H. Lynch
And the Honorable Executive Council
March 1, 2010
Page 2

families and military members is addressed through early development of "care plans" by professional care providers. The "care plan" is basically a risk assessment used to organize support services early, thereby reducing the overall number of emergency situations for service members and families involved in the war effort. Case managers proactively address "care plan" needs and refer or provide further treatment, as necessary.

The DCSP developed from the federally funded pilot program referred to as the Joint Family Support Assistance Program (JSAP), and is an integral element of the NH Joint Force Headquarters JI Deployment Cycle Support program continuum, which includes a wide range of programs and services. The program was developed by a multidisciplinary team representing military, DHHS, Veterans Administration, and community organizations.

The Department of Defense authorized Federal Fiscal Year 2010 funding for this project in early January 2010. Federal funds for this agreement are provided to the Adjutant General's Department by the National Guard Bureau pursuant to a Federal-State Master Cooperative Agreement for the mutual support of the New Hampshire National Guard. The cost of this agreement shall be reimbursed to the State of New Hampshire by the Federal Government at a rate of 100%, and in turn transferred by the Adjutant General's Department to the Department of Health and Human Services.

The Adjutant General's Department and the Department of Health and Human Services, Division of Community Based Care Services have submitted an Inter-Agency Agreement for the March 24, 2010 Governor and Executive Council meeting to authorize the payment of \$2,600,000 through June 30, 2011, of which \$1,492,841.00 will be contracted with Easter Seals NH, Inc. for provision of services identified as the Deployment Cycle Support Program, upon approval of this contract and the Inter-Agency Agreement by the Governor and Executive Council.

The Department of Health and Human Services and the National Guard released a Request-For-Proposal (RFP) to select a vendor to implement and manage the statewide DCSP on December 1, 2009. The RFP was posted on the DHHS Website and a notice of the release was sent to all known potential vendors. Easter Seals New Hampshire, Inc. was selected following a comprehensive evaluation of three proposals submitted, consistent with the following criteria identified in the Request for Proposals: Format and Adherence to Instructions, Background and Capacity, Plan of Operation and Workplan, and Budget and Budget Justification. The RFP stated that the bid amount was not the main factor in selecting a vendor to manage the program. The selected bidder, Easter Seals New Hampshire did not submit the lowest price bid but they received the overall highest score and committed to the highest amount of in-kind support. In addition, they have contracted with DCBCS to develop and manage the pilot program since its inception in 2008 and approval of this contract will ensure that the needs of New Hampshire National Guard, Reserves and Active Duty service members and their families who are the deployment cycle will continue to be met as described in this contract. See attached Bid List for names of bidder, evaluators, criteria, scores and recommendation.

The contractor's performance will be measured by their ability to meet the performance measures and other terms and conditions of the contract as evidenced by monthly invoices and program/financial reports submitted to DCBCS.

The Department of Health and Human Services shall retain the option to renew the contract for a period to be negotiated with the contractor, but not to exceed five (5) one year renewals, at its discretion, upon satisfactory delivery of services, availability of funds, and upon approval of Governor and Executive Council.

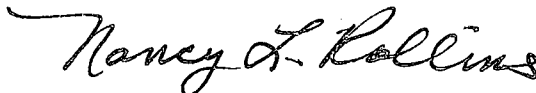
Area Served: Statewide

His Excellency, Governor John H. Lynch
And the Honorable Executive Council
March 1, 2010
Page 3

The source of funds is 100% other funds (i.e. federal funds transferred from the Adjutant General's Department to the Department of Health and Human Services).

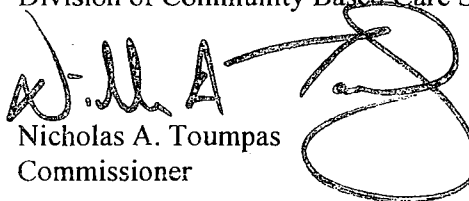
In the event that federal funds are no longer available, general funds will not be requested to support this program.

Respectfully submitted,



Nancy L. Rollins
Associate Commissioner
Division of Community Based Care Services

Approved by:



Nicholas A. Toumpas
Commissioner

BID LIST FOR RFP # 10 DCBCS-CBMP-DCSP-02

**REQUEST FOR PROPOSAL FOR IMPLEMENTATION AND AND MANAGEMENT OF DEPLOYMENT CYCLE SUPPORT PROGRAM
 BIDDER'S NAME/ADDRESS:**

Easter Seals New Hampshire, Inc. 555 Auburn Street, Manchester, NH

Family Strength, 85 North State Street, Concord, NH

New Hampshire Children's Trust Fund, 10 Ferry Street, Suite 315, Concord, NH

RECOMMENDATION : Contract with Easter Seals New Hampshire, Inc.

Jo Moncher-Evaluator		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
Bureau Chief	Agency Capacity	(30)	26	24	17
DHHS Community Based Military Programs	Workplan	(50)	46	39	26
	Budget	(15)	13	13	8
	Format	(5)	5	5	4
		Points:	90	81	55
		Ranking:	1	2	3

William Howley-Evaluator		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
Financial Manager	Agency Capacity	(30)	29	24	19
DHHS Community Based Care Services	Workplan	(50)	48	40	33
	Budget	(15)	14	13	11
	Format	(5)	5	5	5
		Points:	96	82	68
		Ranking:	1	2	3

Col. Greenwood		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
J-1	Agency Capacity	(30)	27	24	12
New Hampshire National Guard	Workplan	(50)	49	43	17
	Budget	(15)	14	13	11
	Format	(5)	5	5	5
		Points:	95	85	45
		Ranking:	1	2	3

Col. Martell		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
Joint Chief of Staff	Agency Capacity	(30)	20	18	11
New Hampshire National Guard	Workplan	(50)	33	26	11
	Budget	(15)	11	8	4
	Format	(5)	5	3	3
		Points:	69	55	29
		Ranking:	1	2	3

Col. Protzmann Evaluator		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
2nd Wing Commander	Agency Capacity	(30)	26	22	15
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		Points:	87	73	62
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Average Scores		Criteria/Max. Pts.	Easter Seals	Familystrength	NH Childrens Trust
		Points:	84	71	45
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Bid Amounts		Easter Seals	Familystrength	NH Childrens Trust
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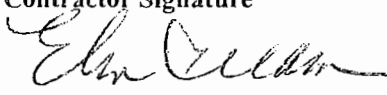
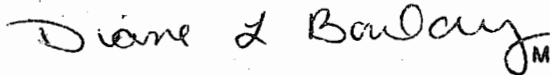
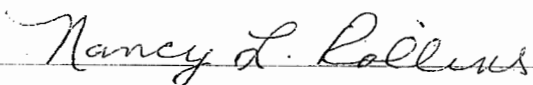
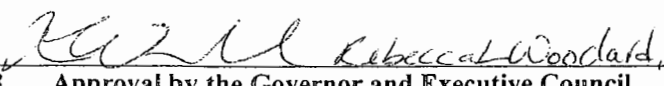
Subject: DCSP

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NewHampshire Department of Health and Human Services, Division of Community Based Care Services		1.2 State Agency Address 1.3 129 Pleasant Street, Brown Building Concord, New Hampshire 03301-3857	
1.4 Contractor Name Easter Seals New Hampshire, Inc.		1.5 Contractor Address 555 Auburn Street Manchester, New Hampshire 03103	
1.5 Contractor Phone Number 603-621-3462	1.6 Account Number 05-95-95810-5192	1.7 Completion Date September 30, 2010	1.8 Price Limitation \$1,492,841.00
1.9 Contracting Officer for State Agency Nancy L. Rollins		1.10 State Agency Telephone Number 603-271-8560	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Elm Treanor, Chief Financial Officer	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Hillsborough</u> On <u>2/11/10</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]  DIANE L. BOULAY, Notary Public My Commission Expires September 3, 2013			
1.13.2 Name and Title of Notary or Justice of the Peace Diane L. Boulay, Notary Public			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Nancy L. Rollins, Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Rebecca Woodard, Attorney On: <u>3/9/10</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

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

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

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

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

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

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

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

8. EVENT OF DEFAULT/REMEDIES.

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

Contractor Initials:

Date:

[Handwritten Signature]
[Handwritten Date]

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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

EXHIBIT A

DEPLOYMENT CYCLE SUPPORT PROGRAM (DCSP)

Date: January 22, 2010

Contractor:

Name:	Easter Seals New Hampshire, Inc.
Address:	555 Auburn Street Manchester, New Hampshire zip
Telephone	603-621-3462
Contact Person:	Elin Treanor

SCOPE OF SERVICE

The Contractor agrees to the following:

SECTION I: PROGRAM/ADMINISTRATIVE REQUIREMENTS

CONTRACT PERIOD

Contractor shall meet the terms and conditions of this base contract during the contract period of March 10, 2010 to September 30, 2010.

1.1 PROGRAM GOALS

The New Hampshire Department of Health and Human Services (DHHS), Division of Community Based Care Services (DCBCS), Community Based Military Programs (CBMP), offers a statewide Deployment Cycle Support Program (DCSP) for New Hampshire National Guard, Reserves, Active Duty and their families who are engaged in the deployment cycle. The Deployment Cycle Support Program provides comprehensive, free, and confidential care coordination and integrates veterans services with the existing community based service delivery system to provide local access to a full-spectrum of care, utilizing a client centered, supportive approach to service delivery. Philanthropic support is used to generate a sustainable source of flexible financial assistance for service members/families. The DCSP is both a pro-active and reactive program that offers support services pre-deployment, during deployment and post deployment, resulting in fewer and less severe crises for service members and their families.

1.2 DEPLOYMENT CYCLE SUPPORT PROGRAM (DCSP)

To continue to meet the program goals identified above, the Contractor shall implement and manage a statewide Deployment Cycle Support Program utilizing the model provided in the DCSP Manual which includes but is not limited to: System Design, Policies; Forms and Procedures; Training Curriculum; Handbook/Guidebook; Service Resources by service type,

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including community and military providers; Reports; and Evaluation/Program Effectiveness and effective use of philanthropic flexible funding for service members/families.

The Contractor agrees that during the contract period, any substantive changes/adjustments to the guidelines identified in the DCSP Manual that would improve the efficiency and delivery of services and better meet the targeted goals and outcomes of the program would need to be identified in writing and agreed upon by both parties. Requests for changes could come from either party to this Agreement; however, DCBCS/CBMP would have final approval in any substantive changes to the guidelines.

The DCSP Manual is incorporated by reference into this Agreement.

1.3 LOCATION

Services shall be available statewide and allow for local access by service members/families to those services.

1.4 POPULATION SERVED

The Contractor shall provide services, support and completion of care plans for service members and families of the New Hampshire National Guard, Reserves and Active Duty who are in the deployment cycle.

1.5 SERVICE REQUIREMENTS

- 1.5.1 Continue existing care plans and services for service members and families currently being served.
- 1.5.2 Receive and process referrals, assess, develop and implement care plan, to include any appropriate services, for service members and families pre-deployment, during mobilization and post deployment. The NH National Guard plans on 1,350 service members of the National Guard and 650 Reserves being in the deployment cycle in calendar year 2010.
- 1.5.3 Identify, facilitate, and make available to service members and their families philanthropic sources of flexible funding for assistance with emergencies such as help with heating and rental/mortgage payments, etc.
- ~~1.5.4 Promote and support Veterans Count as a sustainable philanthropic source of flexible funding, and using the guidelines and tools available in the DCSP Manual, make emergency flexible funds available to service members and their families.~~
- 1.5.5 Partner with existing community/military resources to ensure that services are available to meet and support the identified needs of service members and their families pre, during and post deployment.
- 1.5.6 Maintain, expand, and continuously update list of all resources for service members and their families.

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1.6 QUALITY IMPROVEMENT/PERFORMANCE IMPROVEMENT (QI/PI)

1.6.1 PROGRAM OUTCOMES

- 1) All service members and families currently served by this program will continue to receive services as prescribed by their individual care plans;
- 2) New service members and families referred for services will work with Care Coordinators to develop and implement care plans, thereby experiencing fewer crisis and emergencies during the deployment cycle;
- 3) DCSP recipients feel well taken care of, can access services with dignity, and feel that their needs are anticipated by the system.

1.6.2 PERFORMANCE MEASURES

The Contractor’s performance shall be measured by the extent to which they meet the benchmarks that support the program outcomes identified above. Performance Measures will be reported to DCBCS/CBMP and NHNG as instructed. Additional performance measures and benchmarks may be added at the discretion of DCBCS/CBMP and provided to the Contractor.

Performance Measures	Benchmarks
Locations where DCSP care coordinators and community services providers offer local access to clients.	Services are available locally to all service members /families regardless of their location
Number of care coordinators, available by location, to meet the needs of current clients and new referral care plans in a timely manner.	Provides adequate numbers of trained care coordinators on a statewide basis to address the needs of all current care plans and new referrals in a timely manner.
Reports on care coordinators’ training and monitoring of services to ensure program policies and procedures are utilized to meet client’s needs.	Care coordinators utilize program, reporting and evaluation tools available in the DCSP Manual.
Community based services and military services are identified and incorporated as appropriate into the clients care plan to meet stated clients’ goals.	Available community /military services are identified, partnered with and utilized to support the needs of the client as requested and to reduce the cost of the program.
Reports on usage of flexible funding.	Philanthropic support is available and well managed to sustain flexible funding for service members/families.
Client satisfaction reports and survey results submitted to DCBCS/DCSP and NHNG	90% of recipient’s goals were met as requested resulting in fewer or less severe crises during the deployment cycle.
Submits invoices, reports and other requested information to DCSP and NHNG as requested.	95 % of the time the administrative requirements are accurate and meet deadlines as requested.

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1.7 RECORDS/REPORTING/MEETINGS REQUIREMENTS

Monthly Meetings with DCBCS/CBMP as instructed.
Monthly Reports: Submit to DCBCS/CBMP as instructed
Number of New Referrals by referral source and deployment status
Number of Initial Risk/Resiliency Assessments completed that month
Report total cost per service by type and total number of units per type and total number of clients served per type for the following: <ul style="list-style-type: none"> • Counseling (hours, service members, families) • Case Management (hours, service members, families) • Specific Services (hours or other defined unit as appropriate, service members, families) <ul style="list-style-type: none"> ○ Vocational Services ○ Financial Counseling ○ Childcare/Respite ○ Flexible funding ○ Other
Report on Referrals to Community/Military Service Providers, <ul style="list-style-type: none"> • Type of service • Name of community service provider • Number of referrals by type of service • Service member or family member referred • Total type of service by Deployment Status (pre-during and post deployment)
Reports on Community Contacts and Trainings <ul style="list-style-type: none"> • Dates/topics of trainings to and meetings with Community Service Providers • Dates/topics of trainings/group interventions with military units.
General trends/barriers identified in service delivery and program implementation/management
Quarterly Reports: Submit to DCBCS/CBMP as instructed
Summary of results of a quarterly random client record review to ensure services are being delivered and clients' needs are addressed.
Final Report: Submit to DCBCS/CBMP as instructed
Provide a final fiscal and programmatic summary as instructed by DCBCS within sixty days of the contract year being reported.

1.8 STAFF

- 1.8.1 The Contractor shall staff this program with individuals trained in service coordination and who are familiar with military life. The number of Care Coordinators needed to staff the program will be determined, in part, by such factors as the number of service members/families to be served under this contract as well as their demographic data.
- 1.8.2 The Contractor shall staff this program with individuals who at a minimum meet the staffing requirements identified in the DCSP Manual.
- 1.8.3 Community agency personnel shall receive comprehensive training to enhance their qualifications for working with the target population.

Contractor's Initials: Date:

1.13 TRANSITION PROCESS

- 1.13.1 If applicable, Contractor agrees to coordinate and work with DCBCS/CBMP and the current provider of services to ensure continuity in the delivery of services to current service members and families.
- 1.13.2 The Contractor shall have a transition process for clients in the event that they maybe transitioned between contracted providers. The process shall ensure
- Uninterrupted delivery of services for clients;
 - A method of notifying clients and/or the community about the transition. A staff member shall be available to address questions about the transition.

SECTION 2: OTHER TERMS AND CONDITIONS

2.1 MAINTENANCE OF RECORDS/CONFIDENTIALITY

The Contractor shall ensure the confidentiality of client's records according to the terms and conditions identified in this Agreement.

2.2 SUB CONTRACTS

- 2.2.1 With prior written approval from DCBCS/CBMP the Contractor may enter into subcontracts as needed to meet the terms of this contract.
- 2.2.2 Prior to entering into subcontracts supported with Federal funds, the Contractor shall consult the ineligible parties list to ensure that potential subcontractors are eligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension." The list is available on the Web at <http://www/epl.gov>.

2.3 COMPLIANCE WITH LAWS AND REGULATIONS

Contractor shall submit to the DCBCS/CBMP proof of current licenses/permits etc., as described in Exhibit C Special Provisions # 15 Operations of Facilities that covers the entire contract period from March 10, 2010 through September 30, 2010. Failure to submit current copies of licenses/permits, etc. may result in the DCBCS/CBMP withholding payments until licenses are submitted. Provide DCBCS/CBMP with copies of any inspection deficiency reports and corrective action plans.

2.4 CRIMINAL BACKGROUND AND ADULT PROTECTIVE SERVICE REGISTRY CHECKS

- 2.4.1 Contractor shall conduct a criminal background check if a potential applicant for employment or volunteer, funded under this contract, may have client contact in the client's place of residence. Contractors who are licensed home health care providers shall meet the requirements of RSA 151:2-d Criminal Record Check Required.
- 2.4.2 Contractors which are licensed, certified or funded by the DHHS shall meet the requirements of RSA 161-F: 49 Registry, VII, which requires the submission of the name

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of a prospective employee who may have client contact, for review against the State Adult Protective Service Registry, effective July 1, 2007.

2.5 PAYMENT FOR SERVICES

The Contractor agrees to be paid for services provided under this contract as detailed in Exhibit B Purchase of Services and Exhibit B-1 Budget and Justification.

2.6 INVOICES AND FINANCIAL REPORTING

Monthly invoices and financial reports and annual financial reports shall be submitted to DCBCS/CBMP as described in Exhibit B Purchase of Services.

2.7 AUDIT REQUIREMENTS

2.7.1 On or before May 31, 2010, the Contractor shall deliver to the State, at the address set forth in Section 1.2 of these General Provisions, an independent audit performed by a Certified Public Accountant, of the Contractor, including the funds received under this Agreement. The Contractor shall provide the State with a copy of their most current independent audit during the entire contract period.

2.7.2 The following requirement shall apply if the Contractor is a State or Local Government or an Institution of Higher Education or Other Non-Profit Organization: If the federal funds expended under this or any other Agreement from any and all sources exceeds \$500,000 in the aggregate in a one year fiscal period the required audit shall be performed in accordance with the provisions of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations for fiscal years ending on or after December 31, 2003.

2.8 BOARD OF DIRECTORS

Contractor shall submit to the DCBCS/BMA a list of current Board of Directors, with names, addresses and titles that covers the entire contract period.

2.9 DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with the provisions of Section 319 of the Public Law 101-121, Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions; with the provisions of Executive Order 12549 and 45 CFR Subpart A, B, C, D, and E Section 76 regarding Debarment, Suspension and Other Responsibility Matters, and shall complete and submit to the State the appropriate certificates of compliance upon approval of the Agreement by the Governor and Council.

2.10 RENEWAL OPTION

DCBCS/CBMP shall retain the option to renew the contract for a period to be negotiated with the contractor, but not to exceed five (5) one year renewals, at its discretion, upon satisfactory delivery of services, availability of funds, and upon approval of Governor and Executive Council.

Contractor's Initials:

Date:

ET
2/11/10

2.11 CREDITS

2.11.1 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:

2.11.2 "The preparation of this (report, document, etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, Division of Community Based Care Services, Community Based Military Programs, with funds provided, in part by the State of New Hampshire and the United States Department of Health and Human Services and Department of Defense, New Hampshire National Guard."

2.12 PRIOR APPROVAL AND COPYRIGHT OWNERSHIP

All documents (written, video, audio) produced or purchased under the contract shall have prior approval from DCBCS/CBMP before printing, production, distribution or use. The DCBCS/CBMP will retain copyright ownership for any all original materials produced with DCBCS/CBMP funding, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contracted organizations may not reproduce any materials produced under the contract without prior written approval from DCBCS/CBMP.

2.13 ENTIRE AGREEMENT

The following constitute the entire agreement: General Provisions (P-37), Certificate of Vote, Exhibits A and A-1 Scope of Service/Narrative/Workplan, Deployment Cycle Support Manual is incorporated by reference, Exhibit B Purchase of Services, Exhibit B-1 Budget, Exhibit B-2 Budget Narrative, Exhibit C Special Provisions, Exhibit C-1 Additional Special Provisions, Exhibit D, Certification Regarding Drug Free Work Place Requirements, Exhibit E, Certification Regarding Lobbying, Exhibit F, Certification Regarding Debarment, Suspension and Other Responsibility Matters, Exhibit G, Certification Regarding The Americans with Disabilities Act Compliance, Exhibit H, Certification Regarding Environmental Tobacco Smoke, Exhibit I, Health Insurance Portability and Accountability Act Business Associate Agreement, Mission Statement, Audited Financial Statement, Personnel List, Resumes, Board of Directors List, Certificate of Good Standing, Copy of Secretary of State website printout showing contractor's creation date, General Liability Insurance Acknowledgement Form and Proof of General Liability and Workers Compensation Insurance.

Contractor's Initials: _____

Date: _____

CEJ
5/11/10

EXHIBIT A-1

Program Narrative

1. Describe how the program will operate and ensure statewide services; how scope of service will be carried out; roles of DCSP staff; how performance measures will be met:

a. Ensuring Continued Statewide Access: The DCSP addresses the needs of struggling Guard/Reserves members/families through local services, identified and accessed with the guidance of a qualified, trusted mentor who is adept in local and statewide systems navigation, and builds trust based on respect, responsiveness and close rapport. Since the program's inception, ESNH has provided local services throughout NH and adjoining regions, meeting people in their homes or other nearby locations at times that are convenient to them. ESNH's core network of staff and independently contracted care coordinators are located throughout NH and bordering communities, and log many miles to see clients. To continue to provide local services to a significantly greater number of service members/ families, ESNH proposes to establish a statewide, interagency network of qualified care coordinators that can ramp up for the deployment cycle just as Guard/Reserves members/families do. ESNH will continue to provide services as well; however, in this contract period, we will also establish subcontracts with social service and mental health agencies throughout the state, which have identified 30+ qualified staff, including veterans and others with background and/or strong interest for working with service members/families. The intent is that many of the care coordinators from the subcontracted agencies will carry smaller DCSP caseloads that are consistent with their expertise and part of their overall caseloads at their agency. While it utilizes more resources to train/orient/manage a larger team of part-time care coordinators, it will not only meet the current need for local services but also effectively create more sustainable capacity by establishing a broad-based workforce of professionals who can meet military families' needs not only for this cycle of deployments, but throughout OEF/OIF and future conflicts/crises. Subcontracting with local organizations will also reduce care coordinator travel expenses and help ensure maximum use of local resources—key to cost efficiency and creating sustainable long-range capacity in the social service system.

b. Program Operations, Management/Administration, Supervision – How Scope of Services will be carried out: ESNH staff and current independent contractors will function as a Core Team that provides clinical and administrative management and guidance, and direct care coordination by experienced clinical and social service professionals with proven dedication to the project. An Extended Network of care coordinators and related providers from subcontracting agencies will be engaged, trained, and fully integrated into the DCSP through ongoing clinical supervision, peer support, and engagement with the J1 Deployment Cycle Support team, DHHS-CBMP activities, local service providers, Veterans Count, and other activities as described at #2, below. Additionally, ESNH Development professionals will ensure effective administration and sustainability of Veterans Count. ESNH has designated a DCSP financial liaison who provides accounting/finance services and guidance. The program is an important priority for ESNH with ongoing involvement and guidance from the President/CEO and Sr. VP of Programs.

c. Staff Roles (resumes attached):

Core Team

Project Director (Daisy Wojewoda): Responsible for overall qualitative and quantitative program performance, personnel management, fiscal management, compliance, reporting, inter-agency relations, and supporting Veterans Count activities to facilitate sustainable access to emergency fund.

Clinical Director (Peter Collins): Clinical training and supervision to care coordinators. Presents at drills, military events, workshops, and PR events on program and clinical topics. In addition to his full-time role as Clinical Director, Peter will carry an additional part caseload of critical, challenging, and emergent cases.

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Intake Coordinator (Chrystn Pitt): Receives and manages referrals. Responsible for assigning cases and coordinating internal referrals. Also carries small care coordination caseload.

Office Manager (Becki Malandrino): Design and manage database, file storage, office operations, financial assistance processing, monthly reporting, and subcontract management.

Program Assistant (Paula Kvetkosky): Coordinates donations, organizes resource library, represents program at events, provides office and general support in all areas as needed.

Care Coordinators - 5 ESNH Employees (Deanna Monroe, Suki Carey, Matthew Aversa, Susan Hilchey, plus Peter Collins and Chrystn Pitt): Core “in-house” team serving new/existing cases. Responds to urgent requests, provides peer support, and coverage to ensure cohesive services. Works closely with JI team. Deanna Monroe attends JI weekly meetings and functions as general liaison with JI Full Cycle Support team. **9 Independent Contractors** (Louisa Fisher, Noah Jacobsen-Goodhue, Patricia Grondin, Jason Luciano, Kirsten MacArthur, Eileen McDonald, Elisabeth Swiriduk, Linda Hanley-Thomas, Joyce Whiting): Core group of independent providers currently performing care coordination.

Other ESNH Staff

Job Placement Specialists (Donna McDonough, Colleen Powers, Wanda Follansbee, other vocational services staff as warranted): Provide resume assistance, job development, and job placement/follow up. **Development Staff** (Linda Sirak, Pam Langone, Mike Cormier, Kim Stewart): VP of Major Gifts is administrative liaison to Vets Count. Communications Director manages PR. Events Director coordinates fundraisers. Grant Writer secures grants for the Emergency Fund.

Extended Network

Contracted Care Coordinators: Over 30 licensed, master’s-level counselors and other qualified personnel employed by subcontracting organizations. Provide counseling and care coordination locally. As part of a statewide network of providers in the Deployment Cycle Support program, complete required training, access supervision and peer support, report to the program office, and work effectively with military, civilian, and VA systems to meet needs of Service Members/families with existing services and programs. **Designated Admin Contacts:** Each subcontracting organization will designate one point of contact for receiving referrals and submitting reports. **Financial Services Provider:** Jena Palisoul of “Greenback Guides” provides financial support and counseling services on a statewide basis as requested. **Other Service Providers:** Experienced non-clinical staff from subcontracting agencies will be utilized as needed for support services. This will be particularly useful in the North Country, where there are a wide range of social service needs, limited master’s-level clinicians, and extensive travel demands. In this region, the Gorham-based Family Resource Center will provide highly experienced bachelor’s level staff (with military life/family experience) to support the local Care Coordinator (an independent contractor).

d. Key performance measures/benchmarks, (as per 1.6.2 in RFP) and how they will be met:

Performance Measure	Benchmark	How Benchmark Will Be Met
Locations where DCSP care coordinators offer local access to clients	Services available locally to all service members/families regardless of location	Statewide network of agencies with strong local presence representing all NH regions that supplements core statewide team
# of care coordinators by location to meet the needs of clients in timely manner	Provides trained CC’s statewide to address all current/new client needs in timely manner	Adding approx. 30 new CCs, designated by sub-contracting agencies and covering all regions
Reports on CC training and monitoring services to ensure policies/procedures being	CCs utilize program, reporting and evaluation tools available in DCSP Manual	Provide/track training; monitor services through supervision; complete required encounter reporting, CC tools; required

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utilized to meet client needs		reporting to DHHS and NHNG
Community-based and military services are identified and incorporated into client's care plan to meet stated client goals	Available community/military services are identified and utilized to support client needs and reduce cost of program	Promote participation in community/military partnerships; monitor and track referrals to existing programs (Vet Center, VA, MH Center, etc); expand resource list
Usage of flexible funding	Philanthropic support is available and well-managed to sustain flexible funding for service members/families	Continued administration of and participation in Vets Count at all levels; review all financial assistance requests reflect need and exhaustion of other resources
Client satisfaction survey reports submitted to DCBCS/DCSP and NHNG	90% of goals met as requested resulting in fewer/less severe crises during deployment cycle	Survey prepared and conducted by UNH. Work closely with J1 team to ensure increased survey responses; report findings
Submits invoices, reports and other requested info to DCSP and NHNG as requested	95% of the time the admin requirements are accurate and meet deadlines as requested	Monthly meetings with CBMP Bureau Chief and J1 Deputy Officer to include review of accuracy and timeliness of admin deadlines

2. **How Needs of Target Population will be Met, Including Partnering with Community Providers/Veterans Services and Promoting Sustainability:** This section (and #3 below) outlines proposed plan for carrying out the scope of work and corresponds with the accompanying Workplan

Ensuring ESNH is administratively ready for program expansion: With input and approval of J1 and DHHS, ESNH will update data collection, invoicing and reporting forms to manage extended network/subcontracts, track referrals to other programs/services and monitor use of existing resources. ESNH will finalize release of info, grievance and responsiveness policies according to NHNG and DHHS expectations. ESNH will produce additional program tools and training materials and schedule/complete 1-1/2 day Care Coordinator Training for new providers that includes clinical and administrative training, general DCSP orientation, and issuance of DCSP Tool Kit with all necessary forms, contacts, and tools.

Ensuring local statewide access to care coordination is available to all NH service members/families in the deployment cycle: As described above, subcontracting agencies have offices throughout the state and will work together with the Core Team to provide local access to all DCSP participants.

Ensuring new and pre-existing DCSP care coordinators function as a cohesive team that is qualified, trained, and committed to providing high-quality services:

Qualifications and credentials: ESNH will monitor care coordinator training and credentials as outlined in DCSP manual, perform annual review of all ESNH staff

Orientation and training: All new care coordinators will complete Care Coordinator Training, Military Culture 101, and additional 12 CEU's per year. Clinical staff will complete NAMI Connect Suicide Pre/Postvention Training. New care coordinators will attend bi-monthly J1-CC meetings.

Clinical supervision and peer support: ESNH Clinical Director will provide clinical supervision through monthly regional meetings and core team meetings and will be available by phone for consult. Care coordinators will continue to provide peer support, with experienced staff assigned to mentor new personnel as warranted. **Critical Case Review (CCR):** To continue to ensure high-quality clinical intervention and effective collaboration with J1 and command staff on cases where multiple parties are providing support, ESNH Clinical Director will work with the NHNG DPH to implement a CCR process for addressing complex case-specific issues and facilitating wrap-around meetings as appropriate.

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General administrative support role in care coordination team building: Project Dir, Intake Coord, and Office Mgr will establish clear and efficient process with subcontracting agencies for referring, reporting, invoicing, etc and use the email list to maintain network-wide communication

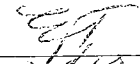
Continuing care plans/services for service members/families currently being served: On average each month, care coordinators provide services to approximately 1/3 of the entire DCSP participant base. As of 12/31/09, ESNH has served over 1000 service members/families and 375 in the past month (all branches). ESNH will continue to serve existing participants through the deployment cycle and ensure long-range services are identified. Existing staff will be fully trained in all new policies and procedures.

Receiving/processing referrals of service members/families new to DCSP, conducting assessments, developing and implementing care plans: ESNH has established protocol working with the Military Liaison to coordinate referrals from Guard and Reserves components via pre-deployment presentations and for the Intake Coordinator to receive and assign self-referrals and ongoing/emergent referrals from J1 personnel and other community providers. With regard to unit referrals, ESNH and the J1 Military Liaison, with oversight from the J1 Deputy Officer, completed Gate 1A/B presentations and referral process with over 700 service members in fall 2009 and will receive additional referrals from a Jan 2010 Air Guard pre-deployment event and additional events throughout the 7-month contract period. All emergent/critical referrals from fall 2009 were promptly assigned to care coordinators; however, as of now, over 320 non-critical Gate 1A/B referrals from fall 2009 are as yet un-assigned. As soon as is operationally/fiscally possible, ESNH will assign these cases through the extended network and guide new care coordinators through the outreach and engagement process. While it is impossible to predict the exact number of active cases, case intensity, or hours of staff time required for a program that is optional and needs-driven, ESNH estimates that the total served by the DCSP will rapidly rise from over 1000 to close to 2000 and that in any given month, an average of 600 service members/families will receive an average of 3 hours care coordination and related services. Through its established monthly reporting process and ongoing supervision as proposed, ESNH will monitor progress in connecting with newly assigned referrals and in completing assessments/care plans and initiating services.

Accessing philanthropic funding and promoting Veterans Count's sustainability: ESNH will continue to work closely with partners to ensure that all appropriate charitable resources are identified and accessed, including ongoing management of requests/donations of material goods. ESNH will make Vets Count emergency funding available in cases where the help is needed and other resources are unavailable, according to existing protocol. ESNH VP of Major Gifts and the DCSP Project Director will continue to work closely to ensure Vets Count leaders are well-informed and to coordinate events, secure foundation grants and major gifts, and other activities to ensure continued growth and sustainability of the fund. ESNH staff will assist NHNG in coordinating Military Culture 101 for Veterans Count Advisory Board.

Partnering with existing community and military programs to ensure that services are available to meet and support service member/family needs pre, during, and post-deployment: Effective partnerships with military, VA, and civilian systems are critical to the success of DCSP. A primary project focus over the next year will be strengthening partnerships to increase service availability and long-range cost efficiency/sustainability. ESNH will ensure strong and increasingly effective cross-system collaborations and service delivery by continued development of the following partnerships:

NHNG/J1 and Reserves: Ongoing communication and collaboration with J1 leadership and staff, including bi-monthly J1-CC team meetings, weekly meetings between Project Director and Military Liaison, care coordinator liaison at weekly J1 case management/staff meetings, clinical collaboration with DPH, and continued work in special joint initiatives, such as the School/Education project. Work with Military Liaison to ensure ongoing communication with Guard/Reserves unit command.

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DHHS/DCBS/CBMP and other DHHS programs: Ongoing communication with CBMP Bureau Chief regarding upcoming meetings, drill events, emergent issues, training, and other opportunities. Meet monthly to review performance benchmarks and plan for developing and maximizing community and state resources. Ensure Bureau Chief's involvement in program activities and policies. Participate in NH VetNET and Community Programs work groups.

VA System: Monitor referrals to ensure that VA and Vet Center evaluation, treatment and services are accessed whenever appropriate and track referrals. Include VA personnel in J1-CC team meetings and continue to participate in VA OEF/OIF Community Partners meetings. Work with VA, Transition Assistance Advisor, to assist service members/families in accessing benefits.

Local community programs: Care plans will emphasize collaboration with local programs, particularly those that are funded through other funding streams. Referrals to community programs will be tracked and care coordinators will participate in local community partnerships that can benefit service members/families. In addition to care coordination (assessment, planning, ongoing service coordination), ESNH and subcontracting agencies will provide counseling, job placement, financial assistance, children's services, and additional services as needed.

Other programs and initiatives with similar or related objectives: ESNH will continue to endeavor to engage service members/families, Veterans Count leaders, DHHS, NHNG and Reserves leadership in exploring creative partnerships, such as current work with Mass General Hospital/Red Sox Home Base Program, that will address unmet needs or improve/increase services and have long range impact on project sustainability.

Maintaining, expanding, and updating list of service Resources: ESNH will track referrals made by DCSP participants and care coordinators to local community and military programs, monitor effectiveness of different services, and update resource list accordingly; and/or participate as directed by NHNG J1 in web-based resource directory project.

Ensuring sufficient staffing is available for weekend/off-hour activities: As outlined in the workplan, ESNH will continue to stay abreast of events schedules and work closely with Military Liaison to ensure sufficient staffing for DCSP presentations and individual contact at weekend and evening drills and events throughout the state, engaging local care coordinators whenever possible.

3. Plan for Monitoring and Evaluating Progress in Meeting Objectives (QI/PI): All program objectives and activities are related to key program outcomes outlined in the RFP at 1.6.1: 1) all service members/families currently served will continue to receive services; 2) new service members and families will develop/implement care plans resulting in fewer crises and emergencies during the deployment cycle; and 3) DCSP recipient feel well taken care of, can access services with dignity, and feel that their needs are anticipated by the system. The workplan outlines steps for achieving the following key Quality Improvement/Performance Improvement objectives.

Measuring extent to which established benchmarks have been met: ESNH will collect relevant data and maintain accurate records for performance assessment. In order to further develop and ensure a more in-depth, comprehensive process for evaluating effectiveness in achieving these key outcomes, ESNH proposes to continue to subcontract with UNH-IOD for program evaluation. UNH-IOD deliverables will include satisfaction survey (emphasis on increasing response rate), ongoing quality monitoring and guidance, chart/electronic data review and reporting based on random chart review, final report.

Reporting performance to DCBCS/CBMP and NHNG per established expectations: ESNH will submit all required reporting and requests in a timely manner and provide full access to DHHS, NHNG, Veterans Count, UNH-IOD and other stakeholders as appropriate.

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Continually striving to improve quality and responsiveness while promoting cost efficiency and long-range sustainability: Through a detailed plan built on the principles set forth in the RFP, ESNH will continue to communicate openly and productively at all levels, receive and incorporate constructive feedback, and maintain high quality and responsiveness.

4. **Resumes and Personnel Form:** Resumes and Personnel Form for each SFY are attached.

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Goals/Outcomes	Performance Standards	Activities	Person/s Responsible	Timeline/ Deadline
<p>Start-Up Preparation: Easter Seals NH is administratively ready for program expansion in conjunction with criteria outlined in RFP</p>	<p>All reporting forms/protocol, data management/database modifications, expanded staffing (in-house and subcontracted), program materials, supervision and meeting protocols, are in place.</p>	<ol style="list-style-type: none"> 1. Create uniform invoicing format for use by subcontractors that captures all required data for purposes of reporting, accounting and program evaluation 2. Update monthly client encounter reporting form to include tracking referrals made to community agencies 3. Modify database in conjunction with updated invoicing and reporting forms 4. Work with NHNG J1 partners to finalize grievance and 24/7 policies and incorporate in new protocols/training 5. Est. contracts w/ new sub-contractors 6. Print/assemb. materials for CC Training/Tool-Kits for new CC's 7. Schedule and complete 1 ½ day Care Coordinator training with 1st day a full-day clinical training and 2nd day a half-day on reporting/record keeping/referrals/financial assistance – and include designated admin contacts from subcontracting agencies in the 2nd day (2 sessions may be necessary to accommodate schedules/number of people) 8. Print new batch of Service Member/Family Guidebook brochures 9. Update contact lists and disseminate to entire CC/J1/DHHS team 10. Establish plan for assigning to staff at subcontracting agencies approx. 360 referrals that were generated at Gate 1B events in Fall 2009 but not yet assigned due to insufficient funding (note that some of the Fall 2009 Gate 1B referrals are already 	<p>Project Director, Office Mgr.</p> <p>Proj. Director, Office Mgr.</p> <p>Office Mgr.</p> <p>Proj. Dir., Clin. Dir.</p> <p>Proj. Dir.</p> <p>Office Mgr., Prog Asst.</p> <p>Clinical Director, Proj. Director</p> <p>Office Mgr.</p> <p>Office Mgr.</p> <p>Intake Coord., Proj. Dir., Clin Dir.</p>	<p>Mar 1</p> <p>Mar 1</p> <p>Mar 1</p> <p>Immediate</p> <p>Mar 1</p> <p>Mar 30 (or sooner)</p> <p>Apr 15 (or sooner)</p> <p>Mar 30</p> <p>Mar 1</p> <p>Mar 1</p>

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Goals/Outcomes	Performance Standards	Activities	Persons/ Responsible	Timeline/ Deadline
<p>Local, statewide access to Care Coordination is available to all NH Service Members/families in the deployment cycle</p>	<p>Services are available locally to all NH service members/families regardless of their location; and Care Coordinators are well-versed in local community programs</p>	<p>assigned and receiving services)</p> <ol style="list-style-type: none"> 1. Core team to continue to manage current statewide caseload in their geographic regions of expertise and take on new referrals as appropriate 2. Establish sub-contracts with the following organizations (which will provide qualified Care Coordination staff with local presence in every NH county and region): <ol style="list-style-type: none"> a. Child and Family Services (staff/offices serving Belknap, Merrimack, Hillsborough, Rockingham and Strafford county regions); b. Community Partners (Stafford County); c. Family Resource Center at Gorham (Coos County – NH North Country); d. Greater Nashua Mental Health Center; e. Mental Health Center of Greater Manchester; f. Milford Regional Counseling Services Inc (affiliated with Harbor 	<p>Proj. Director and Core CC team</p> <p>Proj. Director and Exec Director of sub-contracting agencies:</p> <p>Michael Ostrowski</p> <p>Nancy Morse</p> <p>Tom Austin</p> <p>Hisham Hafez, MD</p> <p>Peter Janelle</p> <p>Peter Kelleher</p>	<p>Immediate and ongoing</p> <p>Mar 1</p>

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Goals/Outcomes	Performance Standards	Activities	Person/s Responsible	Timeline/ Deadline
<p>New and pre-existing staff function as a cohesive team that is qualified, trained, and committed to providing high-quality services</p>	<p>All staff meet or exceed qualification requirements and complete required training in timely manner. Core team and extended team receive formal supervision, peer support, and administrative support. Care Coordinators understand their role as part of an integrated full cycle support system in close partnership with the J1 programs and personnel, DHHS, and Veterans Count.</p>	<p>Homes – Greater Nashua, Souhegan Valley, Mass. border region)</p> <ol style="list-style-type: none"> 1. <u>Qualifications/Credentials:</u> <ol style="list-style-type: none"> a. Receive/review resumes for all current and new clinical and other key staff to ensure appropriate credentials/background b. Annual review of all staff 2. <u>Orientation and Training:</u> <ol style="list-style-type: none"> a. Provide Care Coordinator Training and Tool kit to new staff (including orientation to J1 programs and personnel) b. All new CC staff attend next J1-CC meeting to meet entire team c. All CC staff attend Military Culture 101 d. All CC staff attend 6-hr NAMI NH Training: Suicide Prevention and Intervention training for Military Providers e. Monitor clinical staff completion of 12 additional CEU's annually 3. <u>Clinical Supervision and Peer Support:</u> <ol style="list-style-type: none"> a. Weekly clinical supervision to Core Team b. Regional supervision meetings monthly to include clinical case review, and ongoing access to supervision time with Clin. Dir. c. Core Team monthly meeting including clinical case review d. Assign core team members as peer support liaisons as warranted 	<p>Proj. Dir., Clin. Dir.</p>	<p>Mar 1 and annually</p>
			<p>Clin Dir., Proj. Dir. NHNG staff (Mil Cult training); NAMI staff</p>	<p>Ongoing and as scheduled</p>
			<p>Clin Director</p>	<p>Ongoing and as scheduled</p>

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Goals/Outcomes	Performance Standards	Activities	Person/s Responsible	Timeline/ Deadline
<p>New and pre-existing staff function as a cohesive team that is qualified, trained, and committed to providing high-quality services</p>	<p>All staff meet or exceed qualification requirements and complete required training in timely manner. Core team and extended team receive formal supervision, peer support, and administrative support. Care Coordinators are part of an integrated full cycle support system in close partnership with the J1 programs and personnel, DHHS, and Veterans Count</p>	<p>e. Establish and implement Critical Case Review Process with NHNG J1 DPH (Sue Brown) – DPH and Clinical Director meet monthly to review Critical Cases presented by care coordinators and facilitate wraparound meetings as warranted</p> <p>4. <u>General Admin Support and Care Coord. Team Building:</u></p> <p>a. Meet with Admin support contact from each subcontracting agency to establish clear expectations for reporting, invoicing, etc</p> <p>b. Ongoing communication via e-mail list-serve and peer support</p> <p>c. Provide 1:1 admin support as needed</p>	<p>Proj Dir; Office Mgr; Clin Dir; Intake Coord; Core CC Team</p>	<p>Ongoing and as scheduled</p>
<p>Care plans/services for service members/families currently being served continue</p>	<p>All service members/families already in the DCSP experience un-interrupted services through deployment cycle</p>	<p>1. Continue to provide assessment, planning, service coordination, and service provision to service members/families currently being served</p> <p>2. Train existing (core) CC team in new reporting protocols</p>	<p>Proj. Dir., Clin. Dir., and Core Care Coord. Team</p>	<p>Immediate and ongoing</p>
<p>New referrals are received and processed; assessments conducted on newly referred service members/families, Care Plans developed and implemented</p>	<p>100% of eligible individuals/families referred (inc. self referrals, provider referrals, Gate 1A/B) who consent to participate in the program receive Care Coordination services as outlined in DCSP manual</p>	<p>1. Assign as-yet-unassigned referrals from Fall 2009 Gate 1A/B intake events</p> <p>2. Coordinate w/ Military Liaison to conduct additional Gate 1 A/B intake events as additional units are sourced and assign cases</p> <p>3. Receive self and provider referrals and assign cases w/in 2 business days</p> <p>4. Provide assessment, planning, service coordination, and service provision</p>	<p>Intake Coord. Proj. Dir. Intake Coord. CC Team, Clin Dir, Proj. Dir</p>	<p>Mar 30 Ongoing Ongoing (Apr 1 – immediate if</p>

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Goals/Outcomes	Performance Standards	Activities	Person/s Responsible	Timeline/ Deadline
<p>Philanthropic funding for emergency services is identified, facilitated, and made available to service members/families; Veterans Count is promoted as sustainable philanthropic source of flexible funding.</p>	<p>Crises are thwarted and self-sufficiency is encouraged through continued support and use of Veterans Count, CERF, and other philanthropic programs, allowing ongoing provision of emergency financial assistance to eligible service members/ families in context of comprehensive care planning</p>	<ol style="list-style-type: none"> 1. Work closely w/ J1 staff and community partners to ensure that all philanthropic/charity programs are identified and accessed, including CERF. 2. Coordinate donations of material goods and requests for material goods 3. Continue to provide emergency funding through Vets Count using established funding request and approval protocol 4. Ensure service member/family member testimony at Veterans Count Advisory Board meetings and events 5. Provide financial assistance data reporting to Vets Count upon request 6. Meet with Vets Count financial subcommittee chair to review fund use 7. Represent program to media and at PR and fundraising events with proper protocol as requested 8. Help coordinate NHNG's Military Culture 101 for Veterans Count Advisory Board, MGH-Red Sox-HBP reps and ESNH senior leadership 	<p>Proj. Dir. Proj./Clin Dir Proj./Clin Dir Proj. Dir. Prog. Assistant Proj. Dir.; VP Major Gifts Proj. Dir.; VP Major Gifts Proj. Dir.; VP Major Gifts Proj. Dir., Clin Dir.</p>	<p>Ongoing Ongoing Ongoing Ongoing Ongoing Ongoing (quarterly) Ongoing (quarterly) As requested Mar/Apr (or according to timeframe established by NHNG)</p>

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Goals/Outcomes	Performance Standards	Activities	Persons/ Responsible	Timeline/ Deadline
<p>Partnerships with existing community and military resources ensure that services are available to meet and support identified needs pre, during, and post-deployment</p>	<p>Existing programs are identified and made accessible to service members/families. DCSP Care Coordination is embedded in deployment cycle experience and effective, integral part of the continuum of full cycle support s. Services identified in Care Plans are available locally with minimal red-tape and maximal use of existing resources and programs (funded through other streams when possible)</p>	<ol style="list-style-type: none"> 1. <u>Ensure strong and increasingly effective partnership with J1 team:</u> <ol style="list-style-type: none"> a. Care Coordination team to attend bi-monthly J1-CC meetings re communication/ coordination issues & objectives b. Proj. Dir. communicates with J1 Officers, Military Liaison, and other key J1 staff regarding all important programmatic issues and in coordination of Gate events, for Guard and Reserves deployments – weekly meetings with Military Liaison and minimum of monthly meeting w/ J1 Deputy Officer c. Designated Care Coord liaison attend weekly Case Mgt meeting and bi-weekly J1 staff meeting to share info/concerns/etc d. Clinical Director meet/communicate regularly w/ DPH for Critical Case Review and oversee team wraparound meeting process e. Continue School/Education initiative with interdisciplinary CC and J1 committee chaired by Military Liaison f. Monitor Care Coordination to ensure that J1 programs and personnel are engaged whenever possible and warranted 	<p>All DCSP personnel</p>	<p>Ongoing</p>

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Goals/Outcomes	Performance Standards	Activities	Person/s Responsible	Timeline/ Deadline
<p>Partnerships with existing community and military resources ensure that services are available to meet and support identified needs pre, during, and post-deployment</p>	<p>Existing programs are identified and made accessible to service members/families. DCSP Care Coordination is embedded in deployment cycle experience and effective, integral part of the continuum of full cycle support s. Services identified in Care Plans are available locally with minimal red-tape and maximal use of existing resources and programs (funded through other streams when possible)</p>	<ol style="list-style-type: none"> 2. <u>Ensure strong and increasingly effective partnership with DHHS-DCBS-CBMP and other DHHS programs:</u> <ol style="list-style-type: none"> a. Proj. Dir. meet minimum of monthly w/ Bureau Chief of CBMP to ensure awareness of statewide issues in DHHS system. b. Notify Bureau Chief. of upcoming trainings, meetings, drill/Gate events, PR events, emergent issues, etc c. Proj. Dir and/or Clin. Dir participate in NH VetNET and Community Programs workgroups d. Ensure Bureau Chief is aware/involved in program activities and policies 3. <u>Ensure strong and increasingly effective partnership with VA system:</u> <ol style="list-style-type: none"> a. Attend monthly VA OEF-OIF Community Partners Meeting b. Include VA personnel in J1-CC team meetings as warranted c. Monitor CC referrals to ensure that appropriate service members are referred to VA system or Vet Center services whenever possible/warranted 	<p>Project Director, Clinical Director, CC Staff</p>	<p>Ongoing</p>

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Goals/Outcomes	Performance Standards	Activities	Person/s Responsible	Timeline/ Deadline
<p>Partnerships with existing community and military resources ensure that services are available to meet and support identified needs pre, during, and post-deployment</p>	<p>Existing programs are identified and made accessible to service members/families. DCSP Care Coordination is embedded in deployment cycle experience and effective, integral part of the continuum of full cycle support s. Services identified in Care Plans are available locally with minimal red-tape and maximal use of existing resources and programs (funded through other streams when possible)</p>	<p>4. <u>Ensure strong and increasingly effective partnership with local community programs:</u></p> <p>a. Care Coordinators participate in community resource committees/meetings in their regions – particularly those geared to military needs</p> <p>b. Track referrals per case on monthly basis per requirements outlined in RFP to ensure community programs being utilized in all geographic regions</p> <p>5. <u>Offer key services through Easter Seals and subcontracted providers as needed with emphasis on using free or otherwise-funded existing resources:</u></p> <p>a. Vocational (resume prep, job development and placement) services provided through ESNH Vocational Services division and/or other local service providers when existing resources are unavailable or insufficient</p> <p>b. Financial Counseling provided by Jena Palisoul-Greenback Guides and/or local financial services providers</p> <p>c. <u>Personal/Couples/Child Counseling</u> provided by Care Coordinators as needed when VA, Vet Center, local community mental health/clinical providers, etc. are insufficient, unavailable or inaccessible</p> <p>d. Children's services (care, respite)</p>	<p>DCSP staff and management</p> <p>Proj. Dir. and DCSP staff/sub-contractors</p>	<p>Ongoing</p>

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Goals/Outcomes	Performance Standards	Activities	Person/s Responsible	Timeline/ Deadline
<p>Partnerships with existing community and military resources ensure that services are available to meet and support identified needs pre, during, and post-deployment</p>	<p>Existing programs are identified and made accessible to service members/families. DCSP Care Coordination is embedded in deployment cycle experience and effective, integral part of the continuum of full cycle supports. Services identified in Care Plans are available locally with minimal red-tape and maximal use of existing resources and programs (funded through other streams when possible)</p>	<p>e. Monitor care plans/monthly reporting to ensure that existing services are accessed whenever possible and appropriate</p> <p>6. <u>Explore additional creative partnerships and means for leveraging additional resource as part of unified team (military, DHHS, VA, Vets Count, ESNH, community programs):</u></p> <p>a. Continue to work as unified partnership, engaging all partners in working with Mass General Hospital –Red Sox Home Base Program personnel to establish MOU and plan that will address unmet needs of NH service members/families</p> <p>b. Engage in ongoing discussion with service members/families, designees from DHHS, NHNG, VA, ES, Vets Count, community orgs, etc to understand needs and ensure partnership activities address unmet needs</p>	<p>Proj. Dir (with in-kind support of ES Senior Management) and designees from Vets Count, DHHS and NHNG partnership</p>	<p>Ongoing</p>
<p>Resource list is maintained, expanded, and continuously updated</p>	<p>All personnel and clients involved in DCSP have access to up-to-date information about local resources</p>	<p>1. Monthly tracking of referrals</p> <p>2. Care Coordinators constantly review w/ their clients the effectiveness of different programs accessed</p> <p>3. Care Coordinators report back to program on community program effectiveness/level of service</p> <p>4. Update resource list monthly as indicated</p> <p>5. Participate as directed by NHNG J1 leadership in web-based resource directory project</p>	<p>Proj. Dir. and CC team</p>	<p>Monthly and ongoing</p>

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Goals/Outcomes	Performance Standards	Activities	Person/s Responsible	Timeline/ Deadline
<p>Sufficient staffing is available for weekend activities (Yellow Ribbon "Gates," drill presentations, other events as indicated)</p>	<p>Gate I/A/B events result in over 90% sign-up rate. DCSP Care Coordination services are represented and made available to service members/families at all relevant military/drill events throughout the deployment cycle</p>	<ol style="list-style-type: none"> 1. Communicate closely with Military Liaison and J1 administrative staff to ensure aware of events schedule and schedule changes 2. Obtain info about unit demographics and key issues affecting the unit prior to Gate I/A/B presentations 3. Communicate closely with Military Liaison, unit commanders, and designees to ensure Gate I A/B details, expectations, etc, are understood and met 4. Implement master schedule and secure CC attendance based on specific event/need; keep CC's aware of schedule changes 	<p>Proj. Dir., Office Mgr. Proj. Dir., Intake Coord., Clin Dir. Proj. Dir., Clim Dir., Intake Coord. Proj. Dir., Office Mgr., Prog. Asst.</p>	<p>Ongoing Ongoing Ongoing Ongoing</p>
<p>QUALITY IMPROVEMENT/ PERFORMANCE IMPROVEMENT: Extent to which established benchmarks have been met is measured</p>	<p>All stakeholders (service members/families, military leadership, Veterans Count partners, DHHS leadership, community at large) have access to valid, accurate information regarding DCSP activities extent to which program meets established benchmarks; 90% of clients report goals were met and they feel well taken care of, can access services with dignity, and feel that their needs are anticipated by the system</p>	<ol style="list-style-type: none"> 1. Continue sub-contract with UNH-IOD to provide Program Evaluation 2. UNH-IOD Prog Eval consultant will create and implement client satisfaction survey and work closely with DHHS, NHNG, ESNH, etc to promote high response rate 3. UNH-IOD Prog Eval reviews program data monthly to include review of responsiveness and thoroughness in meeting established performance measures 4. UNH-IOD Prog Eval consultant will submit Quarterly Reports – summary of results of random client record review to ensure services are being delivered and clients needs addressed 5. UNH-IOD Prog Eval consultant will submit Final Report – including final fiscal and programmatic summary, including results of 	<p>Proj. Dir., UNH-IOD Dir UNH Consult UNH Consult, Office Manager UNH Consult UNH Consult</p>	<p>Mar 1 Ongoing Monthly Quarterly and as requested Within 60 days of end of contract</p>

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Goals/Outcomes	Performance Standards	Activities	Person/s Responsible	Timeline/ Deadline
<p>QUALITY IMPROVEMENT/ PERFORMANCE IMPROVEMENT: Performance is reported to DCBCS/CBMP and NHNG per established expectations</p>	<p>DCBCS/CBMP and NHNG have ongoing access to valid, thorough, accurate information. Minimum of 95% of the time the administrative requirements are accurate and meet deadlines as requested.</p>	<p>client satisfaction survey</p> <ol style="list-style-type: none"> 1. Monthly meetings 2. Submit monthly reports with all data as instructed in RFP 3. Provide full access to UNH-IOD in reviewing program data, conducting surveys, observing events, etc, and ensure UNH-IOD is thorough and timely in completing its requirements 	<p>Proj Director Proj Director Proj Director, Office Manager</p>	<p>Monthly Monthly Ongoing</p>
<p>QUALITY IMPROVEMENT/ PERFORMANCE IMPROVEMENT: Contractor and subcontractors continually strive to improve quality and responsiveness while promoting cost efficiency and long-range sustainability</p>	<p>Program design, partnerships and connections, policies and procedures, operations, and outcomes are modified and improved as a result of effective ongoing communication and evaluation</p>	<ol style="list-style-type: none"> 1. Receive ongoing feedback and constructive input from DHHS/NHNG, Veterans Count, and other stakeholders 2. Work in partnership with DHHS CBMP and NHNG J1 teams to modify program to reflect lessons learned 3. Seek opportunities to continually establish and implement effective means of analyzing cost/benefit 	<p>Proj. Dir., Clin. Dir Entire DCSP staff Proj. Dir., UNH-IOD, NHNG and DHHS leadership</p>	<p>Ongoing, via scheduled meetings and continued collaboration</p>

Contractor's Initials:

Date:


2/1/10

EXHIBIT B

PURCHASE OF SERVICES

Contractor's Name: Easter Seals New Hampshire, Inc.

Contract Period: March 10, 2010 through September 30, 2010

1) Subject to the Contractor's compliance with the terms and conditions of the Agreement, the Division of Community Based Care Services shall reimburse the Contractor for service provided to eligible individuals, by the Contractor, as detailed below and in Exhibit B-1 Budget and Exhibit B-2 Budget Narrative:

Service	Rate	SFY 2010	SFY 2011	Total
Deployment Cycle Support Program	Cost Reimbursement	\$888,025.00	\$604,816.00	\$1,492,841.00

- 2) It is understood that in no event shall the total payments made by the Division of Community Based Care Services under this Agreement exceed the sum of \$1,492,841.00.
- 3) Requests for Payment shall be submitted on a combined line item cost reimbursement basis for expenses incurred, on a monthly basis, on the Contractor's letterhead. The Contractor shall also submit monthly, quarterly and final financial reports that detail the line item expenses in accordance with instructions provided by the State to the Contractor. The Division of Community Based Care Services shall then pay the Contractor the amount of the request for payment which has been approved by the Division of Community Based Care Services.
- 4) The Contractor agrees to use and apply all payments made by the State for direct and indirect costs and expenses incurred for services rendered in accordance with the terms and conditions of this Agreement. Allowable costs and expenses shall be determined by the State in accordance with applicable State and federal laws and regulations. The amount of any payment approved shall be determined at the sole discretion of the Division of Community Based Care Services.
- 5) Notwithstanding anything to the contrary, funding under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if such services or products have not been satisfactorily completed according to the terms and conditions of this Agreement.
- 6) The Contractor and the State may adjust the contract budget through line item increases, decreases, or the creation of new line items, provided these adjustments do not exceed the Contract price. Such adjustments shall only be made upon written request and written approval by the State with programmatic justifications.
- 7) Payment Requests, and financial and program reports shall be sent to:

NH Department of Health and Human Services
 Division of Community Based Care Services
 Community Based Military Programs
 Hugh Gallen Office Park
 129 Pleasant Street, Brown Building
 Concord, N.H. 03301.

Contractor's Initials: ES
 Date: 9/11/10

EXHIBIT B-1
Contract Budget Form

Agency Name	Easter Seals New Hampshire
Program Service Name	Deployment Cycle Support Program/Veterans Count

SFY 2010

Period: March 1, 2010 - June 30, 2010

A=B+C

B

C

Program Service	Total Amount of Program Costs	Requested Funding from DHHS	Other Funding (In-Kind, etc)
Salaries & Benefits			
Personnel Salaries/Wages	\$ 201,028	\$ 189,861	\$ 11,167
Fringe Benefits:			
Taxes 7.65%	\$ 15,379	\$ 14,524	\$ 854
Benefits 17.25%	\$ 34,677	\$ 32,751	\$ 1,926
Total Salaries & Benefits	\$ 251,084	\$ 237,136	\$ 13,948

Direct Costs			
Meetings & Conventions	\$ 2,857	\$ 2,857	
Occupancy	\$ 3,589	\$ 3,589	
Telephones	\$ 800	\$ 800	
Equipment	\$ 2,200	\$ 2,200	
Travel	\$ 9,333	\$ 9,333	
Printing	\$ 2,000	\$ 2,000	
Advertising	\$ 97	\$ 97	
Subcontracts	\$ 547,883	\$ 547,883	
Supplies	\$ 1,200	\$ 1,200	
Postage	\$ 200	\$ 200	
Financial Assistance	\$ 66,667		\$ 66,667
	\$ -		
	\$ -		
Total Direct Costs	\$ 636,826	\$ 570,159	\$ 66,667
Total Salary & Benefits and Direct Cost	\$ 887,910	\$ 807,295	\$ 80,615

Administrative Costs 10 % of Total Direct Cost	\$ 88,791	\$ 80,730	\$ 8,061
Direct Program Service Dollars			
Total Program Costs and Funding	\$ 976,701	\$ 888,025	\$ 88,676

Contractor's Initials: CS
Date: 2/11/10

Contract Budget Form

Agency Name	Easter Seals New Hampshire
Program Service Name	Deployment Cycle Support Program/Veterans Count
SFY 2011 Period: July 1, 2010 - September 30, 2010	
Program Service	A=B+C B C
Total Amount of Program Costs	
Requested Funding from DHHS	Other Funding (In-Kind, etc)

Salaries & Benefits				
Personnel Salaries/Wages	\$ 150,771	\$	142,396	\$ 8,375
Fringe Benefits:				
Taxes 7.65%	\$ 11,534	\$	10,893	\$ 641
Benefits 17.25%	\$ 26,008	\$	24,563	\$ 1,445
Total Salaries & Benefits	\$ 188,313	\$	177,853	\$ 10,460

Direct Costs				
Meeting & Conventions	\$ 2,143	\$	2,143	
Occupancy	\$ 2,692	\$	2,692	
Telephones	\$ 600	\$	600	
Equipment	\$ -	\$	-	
Travel	\$ 7,000	\$	7,000	
Printing	\$ 1,500	\$	1,500	
Advertising	\$ 73	\$	73	
Subcontracts	\$ 356,922	\$	356,922	
Supplies	\$ 900	\$	900	
Postage	\$ 150	\$	150	
Financial Assistance	\$ 50,000	\$		\$ 50,000
	\$ -	\$		
	\$ -	\$		
Total Direct Costs	\$ 421,980	\$	371,980	\$ 50,000
Total Salary & Benefits and Direct Cost	\$ 610,293	\$	549,833	\$ 60,460

Administrative Costs 10 % of Total Direct Cost	\$ 61,029	\$	54,983	\$ 6,046
Direct Program Service Dollars				
Total Program Costs and Funding	\$ 671,322	\$	604,816	\$ 66,506

Contractor's Initials:
 Date:

Exhibit B-2 – Budget Justification
SFY 2010: March 1, 2010 – June 30, 2010

Salaries/Wages: Salaries/wages for ESNH staff with salaries/wages allocated to this program as indicated on the Personnel Form. Note that Peter Collins is listed twice. He will hold a full-time key program administrative position as Clinical Director providing training, supervision, guidance, critical case review, etc. He will also work an additional 20 hours per week providing direct care – clinical therapy/counseling on challenging, complex, and emergency clinical cases.

Fringe Benefits: Calculated as 7.65% for taxes and 17.25% for benefits per ESNH policy

Meetings & Conventions: \$2,857 is the 4-month proportion of entire request of 5,000 for the 7-month period. This funding will cover expenses associated with key ESNH program or administrative personnel attending meetings/conventions/trainings for which there are travel/lodging/registration costs, as well as food/refreshments for trainings hosted by ESNH and refreshments for military events (e.g, Gate 1A) as requested by J1 leadership. NOTE: This line item does not include entire training costs – which include salaries of staff (training costs are included in “Salaries/Wages”); or subcontractor fees for time spent in training or providing training (included in “Subcontracts”)

Occupancy: \$3,589 is the 4-month proportion of entire request of \$6281 for the 7-month period. Funding covers occupancy expenses for ESNH’s main DCSP Program Office in Manchester and one small care coordinator office in Franklin, NH.

Telephones: \$800 is the 4-month proportion of entire request of \$1400 to cover estimated cost of cell-phones for ESNH staff performing DCSP duties.

Equipment: \$2,200 for purchase of 2 laptops and a file cabinet. One lap-top for new staff Care Coordinator and another to replace Project Director’s old laptop that will likely need replacing before June 2010. File cabinet to provide additional office storage for files of newly-referred and to-be-referred service member/families

Travel: \$9,333 is the 4-month proportion of entire request of \$16,333 for the 7-month period. This covers mileage reimbursement for ESNH DCSP program and admin staff at agency rate of .28/mile. Estimate the core DSCP team will travel 8333 miles per month for program-related duties (local and statewide) based on historical analysis and projections.

Printing: \$2,000 is the 4-month proportion of entire request of \$3,500 for the 7-month period. This will include printing materials for Care Coordinator Training/Tool-kit for 30 additional sub-contracted personnel, as well as professional printing of 1000 additional Service Member/Family Guide Books and other necessary program materials.

Advertising: \$97 is the 4-month proportion of entire request for \$170 for advertising trainings, events, etc, in local publications, and other miscellaneous advertising costs associated with staffing and operating the DCSP program.

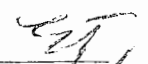
Subcontracts: \$547,883 for the 4-month period is calculated as follows (rationales are provided below this breakdown):

Direct Services: \$398,400

Care Coordinator Training for subcontracted staff: \$29,750

Military Culture Training for subcontracted staff: \$17,000

NAMI Connect Suicide Pre/Post-vention Training for subcontracted staff: \$30,000

Contractor’s Initials: 

Date: 2/11/10

Subcontracted staff attending J1/CC meetings: \$21,250
 Subcontracted staff attending regional supervision meetings: \$17,000
 Subcontracted staff attending local community meetings and military events: \$6,071
 NAMI contract: \$13,150
 UNH Program Evaluation contract: \$15,262
 TOTAL: \$547,883

Subcontract Cost Rationales:

Direct Services: Estimate fees paid to subcontracted personnel for provision of direct services and associated travel is average of \$99,600 per month for total of \$398,400 in the 4-month period. Reimbursement rates agreed upon with subcontracting agencies are \$75/hour for master's level clinical staff and \$50/hour for other personnel performing direct services. These rates include subcontracting agency expenses associated with salaries, fringe, mileage reimbursement, phone, supplies, admin support, occupancy, and other overhead. Estimate DCSP will serve average of 600 service member/families in any given month and average 3 hours per service member/family – for total of 1800 hours of direct service provided per month. Of the 1800 hours of direct service provided per month, ESNH staff will provide 520 hours (based on historical performance and job duty changes associated with expansion) to 175 service member/families and the subcontracted personnel will provide 1280 hours to 425 service member/families. It is estimated that the average travel time per service member/family served by subcontracted staff in any given month will be ½ (.5) hour for total of 1492 hours of direct service and travel time. It is further estimated that approximately 1000 of the 1492 hours of service and associated travel will be clinical counseling, assessment, or care coordination provided by licensed, master-level staff at the rate of \$75 per hour for total of \$75,000 and 492 hours of service will be other necessary services (financial counseling/budgeting, vocational services, and other social services) at the rate of \$50 per hour for total of \$24,600 – totaling \$99,600 for one month and \$398,400 for 4 months.

Care Coordinator Training for subcontracted staff: Mandatory one-and-a-half day training at ESNH will be provided to all new sub-contracted care coordinators. Training and estimated travel time (to ESNH in Manchester) combined to average 14 hours reimbursable time per attendee. Estimate 25 care coordinators at licensed/masters level of \$75/hour at cost of \$26,250 and 5 bachelor's level care coordination personnel at cost of \$3,500 for total of \$29,750

Military Culture Training for subcontracted staff: Mandatory one-day training provided by NHNG to all new subcontracted care coordination staff within the first four months. Estimate 8 hours per attendee, including travel time. 25 care coordinators at \$75/hour at cost of \$15,000 and 5 care coordinators at \$50/hour at cost of \$2,000 for total of \$17,000

NAMI Connect Suicide Pre/Post-vention Training for subcontracted staff: Two mandatory 6-hour trainings (estimate 8 hours with travel) provided within first four months to 25 master's level staff. 400 hours at rate of \$75/hour for total of \$30,000

Subcontracted staff attending J1/CC meetings: Two meetings (March and May) with J1 team and other partners. Estimate 5 hours for each meeting – 2 ½ hr for team meeting, extra hour for care coordinator-specific discussion after the meeting, and additional estimated travel time for statewide staff to come to central location (NHNG HQ, ESNH, etc) for total of 10 hours per subcontracted attendee. Estimate average attendance rate of 25 subcontracted personnel at \$75/hour at cost of \$18,750 and 5 subcontracted personnel at \$50/hr at cost of \$2,500 for total of \$21,250

Contractor's Initials: ET

Date: 2/11/10

Subcontracted staff attending regional supervision meetings: Monthly meetings with Clinical Director for clinical supervision. Estimate 2 hours per meeting, including travel time (travel time will be very limited because the supervision will be provided regionally at subcontractor agencies, for total of 8 hours per subcontracted care coordinator. Estimate average attendance rate of 25 subcontracted personnel at \$75/hour at cost of \$15,000 and 5 subcontracted personnel at \$50/hour at cost of \$2,000 for total of \$17,000

Subcontracted staff attending local community meetings and military events: Estimated subcontracted care coordinator participation in two 2-hour local community partnership/resource meetings and/or local military drill/Gate events over course of 7-month period with average of 1 hour total travel per person (half-hour per meeting/event). Five hours total. 25 subcontracted care coordinators at \$75/hr at cost of \$9375 and 5 subcontracted care coordinators at \$50/hr at cost of \$1,250 for total over 7-month period of \$10,625. Four-month proportion is \$6,071

NAMI contract: NAMI-NH subcontract for \$21,270 (NAMI-NH will provide additional \$3,160 in-kind) for 7-month period to cover expenses for providing suicide prevention and post-vention training to clinical staff, train military family members to lead support groups and become family support program teachers, and provide ongoing support/evaluation/tech assistance. Estimate that NAMI-NH will complete the Pre/Post trainings and training of support group and family support program teachers/leaders in the 4-month SFY10 period for total cost of \$13,150

UNH Program Evaluation contract: UNH-IOD subcontract for \$26,710 for 7-month period to provide program evaluation as described in narrative and work-plan. 4-month proportion is \$15,262

Supplies: \$1,200 is the 4-month proportion of entire request for \$2,100 for office supplies for ESNH staff and program activities, including supplies for care coordinator Tool-Kits for all care coordinators, supplies for events/presentations, and general office supplies for ESNH core team (subcontractors are responsible for their own general office supplies).

Postage: \$200 is the 4-month proportion of entire request of \$350 for postage; includes postage costs for postal communication to service members/families and program materials to geographically dispersed subcontracted personnel.

Financial Assistance: \$66,667 is the 4-month proportion of entire estimate of \$116,667 that will be provided in direct emergency/flex fund assistance to service members/families in the DCSP program during the 7-month period. This is a modest estimate; ESNH staff will work closely with Veterans Count Advisory Board to ensure maximum funds are being raised through ESNH grant-writing, gift solicitation, and Vets Count membership activities, and dispersed to eligible service members/families accordingly.

NOTE Regarding line item: "Direct Program Service Dollars" included on RFP budget form: Because all direct services (Care coordination and other, related services) provided with grant funding will be provided by program staff and subcontractors, this total is already included in previous line items.

Contractor's Initials:

Date:

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[Handwritten Date: 2-11-10]

Exhibit B-2 – Budget Justification
SFY 2011: July 1, 2010 – September 30, 2010

Salaries/Wages: Salaries/wages for ESNH staff with salaries/wages allocated to this program as indicated on the Personnel Form. Note that Peter Collins is listed twice. He will hold a full-time key program administrative position as Clinical Director providing training, supervision, guidance, critical case review, etc. He will also work an additional 20 hours per week providing direct care – clinical therapy/counseling on challenging, complex, and emergency clinical cases.

Fringe Benefits: Calculated as 7.65% for taxes and 17.25% for benefits per ESNH policy

Meetings & Conventions: \$2,143 is the 3-month proportion of entire request of 5,000 for the 7-month period. This funding will cover expenses associated with key ESNH program or administrative personnel attending meetings/conventions/trainings for which there are travel/lodging/registration costs, as well as food/refreshments for trainings hosted by ESNH and refreshments for military events (e.g, Gate 1A) as requested by J1 leadership. NOTE: This line item does not include entire training costs – which include salaries of staff (training costs are included in “Salaries/Wages”); or subcontractor fees for time spent in training or providing training (included in “Subcontracts”)

Occupancy: \$2,692 is the 3-month proportion of entire request of \$6281 for the 7-month period. Funding covers occupancy expenses for ESNH’s main DCSP Program Office in Manchester and one small care coordinator office in Franklin, NH.

Telephones: \$600 is the 3-month proportion of entire request of \$1400 to cover estimated cost of cell-phones for ESNH staff performing DCSP duties.

Equipment: No equipment expenses anticipated for SFY11

Travel: \$7,000 is the 3-month proportion of entire request of \$16,333 for the 7-month period. This covers mileage reimbursement for ESNH DCSP program and admin staff at agency rate of .28/mile. Estimate the core DSCP team will travel 8333 miles per month for program-related duties (local and statewide) based on historical analysis and projections.

Printing: \$1,500 is the 3-month proportion of entire request of \$3,500 for the 7-month period. This will include printing materials for Care Coordinator Training/Tool-kit for 30 additional sub-contracted personnel, as well as professional printing of 1000 additional Service Member/Family Guide Books and other necessary program materials.

Advertising: \$73 is the 3-month proportion of entire request for \$170 for advertising trainings, events, etc, in local publications, and other miscellaneous advertising costs associated with staffing and operating the DCSP program.

Subcontracts: \$356,922 for the 3-month period is calculated as follows (rationales are provided below this breakdown):

Direct Services: \$298,800
 Subcontracted staff attending J1/CC meetings: \$21,250
 Subcontracted staff attending regional supervision meetings: \$12,750
 Subcontracted staff attending local community meetings and military events: \$4,554
 NAMI contract: \$8,120
 UNH Program Evaluation contract: \$11,448
 TOTAL: \$356,922

Contractor’s Initials: ST

Date: 9/1/10

Subcontract Cost Rationales:

Direct Services: Estimate fees paid to subcontracted personnel for provision of direct services and associated travel is average of \$99,600 per month for total of \$298,800 in the 3-month period. Reimbursement rates agreed upon with subcontracting agencies are \$75/hour for master's level clinical staff and \$50/hour for other personnel performing direct services. These rates include subcontracting agency expenses associated with salaries, fringe, mileage reimbursement, phone, supplies, admin support, occupancy, and other overhead. Estimate DCSP will serve average of 600 service member/families in any given month and average 3 hours per service member/family – for total of 1800 hours of direct service provided per month. Of the 1800 hours of direct service provided per month, ESNH staff will provide 520 hours (based on historical performance and job duty changes associated with expansion) to 175 service member/families and the subcontracted personnel will provide 1280 hours to 425 service member/families. It is estimated that the average travel time per service member/family served by subcontracted staff in any given month will be ½ (.5) hour for total of 1492 hours of direct service and travel time. It is further estimated that approximately 1000 of the 1492 hours of service and associated travel will be clinical counseling, assessment, or care coordination provided by licensed, master-level staff at the rate of \$75 per hour for total of \$75,000 and 492 hours of service will be other necessary services (financial counseling/budgeting, vocational services, and other social services) at the rate of \$50 per hour for total of \$24,600 – totaling \$99,600 for one month and \$298,800 for 3 months.

Subcontracted staff attending J1/CC meetings: Two meetings (July and September) with J1 team and other partners. Estimate 5 hours for each meeting – 2 ½ hr for team meeting, extra hour for care coordinator-specific discussion after the meeting, and additional estimated travel time for statewide staff to come to central location (NHNG HQ, ESNH, etc) for total of 10 hours per subcontracted attendee. Estimate average attendance rate of 25 subcontracted personnel at \$75/hour at cost of \$18,750 and 5 subcontracted personnel at \$50/hr at cost of \$2,500 for total of \$21,250

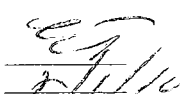
Subcontracted staff attending regional supervision meetings: Monthly meetings with Clinical Director for clinical supervision. Estimate 2 hours per meeting, including travel time (travel time will be very limited because the supervision will be provided regionally at subcontractor agencies, for total of 6 hours per subcontracted care coordinator. Estimate average attendance rate of 25 subcontracted personnel at \$75/hour at cost of \$11,250 and 5 subcontracted personnel at \$50/hour at cost of \$1,500 for total of \$12,750

Subcontracted staff attending local community meetings and military events: Estimated subcontracted care coordinator participation in two 2-hour local community partnership/resource meetings and/or local military drill/Gate events over course of 7-month period with average of 1 hour total travel per person (half-hour per meeting/event). Five hours total. 25 subcontracted care coordinators at \$75/hr at cost of \$9375 and 5 subcontracted care coordinators at \$50/hr at cost of \$1,250 for total over 7-month period of \$10,625. Three-month proportion is \$4,554

NAMI contract: NAMI-NH subcontract for \$21,270 (NAMI-NH will provide additional \$3,160 in-kind) for 7-month period to cover expenses for providing suicide prevention and post-vention training to clinical staff, train military family members to lead support groups and become family support program teachers, and provide ongoing support/evaluation/tech assistance. Estimate that NAMI-NH will facilitate up to 20 sessions (Family-to-Family and Parents Meeting the Challenge) in the 3-month SFY11 period for total cost of \$8,120

Contractor's Initials:

Date:


 Handwritten initials "EJ" and date "2/11/10"

UNH Program Evaluation contract: UNH-IOD subcontract for \$26,710 for 7-month period to provide program evaluation as described in narrative and work-plan. 3-month proportion is \$11,448

Supplies: \$900 is the 3-month proportion of entire request for \$2,100 for office supplies for ESNH staff and program activities, including supplies for care coordinator Tool-Kits for all care coordinators, supplies for events/presentations, and general office supplies for ESNH core team (subcontractors are responsible for their own general office supplies).

Postage: \$150 is the 4-month proportion of entire request of \$350 for postage; includes postage costs for sending postal communication to service members/families and program materials to geographically dispersed subcontracted personnel.

Financial Assistance: \$50,000 is the 3-month proportion of entire estimate of \$116,667 that will be provided in direct emergency/flex fund assistance to service members/families in the DCSP program during the 7-month period. This is a modest estimate; ESNH staff will work closely with Veterans Count Advisory Board to ensure maximum funds are being raised through ESNH grant-writing, gift solicitation, and Vets Count membership activities, and dispersed to eligible service members/families accordingly.

NOTE Regarding line item: "Direct Program Service Dollars" included on RFP budget form: Because all direct services (Care coordination and other, related services) provided with grant funding will be provided by program staff and subcontractors, this total is already included in previous line items.

Contractor's Initials:

Date: 2/11/10

NH Department of Health and Human Services

STANDARD EXHIBIT C

SPECIAL PROVISIONS

1. 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:

2. 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.

3. 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.

4. 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.

5. 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.

6. 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.

7. 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.

8. Conditions of Purchase: Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party fundors for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than

such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party fundors, the Department may elect to:

8.1 Renegotiate the rates for payment hereunder, in which event new rates shall be established;

8.2 Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

8.3 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:

9. 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:

9.1 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.

9.2 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.

9.3 Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

10. 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.

10.1 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.

10.2 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.

11. Confidentiality of Records: All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be

disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

12. Reports: Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.

12.1 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.

12.2 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.

13. 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.

14. 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:

14.1 The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, Bureau of Elderly and Adult 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.

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.

SPECIAL PROVISIONS – DEFINITIONS

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

Contractor Initials: 
Date: 

**STANDARD EXHIBIT C-1
ADDITIONAL SPECIAL PROVISIONS**

Subparagraph 14.1.1 of the General Provisions of this contract is deleted and the following subparagraph is added:

14.1.1 comprehensive general liability against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$1,000,000 per occurrence and excess umbrella liability coverage in the amount of \$15,000,000 per occurrence, and

Contractor's Initial's: _____

Date: _____

[Handwritten signature]
[Handwritten date: 2/11/16]

NH Department of Health and Human Services

STANDARD EXHIBIT D

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

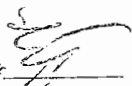
ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

- (A) The grantee certifies that it will or will continue to provide a drug-free workplace by:
- (a) 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;
 - (b) Establishing an ongoing drug-free awareness program to inform employees about—
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

Contractor Initials: 

Date: 2/11/10

- (c) 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);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
 - (1) Abide by the terms of the statement; and
 - (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;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted—
 - (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
 - (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;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

(B) 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.

Enter Seals NH
(Contractor Name)

From: 3/10/2010 To: 9/30/2010
(Period Covered by this Certification)

Elin Treanor, Chief Financial Officer
(Name & Title of Authorized Contractor Representative)



(Contractor Representative Signature)

2/1/10
(Date)

Contractor Initials: ET
Date: 2/1/10

NH Department of Health and Human Services

STANDARD EXHIBIT E

CERTIFICATION REGARDING LOBBYING

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

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

- Programs (indicate applicable program covered):
*Temporary Assistance to Needy Families under Title IV-A
*Child Support Enforcement Program under Title IV-D
*Socail 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

Contract Period: 3/ 10/ 2010 through 9/ 30/ 2010

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

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

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

[Handwritten Signature]
(Contractor Representative Signature)

Elin Trepanier, Chief Financial Officer
(Authorized Contractor Representative Name & Title)

Easter Seals NH
(Contractor Name)

2/11/10
(Date)

NH Department of Health and Human Services

STANDARD EXHIBIT F

CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS

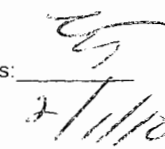
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative,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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless _____ authorized _____ by _____ DHHS.

Contractor Initials: _____

Date: _____

Handwritten signature and date: 2/11/10

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) 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;
 - ~~(c) are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and~~
 - (d) 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.
- (2) 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).

Contractor Initials:

Date:

LOWER TIER COVERED TRANSACTIONS

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:

- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
- (b) 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).

The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.



(Contractor Representative Signature)

Elin Treanor Chief Financial Officer

(Authorized Contractor Representative Name & Title)

Easter Seals NH

(Contractor Name)

2/1/10

(Date)

Contractor Initials: *ET*
Date: *2/1/10*

NH Department of Health and Human Services

STANDARD EXHIBIT G

CERTIFICATION REGARDING
THE AMERICANS WITH DISABILITIES ACT COMPLIANCE

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

1. By signing and submitting this proposal (contract) the Contractor agrees to make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.



(Contractor Representative Signature)

Elin Treanor Chief Financial Officer

(Authorized Contractor Representative Name & Title)

Easter Seals NH

(Contractor Name)

2/11/10

(Date)

NH Department of Health and Human Services

STANDARD EXHIBIT H

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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



 (Contractor Representative Signature)

Elin Treanor, Chief Financial Officer

 (Authorized Contractor Representative Name & Title)

Easter Seals NH

 (Contractor Name)

2/1/10

 (Date)

NH Department of Health and Human Services

STANDARD EXHIBIT I

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) Definitions

- a. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- b. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- c. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- d. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- e. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- f. "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.
- g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- h. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
- i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- j. "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.

k. 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.

(2) 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, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do 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 immediately notify Business Associate 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 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 on the 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. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, of which it becomes aware, within two (2) business days of becoming aware of such unauthorized use or disclosure or security incident.

b. Business Associate shall use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of protected health information, in electronic or any other form, that it creates, receives, maintains or transmits under this Agreement, in accordance with the Privacy and Security Rules, to prevent the use or disclosure of PHI other than as permitted by the Agreement.

c. 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.

d. 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)b and (3)k herein. 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 pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.

e. 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.

f. 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.

g. 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.

h. 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.

i. 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.

j. 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.

k. 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 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.

Contractor Initials: 

Date: 2/1/10

(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 standard provision #10 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, as 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 and the Privacy and Security Rule.
- 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 k, the defense and indemnification provisions of section 3.d and standard contract provision #13, shall survive the termination of the Agreement.

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

NHDHHS, DCBCS

State of New Hampshire Agency Name

Easter Seals NH

Contractor Name

Nancy L. Rollins

Signature of Authorized Representative

Elin Treanor

Contractor Representative Signature

Nancy L. Rollins

Authorized DHHS Representative Name

Elin Treanor

Authorized Contractor Representative Name

Associate Commissioner

Authorized DHHS Representative Title

Chief Financial Officer

Authorized Contractor Representative Title

3/2/10

Date

2/1/10

Date

Contractor Initials: *ET*

Date: *2/1/10*