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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF LONG TERM SUPPORTS AND SERVICES

BUREAU OF ELDERLY & ADULT SERVICES

Jeffrey A. Meyers
 Commissioner

Christine L. Santaniello
 Director

129 PLEASANT STREET, CONCORD, NH 03301-3857
 603-271-9546 1-800-852-3345 Ext. 9546
 Fax: 603-271-4912 TDD Access: 1-800-735-2964
 www.dhhs.nh.gov

January 11, 2017

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Long Term Supports and Services, Bureau of Elderly and Adult Services, to exercise renewal options and **retroactively** amend existing contracts with the vendors listed below, for the continuation of Adult Day Program Services to adults ages sixty (60) or older and adults ages eighteen (18) and older with chronic illnesses and/or disabilities, to issue a legislatively appropriated rate increase for these services by increasing the combined price limitation by \$416,567.19 from \$980,954.00 to an amount not to exceed \$1,397,521.19 and by extending the contract completion dates from September 30, 2018 to June 30, 2019, effective **retroactive** to July 1, 2017 upon Governor and Executive Council approval. The original agreements were approved by the Governor and Executive Council on October 26, 2016, item #14; October 26, 2016, item #15; October 26, 2016, item #14 and November 18, item #10, respectively. 40% Federal Funds and 60% General Funds.

| Vendor | Vendor # | Vendor Location | Current Budgeted Amount | Increase/ (Decrease) Amount | Revised Budget Amount |
|--|----------|-----------------|-------------------------|-----------------------------|-----------------------|
| Area Agency of Greater Nashua, Inc., d/b/a Gateways Community Services | 155784 | Nashua, NH | \$263,204.00 | \$111,770.94 | \$374,974.94 |
| Easter Seals New Hampshire, Inc. | 177204 | Manchester, NH | \$326,250.00 | \$138,543.75 | \$464,793.75 |
| The Homemakers Health Services | 154849 | Rochester, NH | \$123,250.00 | \$52,338.75 | \$175,588.75 |
| VNA at HCS | 177274 | Keene, NH | \$268,250.00 | \$113,913.75 | \$382,163.75 |
| TOTAL | | | \$980,954.00 | \$416,567.19 | \$1,397,521.19 |

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

SEE FISCAL DETAIL ATTACHED

EXPLANATION

This request is **retroactive** to July 1, 2017 because the New Hampshire Legislature appropriated in each year of the biennium (State Fiscal Years 2018 and 2019), a one-time increase of up to five percent (5%) of the service unit rate for Adult Day Services to adults ages sixty (60) or older, and adults ages eighteen (18) and older with chronic illnesses and/or disabilities.

The purpose of the amendments is to continue the Adult Day Programs in accordance with the Older American Act, Title III Services and Title XX Social Services Block Grant Programs. Eligible adults are those who reside in independent living settings and are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, who are eligible for other New Hampshire Medicaid services; or individuals who are receiving the same or similar serves through the Veterans' Administration.

The Contractors provide Adult Day Services to assist eligible adults ages eighteen to fifty-nine (18-59) with a physical disability(ies) and/or chronic illness and to adults ages sixty (60) and older, to live as independently as possible, safely and with dignity. Services include supervision; assistance with activities of daily living; nursing care; rehabilitation; nutrition and recreational, social, cognitive or physical stimulation. Services also include monitoring of the individual's condition; counseling, as appropriate, on nutrition, hygiene or other related matters; referrals, as appropriate, to other services and resources that could assist the individual including any necessary follow up; as well as assistance and support to caregiving families.

The original contracts were awarded through a competitive bid process in October and November of 2016 and contain language in the Exhibit C-1, Revisions to General Provisions, that reserves the Department's right to renew the contracts for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and approval by the Governor and Executive Council.

Should the Governor and Executive Council not approve this request, the Legislature's direction to increase rates for the provision of legal services, and its inclusion of funding in the current biennium to support this increase, will be unfulfilled.

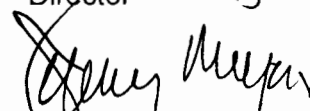
Areas to be served: Greater Manchester Area, Greater Nashua Area and Cheshire, Hillsborough, Sullivan, Strafford, Rockingham and Carroll Counties

Source of Funds: 40% Federal Funds from the United States Department of Health and Human Services, Administration for Community Living, Title III Older Americans Act, Catalog of Federal Domestic Assistance (CFDA) #93.044, Federal Award Identification #17AANHT3SS and Title XX Social Services Block Grant, Catalog of Federal Domestic Assistance (CFDA) #93.667 Social Services Block Grant, Federal Award Identification #1701NHSOSR and 60% General Funds.

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

Respectfully submitted,


Christine L. Santaniello
Director



Approved by: Jeffrey A. Meyers
Commissioner

**NH DEPARTMENT OF HEALTH & HUMAN SERVICES
BUREAU OF ELDERLY AND ADULT SERVICES
ADULT DAY PROGRAM SERVICES (RFA-2017-BEAS-03-ADULT)**

FISCAL DETAIL

Area Agency of Greater Nashua, Inc., d/b/a Gateways Community Services – Vendor #155784

**05-95-48-481010-7872 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANTS,
40% FEDERAL, 60% GENERAL**

| Fiscal Year | Class/Object | Class Title | Job Number | Current Modified Budget | Increased (Decreased) Amount | Revised Modified Budget |
|-------------|--------------|--------------|------------|-------------------------|------------------------------|-------------------------|
| 2017 | 540-500382 | SS Contracts | multiple | \$ 43,500.00 | \$ - | \$43,500.00 |
| 2018 | 540-500382 | SS Contracts | multiple | \$ 58,000.00 | \$ 2,880.00 | \$60,880.00 |
| 2019 | 540-500382 | SS Contracts | multiple | \$ 14,500.00 | \$ 46,380.00 | \$60,880.00 |
| | | Subtotal | | \$116,000.00 | \$49,260.00 | \$165,260.00 |

**05-95-48-481010-9255 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, SOCIAL SERVICE BLOCK GRANT,
40% FEDERAL; 60% GENERAL**

| Fiscal Year | Class/Object | Class Title | Job Number | Current Modified Budget | Increased (Decreased) Amount | Revised Modified Budget |
|-------------|--------------|-------------------------|------------|-------------------------|------------------------------|-------------------------|
| 2017 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 55,201.50 | \$ - | \$55,201.50 |
| 2018 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 73,602.00 | \$ 3,654.72 | \$77,256.72 |
| 2019 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 18,400.50 | \$ 58,856.22 | \$77,256.72 |
| | | Subtotal | | \$147,204.00 | \$62,510.94 | \$209,714.94 |
| | | Total | | \$263,204.00 | \$111,770.94 | \$374,974.94 |

Easter Seals New Hampshire, Inc. – Vendor #177204

**05-95-48-481010-7872 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANTS,
40% FEDERAL, 60% GENERAL**

| Fiscal Year | Class/Object | Class Title | Job Number | Current Modified Budget | Increased (Decreased) Amount | Revised Modified Budget |
|-------------|--------------|--------------|------------|-------------------------|------------------------------|-------------------------|
| 2017 | 540-500382 | SS Contracts | multiple | \$ 40,784.25 | \$ - | \$40,784.25 |
| 2018 | 540-500382 | SS Contracts | multiple | \$ 54,379.00 | \$ 2,696.00 | \$57,075.00 |
| 2019 | 540-500382 | SS Contracts | multiple | \$ 13,594.75 | \$ 43,480.25 | \$57,075.00 |
| | | Subtotal | | \$108,758.00 | \$46,176.25 | \$154,934.25 |

**05-95-48-481010-9255 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, SOCIAL SERVICE BLOCK GRANT,
40% FEDERAL; 60% GENERAL**

| Fiscal Year | Class/Object | Class Title | Job Number | Current Modified Budget | Increased (Decreased) Amount | Revised Modified Budget |
|-------------|--------------|-------------------------|------------|-------------------------|------------------------------|-------------------------|
| 2017 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 81,559.50 | \$ - | \$81,559.50 |
| 2018 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 108,746.00 | \$ 5,404.00 | \$114,150.00 |
| 2019 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 27,186.50 | \$ 86,963.50 | \$114,150.00 |
| | | Subtotal | | \$217,492.00 | \$92,367.50 | \$309,859.50 |
| | | Total | | \$326,250.00 | \$138,543.75 | \$464,793.75 |

The Homemakers Health Services – Vendor #154849

**05-95-48-481010-9255 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, SOCIAL SERVICE BLOCK GRANT,
40% FEDERAL; 60% GENERAL**

| Fiscal Year | Class/Object | Class Title | Job Number | Current Modified Budget | Increased (Decreased) Amount | Revised Modified Budget |
|-------------|--------------|-------------------------|------------|-------------------------|------------------------------|-------------------------|
| 2017 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 46,218.75 | \$ - | \$46,218.75 |
| 2018 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 61,625.00 | \$ 3,060.00 | \$64,685.00 |
| 2019 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 15,406.25 | \$ 49,278.75 | \$64,685.00 |
| | | Total | | \$123,250.00 | \$52,338.75 | \$175,588.75 |

VNA at HCS – Vendor #177274

**05-95-48-481010-7872 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANTS,
40% FEDERAL, 60% GENERAL**

| Fiscal Year | Class/Object | Class Title | Job Number | Current Modified Budget | Increased (Decreased) Amount | Revised Modified Budget |
|-------------|--------------|--------------|------------|-------------------------|------------------------------|-------------------------|
| 2017 | 540-500382 | SS Contracts | multiple | \$ 45,131.25 | \$ - | \$45,131.25 |
| 2018 | 540-500382 | SS Contracts | multiple | \$ 60,175.00 | \$ 2,988.00 | \$63,163.00 |
| 2019 | 540-500382 | SS Contracts | multiple | \$ 15,043.75 | \$ 48,119.25 | \$63,163.00 |
| | | Subtotal | | \$120,350.00 | \$51,107.25 | \$171,457.25 |

**05-95-48-481010-9255 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
ELDERLY - ADULT SERVICES, GRANTS TO LOCALS, SOCIAL SERVICE BLOCK GRANT,
40% FEDERAL; 60% GENERAL**

| Fiscal Year | Class/Object | Class Title | Job Number | Current Modified Budget | Increased (Decreased) Amount | Revised Modified Budget |
|-------------|--------------|-------------------------|------------|-------------------------|------------------------------|-------------------------|
| 2017 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 55,462.50 | \$ - | \$55,462.50 |
| 2018 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 73,950.00 | \$ 3,672.00 | \$77,622.00 |
| 2019 | 566-500918 | Contracts for Prog Svcs | multiple | \$ 18,487.50 | \$ 59,134.50 | \$77,622.00 |
| | | Subtotal | | \$147,900.00 | \$62,806.50 | \$210,706.50 |
| | | Total | | \$268,250.00 | \$113,913.75 | \$382,163.75 |
| | | GRAND TOTAL | | \$980,954 | \$416,567.19 | \$1,397,521.19 |



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the
Adult Day Program Services Contract**

This 1st Amendment to the Adult Day Program Services contract (hereinafter referred to as "Amendment #1") dated this 26th day of October, 2017, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services (hereinafter referred to as "the Contractor"), a non-profit corporation with a place of business at 144 Canal Street, Nashua, NH 03064.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on October 26, 2016 (Item #14), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

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

WHEREAS, pursuant to the General Provisions, Paragraph 18, and Exhibit C-1 Paragraph 3, the Department reserves the right to renew the Contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council; and

WHEREAS, the parties agree to increase the service unit rate, extend the completion date by nine (9) months, increase the price limitation, amend Exhibit A, Scope of Services, and add Exhibit K, DHHS Information Security Requirements;

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:

1. General Provisions (Form P-37), Block 1.7, to read: June 30, 2019
2. General Provisions (Form P-37), Block 1.8, to increase Price Limitation by \$111,770.94 from \$263,204.00 to read: \$374,974.94
3. Amend Form P-37, Block 1.9, to read E. Maria Reinemann, Esq., Director of Contracts and Procurement
4. Amend Form P-37, Block 1.10 to read: 603-271-9330
5. Amend Exhibit A, Scope of Services, Section 4 Reporting, by deleting Subsection 4.1. Reporting Requirements in its entirety and replace with:

4.1. Reporting Requirements

4.1.1. The Contractor shall complete and submit quarterly aggregate reports which will be a pre-defined electronic form supplied by the Department. The report must be submitted by the 15th of the month following the quarter end date. The data will include, but not be limited to the following:

4.1.1.1. Expenses by program service provided. Service is defined as Adult Day Program Services.



**New Hampshire Department of Health and Human Services
Adult Day Program Services**

- 4.1.1.2. Revenue by program service provided, by funding source;
- 4.1.1.3. Actual Units served by program service provided, by funding source;
- 4.1.1.4. Number of unduplicated clients served by service provided, by funding source;
- 4.1.1.5. Number of Title III and Title XX clients served with non-Department funds;
- 4.1.1.6. Unmet need/waiting list; and,
- 4.1.1.7. Lengths of time clients are on a waiting list.

6. Amend Exhibit A, Scope of Services, by deleting Section 7, E-Studio Electronic Information System, in its entirety and replace with:

7. E-Studio Electronic Information System

- 7.1. The Contractor shall be required to use the Department's E-Studio electronic information system. E-Studio is BEAS' primary vehicle for uploading important information concerning time-sensitive announcements, policy releases, administrative rule adoptions and other critical information. Program data shall be stored in a segregated folder for designated use within E-Studio.
- 7.2. The Contractor shall identify all of the key personnel who will require E-Studio accounts to ensure that information from the Department can be shared with the necessary agency staff. There is no cost to the Contractor for the Department to create an E-Studio account and no limit on the number of staff an agency identifies to have access to E-Studio. All E-Studio users shall be required to sign the DHHS End User Agreement.
- 7.3. The Contractor shall ensure their E-Studio account(s) are kept current and that the Department is notified when a staff member is no longer working in the program so his/her account can be terminated.

7. Amend Exhibit A, Scope of Services, by deleting Section 11, Wait Lists, in its entirety and replace with:

11. Wait Lists

- 11.1 The Contractor shall provide all services covered under this agreement to the extent that funds, staff and/or resources for this purpose are available.
- 11.2 The Contractor shall maintain a wait list in accordance with NH Administrative Rules He-E 501 and He-E 502 when funding or resources are not available to provide the requested services. The wait list shall include at a minimum:
 - 11.2.1. The individual's full name and date of birth;
 - 11.2.2. The name of the service being requested;
 - 11.2.3. The date upon which the individual applied for services which shall be the date the application was received by the contract agency or the Department;
 - 11.2.4. The target date of implementing the services based on the communication between the individual and the Department/contractor;
 - 11.2.5. The date upon which the individual's name was placed on the wait list shall be the date of the notice of decision in which the individual was determined eligible for Title XX services;
 - 11.2.6. The individual's assigned priority on the wait list, determined in accordance with Sub-section 11.3. below;
 - 11.2.7. A brief description of the individual's circumstances and the services he or she needs.



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- 11.3** The Contractor shall prioritize each individual's standing on the list by determining the individual's urgency of need in the following order:
- 11.3.1. Individual is in an institutional setting or is at risk of being admitted to or discharged from an institutional setting;
 - 11.3.2. Declining mental or physical health of the caregiver;
 - 11.3.3. Declining mental or physical health of the individual;
 - 11.3.4. Individual has no respite services while living with a caregiver; and
 - 11.3.5. Length of time on the wait list.
 - 11.3.6. When 2 or more individuals on the wait list have been assigned the same service priority, the individual served first will be the one with the earliest application date.
 - 11.3.7. Individuals who are being served under protective services RSA 161-F: 42-57 shall be given priority status on the waitlist and in accordance with He-E 501.14 (f) and He-E 502.13.
 - 11.3.8. Individuals with adult protective needs in accordance with RSA 161-F: 42-57 shall be exempt from the wait list.
- 11.4** When an individual is placed on the wait list, the Contractor shall notify the individual in writing.
- 11.5** The Contractor shall maintain the wait list for the duration of the contract period and make it available to the Department upon request. A current copy of the program wait list shall be stored in the designated E-Studio folder for DHHS access.
8. Delete Exhibit B, Method and Conditions Precedent to Payment, in its entirety and replace with:
Exhibit B – Amendment #1, Method and Conditions Precedent to Payment
9. Add Exhibit K, DHHS Information Security Requirements
10. Add Attachment A – Amendment #1



**New Hampshire Department of Health and Human Services
Adult Day Program Services**

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

1/12/18
Date

Christine Santaniello
Christine Santaniello, Director
Division of Long Term Supports and Services

Area Agency of Greater Nashua, Inc.
d/b/a Gateways Community Services

1/11/2018
Date

Sandra B. Pelletier
Name: Sandra B Pelletier
Title: President / CEO

Acknowledgement of Contractor's signature:

State of New Hampshire, County of Hillsborough on 1/11/18, before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Janice M. Lewis
Signature of Notary Public or Justice of the Peace

Janice M. Lewis
Name and Title of Notary or Justice of the Peace
JANICE M. LEWIS, Notary Public
State of New Hampshire
My Commission Expires October 1, 2022

My Commission Expires: _____

**New Hampshire Department of Health and Human Services
Adult Day Program Services**



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

OFFICE OF THE ATTORNEY GENERAL

1/17/18
Date

[Signature]
Name: Megan Kelly
Title: Attorney

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:



Exhibit B – Amendment #1

Method and Conditions Precedent to Payment

1. This contract is funded with funds from the Catalog of Federal Domestic Assistance (CFDA) #93.044, Administration on Aging, Special Programs for the aging – Title IIIB and #93.667 US Department of Health and Human Services, Social Services Block Grant – Title XX, in providing services pursuant to Exhibit A, Scope of Services. The contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
2. The State shall pay the Contractor an amount not to exceed the Price Limitation on Form P-37, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
3. Payment for expenses shall be on a cost reimbursement basis only for actual expenditures. Expenditures shall be in accordance with the rate of seven dollars and sixty-one cents (\$7.61) per unit, per client, not to exceed twelve (12) hours per day.
4. Payments for Title III funding shall not exceed twenty-two thousand (22,000) units.
5. Payments for Title XX funding shall not exceed twenty seven thousand nine hundred eighteen (27,918) units.
6. Payment for services shall be made as follows:
 - 6.1. The Contractor must submit monthly invoices by the 15th of the month in accordance with procedure and instructions established by the Department for reimbursement for services specified in Exhibit A, Scope of Services. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.
 - 6.2. The invoices must;
 - 6.2.1. Clearly identify the amount requested and the services performed during that period.
 - 6.2.2. Include a detailed account of the services provided to include: individual in receipt of services, number of units and funding source attributable to the services.
 - 6.3. Invoices described in Exhibit B, Method and Conditions Precedent to Payment; Sections 6.1 and 6.2., and reports identified in Exhibit A, Scope of Services; Section 4, Reporting, must be submitted to:

Department of Health and Human Services
Data Management Unit
129 Pleasant Street
PO Box 2000
Concord, NH 03301
7. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A.
8. A final payment request shall be submitted no later than forty (40) days after the Contract ends. Failure to submit the invoice and accompanying documentation could result in nonpayment.
9. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if said services have not been completed in accordance with the terms and conditions of this Agreement.

ABF

11/1/18



DHHS INFORMATION SECURITY REQUIREMENTS

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this SOW, the Department's Confidential information includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.
2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:
 - 2.1. Contractor shall not store or transfer data collected in connection with the services rendered under this Agreement outside of the United States. This includes backup data and Disaster Recovery locations.
 - 2.2. Maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
 - 2.3. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
 - 2.4. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.
 - 2.5. Ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
 - 2.6. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information
 - 2.7. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
 - 2.7.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

Breach notifications will be sent to the following email addresses:

 - 2.7.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov
 - 2.7.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov
- 2.8. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed



by the vendor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion, or otherwise physically destroying the media (for example, degaussing). The vendor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and the vendor prior to destruction.

- 2.9. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the vendor, including breach notification requirements.
3. The vendor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the vendor and any applicable sub-contractors prior to system access being authorized.
4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the appropriate authorized data owner or leadership member within the Department.
6. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

ABC

1/11/18


Attachment A – Amendment #1

ATTESTATION

For State Fiscal Years 2018 and 2019, the New Hampshire Legislature appropriated a one-time increase of up to five percent (5%) over the reimbursement rates in place on June 30, 2017 for certain direct service providers. The increase of public funds is to be used exclusively for the purpose of increasing either service unit rates (per diem) or wages paid to individuals providing services directly to clients.

In recognition of the above, and as the authorized representative of the Agency named below, I certify that the Agency named below will use the increase in funding exclusively to increase the service unit rate for the administration of the services listed in Exhibit A – Scope of Services, and that the State may request an audit of our records to confirm the same.

Sandra Pelletier, President/CEO - Area Agency of Greater Nashua, Inc,
DBA Gateways Community Services
Name, Title, and Agency Name


Signature

1/11/2018
Date

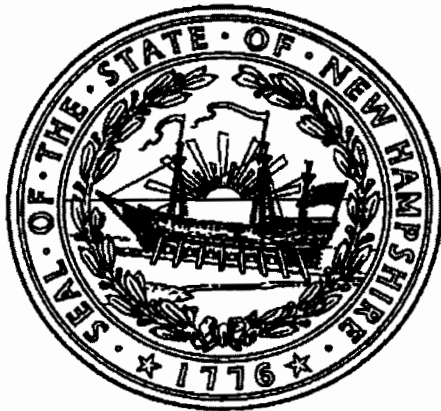
State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that AREA AGENCY OF GREATER NASHUA, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on December 12, 1983. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 74294



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 11th day of January A.D. 2018.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, MARK M. THORNTON, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Area Agency of Greater Nashua, Inc. DBA, Gateways Community Services.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of the Agency duly held on March 29, 2017 :
(Date)

RESOLVED: That the President/CEO
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of the 11th day of January, 2018.
(Date Contract Signed)

4. Sandra Pelletier is the duly elected President/CEO
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

[Signature]
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 11th day of Jan., 2018.

By Mark M. Thornton.
(Name of Elected Officer of the Agency)

[Signature]
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

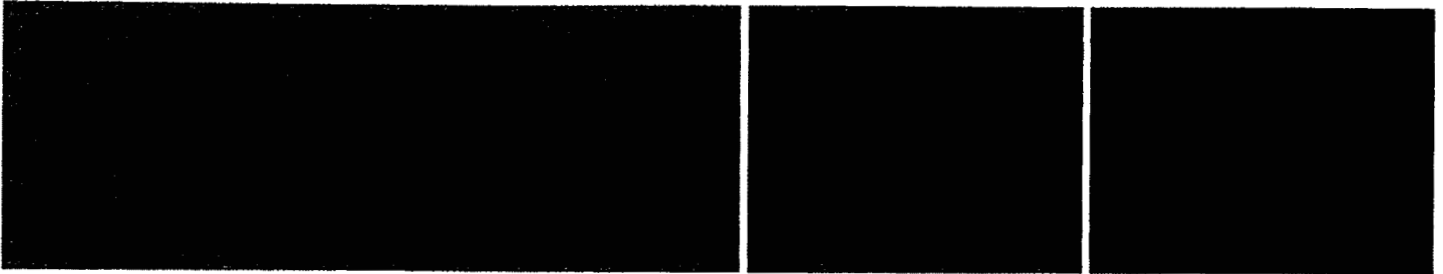
JANICE M. LEWIS, Notary Public
State of New Hampshire
My Commission Expires October 11, 2022

Commission Expires: _____



Mission

Gateways Community Services believes that all people are of great value and strives to be innovative when providing quality supports needed for individuals to lead meaningful lives in their community.



CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2017 and 2016

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Board of Directors
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc.

We have audited the accompanying consolidated financial statements of Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services and Area Agency Properties, Inc. (the Organization), which comprise the consolidated statements of financial position as of June 30, 2017 and 2016, and the related consolidated statements of activities, functional revenue and support, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Board of Directors
Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services
and Area Agency Properties, Inc.
Page 2

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2017 and 2016, and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. GAAP.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
October 25, 2017

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statements of Financial Position

June 30, 2017 and 2016

| | <u>2017</u> | <u>2016</u> |
|--|----------------------|----------------------|
| ASSETS | | |
| Current assets | | |
| Cash | \$ 1,391,317 | \$ 1,320,957 |
| Client accounts | 491,309 | 477,809 |
| Accounts receivable, net of allowance for doubtful accounts of \$82,722 and \$43,784 in 2017 and 2016, respectively | 5,915,359 | 5,403,268 |
| Prepaid expenses and other current assets | <u>140,626</u> | <u>155,414</u> |
| Total current assets | 7,938,611 | 7,357,448 |
| Property and equipment, net | 2,447,245 | 2,578,755 |
| Deposits | 54,700 | 78,557 |
| Beneficial interest in a perpetual trust | <u>35,797</u> | <u>31,776</u> |
| Total assets | <u>\$ 10,476,353</u> | <u>\$ 10,046,536</u> |
| LIABILITIES AND NET ASSETS | | |
| Current liabilities | | |
| Current portion of long-term debt | \$ 464,182 | \$ 63,221 |
| Accounts payable | 2,200,407 | 2,326,049 |
| Accrued expenses and other current liabilities | 1,032,357 | 723,567 |
| Deferred revenue | 1,559,464 | 1,456,342 |
| Client accounts | <u>491,309</u> | <u>477,809</u> |
| Total current liabilities | 5,747,719 | 5,046,988 |
| Long-term debt, net of current portion | <u>208,091</u> | <u>669,105</u> |
| Total liabilities | <u>5,955,810</u> | <u>5,716,093</u> |
| Net assets | | |
| Unrestricted | 4,466,568 | 4,306,772 |
| Temporarily restricted | <u>53,975</u> | <u>23,671</u> |
| Total net assets | <u>4,520,543</u> | <u>4,330,443</u> |
| Total liabilities and net assets | <u>\$ 10,476,353</u> | <u>\$ 10,046,536</u> |

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Activities

**For the Year Ended June 30, 2017
(With Comparative Totals for the Year Ended June 30, 2016)**

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>2017 Total</u> | <u>2016 Total</u> |
|---|---------------------|-----------------------------------|-----------------------|-----------------------|
| Revenue and support | | | | |
| Medicaid | \$ 40,192,850 | \$ - | \$ 40,192,850 | \$ 38,399,302 |
| New Hampshire Department of Developmental Services | 864,413 | - | 864,413 | 1,057,089 |
| Veterans individual program service | 2,954,678 | - | 2,954,678 | 1,982,244 |
| Contributions and grants | 1,001,288 | - | 1,001,288 | 1,075,368 |
| Client fees | 173,960 | - | 173,960 | 160,115 |
| Adult day service program | 206,426 | - | 206,426 | 210,135 |
| Rental income | 38,460 | - | 38,460 | 38,460 |
| Other revenues | 378,201 | - | 378,201 | 325,119 |
| The PLUS Company, Inc. services | 131,988 | - | 131,988 | 131,996 |
| United Way | 14,829 | - | 14,829 | 14,489 |
| Third party insurance | 1,022,611 | - | 1,022,611 | 827,797 |
| Production sales and service | 139,346 | - | 139,346 | 171,350 |
| Net assets released from restrictions | <u>(30,304)</u> | <u>30,304</u> | <u>-</u> | <u>-</u> |
| Total revenue and support | <u>47,088,746</u> | <u>30,304</u> | <u>47,119,050</u> | <u>44,393,464</u> |
| Operating expenses | | | | |
| Program services | | | | |
| Adult services | 36,210,707 | - | 36,210,707 | 34,775,015 |
| Children services | 3,723,900 | - | 3,723,900 | 3,475,254 |
| Elder services | <u>4,377,235</u> | <u>-</u> | <u>4,377,235</u> | <u>3,552,947</u> |
| Total program services | <u>44,311,842</u> | <u>-</u> | <u>44,311,842</u> | <u>41,803,216</u> |
| Supporting services | | | | |
| General management | 2,521,771 | - | 2,521,771 | 2,333,377 |
| Fundraising | <u>95,337</u> | <u>-</u> | <u>95,337</u> | <u>106,658</u> |
| Total supporting services | <u>2,617,108</u> | <u>-</u> | <u>2,617,108</u> | <u>2,440,035</u> |
| Total operating expenses | <u>46,928,950</u> | <u>-</u> | <u>46,928,950</u> | <u>44,243,251</u> |
| Change in net assets | 159,796 | 30,304 | 190,100 | 150,213 |
| Net assets, beginning of year | <u>4,306,772</u> | <u>23,671</u> | <u>4,330,443</u> | <u>4,180,230</u> |
| Net assets, end of year | <u>\$ 4,466,568</u> | <u>\$ 53,975</u> | <u>\$ 4,520,543</u> | <u>\$ 4,330,443</u> |

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Activities

Year Ended June 30, 2016

| | Unrestricted | Temporarily Restricted | Total |
|---|---------------------|---------------------------|---------------------|
| Revenue and support | | | |
| Medicaid | \$ 38,399,302 | \$ - | \$ 38,399,302 |
| New Hampshire Department of Developmental Service | 1,057,089 | - | 1,057,089 |
| Veterans individual service program | 1,982,244 | - | 1,982,244 |
| Contributions and grants | 1,054,768 | 20,600 | 1,075,368 |
| Client fees | 160,115 | - | 160,115 |
| Adult day service program | 210,135 | - | 210,135 |
| Rental income | 38,460 | - | 38,460 |
| Other revenues | 325,119 | - | 325,119 |
| The PLUS Company, Inc. services | 131,996 | - | 131,996 |
| United Way | 14,489 | - | 14,489 |
| Third party insurance | 827,797 | - | 827,797 |
| Production sales and service | 171,350 | - | 171,350 |
| Net assets released from restrictions | <u>20,481</u> | <u>(20,481)</u> | <u>-</u> |
| Total revenue and support | <u>44,393,345</u> | <u>119</u> | <u>44,393,464</u> |
| Operating expenses | | | |
| Program services | | | |
| Adult services | 34,775,015 | - | 34,775,015 |
| Children services | 3,475,254 | - | 3,475,254 |
| Elder services | <u>3,552,947</u> | <u>-</u> | <u>3,552,947</u> |
| Total program services | <u>41,803,216</u> | <u>-</u> | <u>41,803,216</u> |
| Supporting services | | | |
| General management | 2,333,377 | - | 2,333,377 |
| Fundraising | <u>106,658</u> | <u>-</u> | <u>106,658</u> |
| Total supporting services | <u>2,440,035</u> | <u>-</u> | <u>2,440,035</u> |
| Total operating expenses | <u>44,243,251</u> | <u>-</u> | <u>44,243,251</u> |
| Change in net assets | 150,094 | 119 | 150,213 |
| Net assets, beginning of year | <u>4,156,678</u> | <u>23,552</u> | <u>4,180,230</u> |
| Net assets, end of year | <u>\$ 4,306,772</u> | <u>\$ 23,671</u> | <u>\$ 4,330,443</u> |

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Revenue and Support

For the Year Ended June 30, 2017

| | General Management | Fundraising | Adult Services | Children Services | Elder Services | Total Area Agency Revenues | Area Agency Properties | Eliminations | Total Program Services |
|--|--------------------|------------------|----------------------|---------------------|---------------------|----------------------------|------------------------|---------------------|------------------------|
| Medicaid | \$ - | \$ - | \$ 37,707,598 | \$ 1,962,899 | \$ 522,355 | \$ 40,192,850 | \$ - | \$ - | \$ 40,192,850 |
| New Hampshire Department of Developmental Services | - | - | 166,554 | 697,859 | - | 864,413 | - | - | 864,413 |
| Veterans individual service program | - | - | - | - | 2,954,678 | 2,954,678 | - | - | 2,954,678 |
| Contributions and grants | - | 53,050 | 18,693 | 107,133 | 822,412 | 1,001,288 | - | - | 1,001,288 |
| Client fees | - | - | 173,960 | - | - | 173,960 | - | - | 173,960 |
| Adult day service program | - | - | - | - | 206,426 | 206,426 | - | - | 206,426 |
| Rental income | - | - | 38,460 | - | - | 38,460 | 390,588 | (390,588) | 38,460 |
| Other revenues | 2,570 | 4,250 | 181,433 | 143,737 | 46,123 | 378,113 | 88 | - | 378,201 |
| The PLUS Company, Inc. service | 130,556 | 9 | 1,303 | - | 120 | 131,988 | - | - | 131,988 |
| United Way | - | - | 2,032 | - | 12,797 | 14,829 | - | - | 14,829 |
| Third party insurance | - | - | - | 1,022,611 | - | 1,022,611 | - | - | 1,022,611 |
| Production sales and service | 22,435 | - | 50,833 | 65,375 | 703 | 139,346 | - | - | 139,346 |
| Management fees | - | - | 77,154 | - | - | 77,154 | - | (77,154) | - |
| Total revenue and support | \$ 155,561 | \$ 57,309 | \$ 38,418,018 | \$ 3,999,614 | \$ 4,665,614 | \$ 47,196,116 | \$ 390,676 | \$ (467,742) | \$ 47,119,050 |

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Revenue and Support

For the Year Ended June 30, 2016

| | General Management | Fundraising | Adult Services | Children Services | Elder Services | Total Area Agency Revenues | Area Agency Properties | Eliminations | Total Program Services |
|--|--------------------|------------------|----------------------|---------------------|---------------------|----------------------------|------------------------|---------------------|------------------------|
| Medicaid | \$ - | \$ - | \$ 35,780,968 | \$ 2,027,387 | \$ 590,947 | \$ 38,399,302 | \$ - | \$ - | \$ 38,399,302 |
| New Hampshire Department of Developmental Services | - | - | 309,160 | 747,929 | - | 1,057,089 | - | - | 1,057,089 |
| Veterans individual service program | - | - | - | - | 1,982,244 | 1,982,244 | - | - | 1,982,244 |
| Contributions and grants | - | 37,583 | 21,513 | 118,492 | 897,780 | 1,075,368 | - | - | 1,075,368 |
| Client fees | - | - | 160,115 | - | - | 160,115 | - | - | 160,115 |
| Adult day service program | - | - | - | - | 210,135 | 210,135 | - | - | 210,135 |
| Rental income | - | - | 38,460 | - | - | 38,460 | 338,188 | (338,188) | 38,460 |
| Other revenues | 717 | - | 183,773 | 89,370 | 51,199 | 325,059 | 60 | - | 325,119 |
| The PLUS Company, Inc. services | 125,028 | 11 | 1,314 | 5,562 | 81 | 131,986 | - | - | 131,986 |
| Unified Way | - | - | 1,795 | - | 12,694 | 14,489 | - | - | 14,489 |
| Third party insurance | - | - | - | 827,797 | - | 827,797 | - | - | 827,797 |
| Production sales and service Management fees | 48,528 | - | 41,604 | 81,218 | - | 171,350 | - | - | 171,350 |
| | - | - | 77,106 | - | - | 77,106 | - | (77,106) | - |
| Total revenue and support | \$ 174,273 | \$ 37,594 | \$ 36,615,808 | \$ 3,897,755 | \$ 3,745,080 | \$ 44,470,510 | \$ 338,248 | \$ (415,294) | \$ 44,393,464 |

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Expenses

For the Year Ended June 30, 2017

| | General Management | Fundraising | Adult Services | Children Services | Elder Services | Area Agency Expenses | Area Agency Properties | Eliminations | Total Program Expenses |
|---|---------------------|------------------|----------------------|---------------------|---------------------|----------------------|------------------------|------------------|------------------------|
| Payroll and related expenses | | | | | | | | | |
| Salaries and wages | \$ 1,313,098 | \$ 25,490 | \$ 3,149,642 | \$ 2,174,321 | \$ 2,574,717 | \$ 9,237,268 | \$ - | \$ - | \$ 9,237,268 |
| Contract staff | 86,012 | 3 | 18,808 | 114 | 37 | 104,974 | - | - | 104,974 |
| Employee benefits | 353,003 | 6,338 | 608,661 | 399,893 | 155,552 | 1,523,447 | - | - | 1,523,447 |
| Payroll taxes | 92,660 | 1,935 | 235,189 | 164,338 | 198,590 | 690,713 | - | - | 690,713 |
| Total payroll and related expenses | <u>1,844,773</u> | <u>33,766</u> | <u>4,012,300</u> | <u>2,738,667</u> | <u>2,926,896</u> | <u>11,556,402</u> | <u>-</u> | <u>-</u> | <u>11,556,402</u> |
| Other expenses | | | | | | | | | |
| Client treatment services | 2,243 | - | 3,313,377 | 667,429 | 825,963 | 4,809,012 | - | - | 4,809,012 |
| Professional fees | 426,011 | 2,045 | 535,181 | 72,108 | 467,996 | 1,505,341 | 6,852 | (6,852) | 1,505,341 |
| Staff development and training | 32,423 | 5,157 | 66,780 | 15,503 | 2,162 | 122,025 | - | - | 122,025 |
| Rent and mortgage interest | 101,728 | 809 | 351,630 | 55,106 | 10,570 | 519,843 | 26,674 | (390,688) | 155,929 |
| Other occupancy costs | - | - | - | - | - | - | 36,862 | - | 36,862 |
| Utilities | 4,232 | 196 | 27,827 | 8,599 | 2,559 | 43,413 | 1,168 | - | 44,581 |
| Repair and maintenance | 7,000 | 323 | 98,806 | 15,759 | 4,628 | 126,516 | 191,882 | (70,302) | 248,096 |
| Office, building and household | 38,161 | 511 | 40,404 | 18,470 | 9,702 | 107,248 | 1,244 | - | 108,492 |
| Equipment rental | 17,408 | 253 | 35,967 | 10,469 | 5,339 | 69,436 | - | - | 69,436 |
| Advertising | 4,809 | 7,512 | 2,847 | 1,952 | 254 | 17,374 | - | - | 17,374 |
| Communications | 6,405 | 112 | 23,840 | 5,641 | 5,100 | 41,098 | 192 | - | 41,290 |
| Transportation | 6,208 | 1,063 | 164,286 | 33,478 | 13,015 | 218,040 | 2,916 | - | 220,956 |
| Insurance | 17,606 | 188 | 26,655 | 7,646 | 2,848 | 54,943 | 15,370 | - | 70,313 |
| Other | 9,192 | 43,338 | 69,011 | 51,891 | 101,811 | 275,243 | 689 | - | 275,832 |
| Subcontractor | - | - | 27,454,379 | 17,110 | - | 27,471,489 | - | - | 27,471,489 |
| Total other expenses | <u>675,426</u> | <u>61,497</u> | <u>32,210,990</u> | <u>981,161</u> | <u>1,451,947</u> | <u>36,381,021</u> | <u>283,749</u> | <u>(467,742)</u> | <u>35,197,028</u> |
| Total operating expenses before depreciation and Area Agency Properties and elimination allocations | 2,520,199 | 95,263 | 36,223,290 | 3,719,828 | 4,378,843 | 46,937,423 | 283,749 | (467,742) | 46,753,430 |
| Depreciation | 4,360 | 202 | 28,957 | 8,224 | 2,636 | 44,379 | 131,141 | - | 175,520 |
| Area Agency Properties expense allocation | 21,881 | 1,000 | 326,102 | 32,589 | 33,318 | 414,890 | (414,890) | - | - |
| Elimination allocation | (24,669) | (1,128) | (367,642) | (36,741) | (37,562) | (467,742) | - | 467,742 | - |
| Total operating expenses | <u>\$ 2,521,771</u> | <u>\$ 95,337</u> | <u>\$ 36,210,707</u> | <u>\$ 3,723,900</u> | <u>\$ 4,377,235</u> | <u>\$ 46,928,950</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 46,928,950</u> |

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statement of Functional Expenses

For the Year Ended June 30, 2016

| | General Management | Fundraising | Adult Services | Children Services | Elder Services | Area Agency Expenses | Area Agency Properties | Eliminations | Total Program Expenses |
|--|---------------------|-------------------|----------------------|---------------------|---------------------|----------------------|------------------------|------------------|------------------------|
| Payroll and related expenses | | | | | | | | | |
| Salaries and wages | \$ 1,222,203 | \$ 37,142 | \$ 3,068,912 | \$ 1,942,051 | \$ 1,813,111 | \$ 8,083,419 | \$ - | \$ - | \$ 8,083,419 |
| Contract staff | 82,830 | 1 | 11,195 | 23 | 5 | 94,054 | - | - | 94,054 |
| Employee benefits | 347,961 | 8,830 | 577,370 | 359,236 | 139,065 | 1,432,462 | - | - | 1,432,462 |
| Payroll taxes | 89,554 | 2,823 | 228,938 | 146,070 | 137,623 | 605,008 | - | - | 605,008 |
| Total payroll and related expenses | <u>1,742,548</u> | <u>48,796</u> | <u>3,886,415</u> | <u>2,447,380</u> | <u>2,089,804</u> | <u>10,214,943</u> | <u>-</u> | <u>-</u> | <u>10,214,943</u> |
| Other expenses | | | | | | | | | |
| Client treatment services | - | 36 | 3,249,841 | 690,462 | 919,931 | 4,860,270 | - | - | 4,860,270 |
| Professional fees | 363,546 | 3,347 | 512,295 | 78,622 | 415,458 | 1,373,268 | 6,804 | (6,804) | 1,373,268 |
| Staff development and training | 20,345 | 4,578 | 125,151 | 23,663 | 2,694 | 176,431 | - | - | 176,431 |
| Rent and mortgage interest | 21,552 | 978 | 361,528 | 31,562 | 88,990 | 504,610 | 30,560 | (388,188) | 146,982 |
| Other occupancy costs | - | - | - | - | - | - | 32,945 | - | 32,945 |
| Utilities | 4,701 | 213 | 25,446 | 6,884 | 1,569 | 38,813 | 811 | - | 39,724 |
| Repairs and maintenance | 4,225 | 237 | 70,441 | 7,651 | 1,744 | 84,298 | 175,545 | (70,302) | 189,541 |
| Office, building and household | 50,868 | 1,095 | 39,789 | 17,238 | 7,139 | 116,129 | 1,734 | - | 117,863 |
| Equipment rental | 19,251 | 296 | 35,320 | 9,739 | 4,149 | 68,755 | - | - | 68,755 |
| Advertising | 1,347 | 9,386 | 9,650 | 2,217 | 736 | 23,336 | - | - | 23,336 |
| Communications | 6,621 | 233 | 24,644 | 5,612 | 4,584 | 41,694 | 369 | - | 42,063 |
| Transportation | - | 1,123 | 182,546 | 49,467 | 10,252 | 243,388 | 4,316 | - | 247,704 |
| Insurance | 15,668 | 137 | 16,304 | 4,411 | 1,384 | 37,904 | 14,447 | - | 52,351 |
| Other | 84,583 | 36,035 | 123,254 | 80,912 | 7,755 | 332,539 | 73 | - | 332,612 |
| Subcontractor | - | - | 26,128,613 | 8,721 | - | 26,137,334 | - | - | 26,137,334 |
| Total other expenses | <u>592,707</u> | <u>57,694</u> | <u>30,904,822</u> | <u>1,017,161</u> | <u>1,486,385</u> | <u>34,038,769</u> | <u>267,704</u> | <u>(465,294)</u> | <u>33,841,179</u> |
| Total operating expenses before depreciation and Area Agency Properties and elimination allocations | 2,335,255 | 106,490 | 34,791,237 | 3,464,541 | 3,556,189 | 44,253,712 | 267,704 | (465,294) | 44,056,122 |
| Depreciation | 2,007 | 345 | 41,515 | 16,474 | 2,543 | 62,884 | 124,245 | - | 187,129 |
| Area Agency Properties expense allocation | 20,763 | 946 | 308,536 | 30,786 | 30,918 | 391,949 | (391,949) | - | - |
| Elimination allocation | (24,648) | (1,123) | (366,273) | (36,547) | (36,703) | (465,294) | - | 465,294 | - |
| Total operating expenses | <u>\$ 2,333,377</u> | <u>\$ 106,658</u> | <u>\$ 34,775,015</u> | <u>\$ 3,475,254</u> | <u>\$ 3,552,947</u> | <u>\$ 44,243,251</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 44,243,251</u> |

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Consolidated Statements of Cash Flows

For the Years Ended June 30, 2017 and 2016

| | <u>2017</u> | <u>2016</u> |
|---|---------------------|-----------------------|
| Cash flows from operating activities | | |
| Cash received from revenue and support | \$ 46,703,956 | \$ 43,176,891 |
| Cash paid to suppliers and employees | (46,528,304) | (44,395,090) |
| Interest received | 2,104 | 1,409 |
| Interest paid | <u>(26,674)</u> | <u>(35,869)</u> |
| Net cash provided (used) by operating activities | <u>151,082</u> | <u>(1,252,659)</u> |
| Cash flows from investing activities | | |
| Change in deposits | 23,857 | - |
| Proceeds from disposition of property and equipment | - | 31,700 |
| Acquisition of property and equipment | <u>(44,526)</u> | <u>(351,081)</u> |
| Net cash used by investing activities | <u>(20,669)</u> | <u>(319,381)</u> |
| Cash flows from by financing activities | | |
| Payments on long-term debt | <u>(60,053)</u> | <u>(57,858)</u> |
| Net increase (decrease) in cash | 70,360 | (1,629,898) |
| Cash, beginning of year | <u>1,320,957</u> | <u>2,950,855</u> |
| Cash, end of year | <u>\$ 1,391,317</u> | <u>\$ 1,320,957</u> |
| Reconciliation of change in net assets to net cash provided (used) by operating activities | | |
| Change in net assets | \$ 190,100 | \$ 150,213 |
| Adjustments to reconcile change in net assets to net cash provided (used) by operating activities | | |
| Depreciation | 175,520 | 187,129 |
| Loss on disposal of property and equipment | 516 | - |
| Change in beneficial interest in a perpetual trust | (4,021) | 1,270 |
| Change in assets and liabilities | | |
| Increase in accounts receivable | (512,091) | (1,080,976) |
| Decrease in prepaid expenses and other current assets | 14,788 | 1,739 |
| Decrease in accounts payable | (125,642) | (613,190) |
| Increase in accrued expenses and other current liabilities | 308,790 | 225,912 |
| Increase (decrease) in deferred revenue | <u>103,122</u> | <u>(124,756)</u> |
| Net cash provided (used) by operating activities | <u>\$ 151,082</u> | <u>\$ (1,252,659)</u> |

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

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2017 and 2016

Nature of Activities

Area Agency of Greater Nashua, Inc. d/b/a Gateways Community Services (Gateways) provides a comprehensive residential and service delivery system for elders and people with developmental disabilities in southern New Hampshire. Its primary funding sources are federal and state governmental programs.

Area Agency Properties, Inc. (Properties) owns various homes and commercial office space that are used as residences for clients and for general operations.

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Gateways and Properties (collectively, the Organization). All material intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

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

Basis of Presentation

Net assets and revenues, expenses, gains and losses are classified as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may be or will be met by actions of the Organization and/or the passage of time. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. As of June 30, 2017 and 2016, the Organization had no permanently restricted net assets.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2017 and 2016

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support in the year of the gift.

The Organization reports contributions of land, buildings or equipment as unrestricted support, unless a donor places explicit restriction on their use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted support and reclassified to unrestricted net assets when the assets are acquired and placed in service.

Income Taxes

Gateways and Properties are tax-exempt organizations as described in Section 501(c)(3) and Section 501(c)(2), respectively, of the U.S. Internal Revenue Code (the Code) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these consolidated financial statements.

Cash

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. It has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk on cash and cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount that management expects to collect from outstanding balances. The Organization uses a specific identification reserve method to account for uncollectible accounts. A reserve for accounts receivable of \$82,722 and \$43,784 was recognized at June 30, 2017 and 2016, respectively. Balances that are outstanding after management has used reasonable collection efforts are written off through a charge to the reserve and a credit to accounts receivable.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2017 and 2016

Property and Equipment

Property and equipment are recorded at cost or, if donated, at their estimated value at date of receipt. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets as follows:

| <u>Description</u> | <u>Estimated Lives</u> |
|-------------------------------------|------------------------|
| Buildings and building improvements | 10-40 years |
| Furniture | 5-10 years |

Deferred Revenue

The Organization's deferred revenue consists of funds received in advance from the State of New Hampshire for services to be performed at a later date.

Functional Allocation of Expenses

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

Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, management has considered transactions or events occurring through October 25, 2017, which is the date that the consolidated financial statements were available to be issued.

2. Property and Equipment

Property and equipment consisted of the following:

| | <u>2017</u> | <u>2016</u> |
|-------------------------------|----------------------------|----------------------------|
| Land and improvements | \$ 604,520 | \$ 604,520 |
| Building improvements | 3,506,745 | 3,464,880 |
| Vehicles | 14,452 | 14,452 |
| Equipment and furniture | <u>496,932</u> | <u>510,648</u> |
| | 4,622,649 | 4,594,500 |
| Less accumulated depreciation | <u>(2,175,404)</u> | <u>(2,015,745)</u> |
| | <u>\$ 2,447,245</u> | <u>\$ 2,578,755</u> |

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2017 and 2016

3. Line of Credit

Gateways has available an unsecured line of credit, with maximum borrowing of \$2,000,000. Interest is due monthly at the lender's base rate. The agreement provides that any borrowings are due on demand and bear interest at the lender's base rate (4.25% at June 30, 2017). The Organization had no outstanding balance at June 30, 2017 and 2016. The line of credit is due for renewal on February 28, 2018.

4. Long-Term Debt

Long-term debt consisted of the following:

| | <u>2017</u> | <u>2016</u> |
|---|--------------------------|--------------------------|
| Mortgage note, payable in monthly installments of \$2,872 including interest at 3.35%, through May 2018 at which time a balloon payment for the balance will be due; collateralized by real estate. | \$ 422,644 | \$ 442,299 |
| Mortgage note, payable in monthly installments of \$2,408 including interest at 3.75%, through January 2022; collateralized by real estate. | 121,556 | 145,157 |
| Mortgage note, payable in monthly installments of \$1,928 including interest at 4.55%, through November 2023; collateralized by real estate. | <u>128,073</u> | <u>144,870</u> |
| | 672,273 | 732,326 |
| Less current portion | <u>(464,182)</u> | <u>(63,221)</u> |
| Long-term debt, net of current portion | <u>\$ 208,091</u> | <u>\$ 669,105</u> |

Annual principal payments for the next five fiscal years are as follows:

| | | |
|------|----|---------|
| 2018 | \$ | 464,182 |
| 2019 | | 44,050 |
| 2020 | | 45,884 |
| 2021 | | 47,794 |
| 2022 | | 38,915 |

Certain notes payable of Properties contain financial covenants, which require that Properties maintain a debt service coverage ratio, as defined, of 1.2:1. Properties was in compliance with the debt service coverage ratio as of June 30, 2017.

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2017 and 2016

5. Concentration of Credit Risk

For the years ended June 30, 2017 and 2016, 85% and 86%, respectively, of revenue and support of the Organization was derived through contracts with the State of New Hampshire's Medicaid program. As of June 30, 2017 and 2016, accounts receivable due from the State of New Hampshire's Medicaid Program was 50% and 63%, respectively.

6. Affiliate

The Organization has an affiliation agreement with The PLUS Company, Inc. (PLUS) which provides for the sharing of certain administrative functions. As of June 30, 2017 and 2016, Gateways provided approximately 70% of revenues generated by PLUS, making PLUS financially dependent on the Organization.

U.S. GAAP requires consolidation of related organizations when common control and economic dependency exists. At June 30, 2017 and 2016, common control did not exist. However, due to the significant concentration of revenues generated by Gateways, economic dependence remains. As such consolidation in 2017 and 2016 is allowed but not required. The Organization's general purpose consolidated financial statements include the accounts of PLUS because it was deemed to provide a more meaningful presentation.

The following is summarized financial data of PLUS:

| | <u>2017</u> | <u>2016</u> |
|---|---------------------|---------------------|
| Total assets | <u>\$ 3,910,079</u> | <u>\$ 3,823,669</u> |
| Total liabilities | <u>\$ 2,244,404</u> | <u>\$ 2,275,357</u> |
| Total net assets | <u>1,665,675</u> | <u>1,548,312</u> |
| Total liabilities and net assets | <u>\$ 3,910,079</u> | <u>\$ 3,823,669</u> |
| Total revenue and support | <u>\$12,463,289</u> | <u>\$12,027,197</u> |
| Total operating expenses | <u>12,345,926</u> | <u>11,987,192</u> |
| Change in net assets | <u>\$ 117,363</u> | <u>\$ 40,005</u> |
| Due to PLUS included in accounts payable | <u>\$ 546,003</u> | <u>\$ 496,154</u> |
| PLUS services support included in subcontractor expense | <u>\$ 8,811,685</u> | <u>\$ 8,450,686</u> |

**AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.**

Notes to the Consolidated Financial Statements

June 30, 2017 and 2016

7. Retirement Plan

The Organization maintains a qualified 403(b) retirement plan (the Plan) which covers all employees who have reached the age of 21 and completed 1,000 hours of service during the Plan year. The Plan provides for matching contributions at the discretion of the Organization. The matching contributions charged to operations for the Plan were \$154,382 and \$63,763 for 2017 and 2016, respectively.

8. Funds Held by Others

The Organization is a beneficiary of a designated fund maintained at the New Hampshire Charitable Foundation (NHCF). Pursuant to the terms of the resolution establishing this designated fund, property contributed by unrelated parties to NHCF is held as a separate fund designated for the benefit of the Organization. The Board of Directors of NHCF has been granted the power to redesignate the funds contributed by unrelated parties, if the Organization is incapable of fulfilling their mission. The designated fund is not included in these consolidated financial statements, since NHCF has the ability to redesignate funds contributed by unrelated parties. The total market value of the designated fund was approximately \$505,000 at June 30, 2017 and \$447,000 at June 30, 2016.

The Organization is also a beneficiary of an agency endowment fund at NHCF. Pursuant to the terms of the resolution establishing this agency fund, property contributed by the Organization to NHCF is held as a separate fund designated for the benefit of the Organization. The Board of Directors of NHCF does not have the power to redesignate the funds contributed by the Organization. At June 30, 2017 and 2016, the estimated value of the future distributions from the agency fund in the amount of \$35,797 and \$31,776, respectively, is included in the consolidated statements of financial position as beneficial interest in perpetual trust.

In accordance with its spending policy, NHCF will make annual distributions of approximately 5% of the market value which will be equally divided between the beneficiaries once the funds have reached an agreed upon minimum market value of \$1,000,000. There were no distributions from the funds in 2017 and 2016.

AREA AGENCY OF GREATER NASHUA, INC. D/B/A GATEWAYS COMMUNITY SERVICES
AND AREA AGENCY PROPERTIES, INC.

Notes to the Consolidated Financial Statements

June 30, 2017 and 2016

9. Fair Value Measurements

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Topic 820, *Fair Value Measurement*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair value of the Organization's beneficial interest in perpetual trust is categorized as a Level 3 measurement because the interest is not marketable. The fair value of the assets held by the perpetual trust is based on the quoted market prices of the underlying assets. Due to the level of risk associated with the fair value of the underlying securities and the level of uncertainty related to changes in their value, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the consolidated statements of financial position. Change in fair value of the Organization's beneficial interest in a perpetual trust consisted of appreciation of \$4,021 and depreciation of \$1,270 for the years ended June 30, 2017 and 2016, respectively.

GATEWAYS COMMUNITY SERVICES
BOARD OF DIRECTORS
Updated September 2017

Edgar R. Carter – Chair
Helen Honorow – Vice Chair
Mark Thornton* – Secretary
Joe Gamache* – Treasurer

Bob Corcoran*
Jim McKenna
Rich Pietravalle*
Lou Primmer*
Marc Sadowsky
Leah Brokhoff
Peggy Gilmour
Tim McMahon*
Lauren Primmer*
Lisa Scheib
Parker Thornton*
Kim Craffey
Jim Moran*
Sharron Rowlett-Moore

**indicates consumer*

SANDRA B. PELLETIER

Gateways Community Services | 144 Canal Street, Nashua, NH 03064 | 603-882-6333
spelletier@gatewayscs.org | www.gatewayscs.org

PROFESSIONAL SUMMARY

Chief Executive Officer of a non-profit organization for the past 30 years. Experience includes hands-on leadership in all development phases of a community-based service delivery system (second largest of ten regions within the State of New Hampshire). Extensive background in all aspects of non-profit organization and oversight. Responsibilities include executive and financial management; initiation of a close-knit affiliation between the Gateways and PLUS Company Boards of Directors, structuring and nurturing of community and civic partnerships between Gateways, a myriad of vendors and sponsors, grant writing, strategic planning and total quality management. Experience also involves re-engineering, including new development and mergers, and significant involvement in redefining public policy vis-à-vis the legislative process. Consultant to other states in the field of developmental disabilities and elder participant driven services.

EDUCATION

| | |
|--|------|
| Leadership New Hampshire Certificate | 1994 |
| Intensive 10-month statewide leadership development program (seminar format) | |
| Antioch College Management Institute, Keene, NH Certificate | 1983 |
| Management of Non-Profit Agencies | |
| University of New Hampshire, Durham, NH M.Ed. | 1979 |
| University of Maine, Orono, ME B.A | 1977 |
| Summa cum Laude, Phi Beta Kappa | |

PERSONAL AWARDS

| | |
|---|------|
| 25 Extraordinary Women – The Telegraph, Nashua, NH | 2013 |
| Easter Seals Special Achievement in the area of developmental services | 2003 |
| “Citizen of the Year” designate, The PLUS Company, Nashua, NH | 2001 |
| Recipient, “Book of Golden Deeds Award” from the Nashua Exchange Club | 1991 |
| Recipient, “Distinguished Service Award in the field of Developmental Disabilities” | 1989 |

CORPORATE AWARDS

| | |
|---|------|
| Business NH Magazine – 2016 Non-Profit Business of the Year | 2016 |
| Recognized nationally as the primary entrepreneurial leaders for Consumer Directed Services | 2012 |
| By the Center on Human Policy, Syracuse University | |
| Recipient of “The Walter J. Dunfey Award for Excellence in Management” from the New Hampshire Charitable Foundation – The Corporate Fund | 1990 |

EXPERIENCE

| | |
|---|----------------|
| Gateways Community Services, Nashua, NH President/CEO | 1983 – Present |
| Oversees a \$45 million private non-profit corporation (including subsidiary The PLUS Company), recognized nationally as a highly effective model of delivery, and one promoting community participant driven services. Responsibilities include executive oversight and fiscal management of new development, operations, and maintenance of a continuum of services to 2,900 children and adults with disabilities, their families, and elders in need of long-term care in the State of New Hampshire and Massachusetts. Gateways is supported by the State’s general funds, Federal Medicaid billings, Insurance dollars, and Development dollars | |

BOARD MEMBERSHIPS

| | |
|--|----------------|
| SHARE Outreach | 2015 – Present |
| New Futures | 2015 – Present |
| Rotary of Nashua West | 2002 – Present |
| The PLUS Company, Nashua, NH | 1996 – Present |
| CSNI, Concord, NH (founding Board Chair) | 1995 – Present |
| Regional Special Education Consortium, Amherst, NH | 1992 – 2015 |
| Endowment for Health Foundation – President of the Board | 2012 – 2014 |

TIMOTHY A. LEACH, C.P.A.

CHIEF FINANCIAL OFFICER

Professional capable of immediate impact on organization's issues with respect to finance/fiscal operations, corporate tax, audit, budget preparation, revenue recognition, reporting and compliance, data analysis, strategic and organizational planning, business operations and administration.

SUMMARY OF QUALIFICATIONS

M.B.A., C.P.A. with extensive professional experience in financial/fiscal operations, performance and business analysis, compliance, staff development and training, business operations and administration. Bottom-line individual with a solid track record for increasing operational efficiency, generating cost savings and contributing to company profits. Demonstrated ability to coordinate and manage multiple complex projects simultaneously. Designed/implemented policies and procedures with respect to business, finance/fiscal operations and administration. Proven ability to interface with all levels of an organization, to lead, to motivate and to get the job done. Reliable, goal-oriented achiever, innovative problem solver, and effective decision-maker. Excellent communication, leadership, interpersonal, presentation and organizational skills.

Expertise and knowledge in financial areas such as:

- | | | |
|-------------------------------------|-----------------------------|---------------------|
| - Certified Public Accountant | - Audits/Internal Controls | - Policy Design |
| - International Operations | - Finance/Fiscal Operations | - Budgeting |
| - Strategic/Organizational Planning | - Revenue Recognition | - Corporate Tax |
| - Foreign Currency Translations | - System Implementation | - Staff Development |
| - Consolidated Financials | - Procurement of Goods | - Asset Management |

SELECTED ACCOMPLISHMENTS

IMPROVED consolidated financial statement timeliness and accuracy by reducing cycle time by three days through process improvements despite headcount reductions. The consolidated financials include American, European, and Asian operations. The financial statement and narrative summary are completed within six workdays of month end for presentation to the Board of Directors.

COORDINATED annual audit and tax return prepared by Ernst & Young resulting in savings of \$15K. Responsible for preparing consolidated financial statements through supporting documentation including footnotes for American, European, and Asian operations. Corporate tax includes six state returns.

DEVELOPED accounts receivable policies and procedures and initiated billing to worldwide customers. Responsible for global billing, collecting, and establishing customer credit limit. Billing is generated within two working days of month end. One hundred percent of billings have been collected to date.

SUCCESSFULLY implemented three new accounting systems for organizations. Also served as part of organization-wide implementation team to coordinate all applications throughout firm.

TIMOTHY A. LEACH, C.P.A.

PROFESSIONAL EXPERIENCE

AREA AGENCY OF GREATER NASHUA, INCORPORATED, Nashua, NH 2003 – Present

Chief Financial Officer

- Responsible for the day to day business operations of the Area Agency.

ACCELLION INCORPORATED, Auburn, NH (Global Internet Start Up) 2001 – 2003

Senior Finance Manager

- Promoted to Senior Finance Manager within six months.
- Prepared monthly consolidated financial statements for Board of Directors, including consolidation of American, Asian, and European operations; and maintain a level of proficiency in foreign currency exchange transactions.
- Monitored cash on a daily basis; reported weekly cash forecast (American, European, and Asian) to CFO for global operations; monitored global budget; and monitored global accounting policies and procedures; and prepared annual audit and corporate tax returns including multiple states returns.
- Managed all accounts receivable, including functions such as new client set-up, billing, follow-up, customer relations, and collections.

Senior Accountant

- Implemented General Ledger, Accounts Payable/Receivable functions for a global Internet start-up.
- Prepared monthly close of American operations including preparation and posting of all required journal entries.
- Installed Best Fixed Asset System software for asset tracking; monitored all worldwide fixed assets.

MONADNOCK COMMUNITY HOSPITAL, Peterborough, NH 1989 – 2000

Accounting Manager

- Supervised the Accounting and Accounts Payable functions of the Hospital and prepared monthly financial and statistical information for Management, Board of Trustees, and Affiliated Healthcare entities.
- Served as Hospital resource for all financial issues; prepared and monitored operating and capital budgets; handled all receipts and disbursements; monitored cash position of a daily basis; maintained the fixed asset system; and oversaw the processing of accounts payable invoices for payment; managed the Hospital insurance policies (Workers Compensation, Property, and Umbrella), including the functions of contracting, monitoring, and upgrading the Hospital insurance portfolio.
- Chaired capital budget, investment, management information system, condo association, and Y2K committees; active member of strategic operations, finance, resource, and leadership committees.
- Presented monthly financial statements to the Board of Trustees, Finance Committee, and Leadership Group and acted as liaison for all financial matters pertaining to the Hospital as Interim Chief Financial Officer from February through April 2000.

PURDY, BORNSTEIN, HAMEL & BURRELL CPA's, Salem, NH 1988 – 1989

Senior and Staff Accountant

- Performed audit, review, and compilation engagements; prepared corporate, partnership, and personal tax returns.

EDUCATION

Master of Business Administration, New Hampshire College, Manchester, NH

Bachelor of Science in Accounting, New Hampshire College, Manchester, NH

LICENSE/CERTIFICATION

Licensed Certified Public Accountant in the State of New Hampshire

ASSOCIATIONS/AFFILIATIONS

New Hampshire Society of CPAs, Milford Community Athletic Association (MCAA) Coach,
Volunteer – Nashua Soup Kitchen

CONTRACTOR NAME

Key Personnel

| Name | Job Title | Salary | % Paid from this Contract | Amount Paid from this Contract |
|------------------|---------------|-----------|---------------------------|--------------------------------|
| Sandra Pelletier | President/CEO | \$167,092 | 0% | \$0.00 |
| Timothy Leach | CFO | \$104,754 | 0% | \$0.00 |
| | | | | |
| | | | | |
| | | | | |



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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF HUMAN SERVICES
BUREAU OF ELDERLY & ADULT SERVICES

Jeffrey A. Meyers
Commissioner

Maureen U. Ryan
Director of Human
Services

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9203 1-800-351-1888
Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

October 3, 2016

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, Bureau of Elderly and Adult Services, to enter into **retroactive** agreements with the vendors listed below, for the provision of Adult Day Services to adults ages sixty (60) or older, and adults ages 18 and older with chronic illnesses and/or disabilities in an amount not to exceed \$386,454 effective October 1, 2016 upon Governor and Executive Council approval through September 30, 2018. 40% Federal Funds and 60% General Funds.

Funds to support these requests are available in the following accounts in State Fiscal Year 2017 and are anticipated to be available in State Fiscal Years 2018 and 2019 upon availability and continued appropriation of funds in future operating budgets, with the authority to adjust encumbrances between state fiscal years through the Budget Office without Governor and Executive Council approval, if needed and justified.

| Vendor | Vendor # | Vendor Location | Amount |
|--|----------|-----------------|------------------|
| Area Agency of Greater Nashua, Inc. DBA Gateways Community Services | 155784 | Nashua, NH | \$263,204 |
| The Homemaker Health Services | 154849 | Rochester, NH | \$123,250 |
| | | TOTAL: | \$386,454 |

FISCAL DETAILS ATTACHED

EXPLANATION

These requests are **retroactive** due to the need for the Department to prioritize the completion of contracts for substance use disorder services that were time sensitive. The issuance of the RFA for the Adult Day Services was delayed until shortly after the start of State Fiscal Year 2017. In addition, in an attempt to receive more proposals for this service, the closing date for the procurement was extended to allow more time for vendors to submit proposals.

The purpose of these agreements is for the licensed organizations to provide Adult Day Program Services in accordance with the Older American Act, Title III Services and Title XX Social Services Block Grant Programs, to eligible individuals, age sixty (60) and older, and to adults ages eighteen (18) and older with chronic illnesses and/or disabilities. Eligible adults are those who reside in independent living settings and are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, who are eligible for other NH Medicaid services; or individuals who are receiving the same or similar serves through the Veterans' Administration.

The selected vendors will provide Adult Day Services to assist eligible adults ages eighteen to fifty-nine (18-59) with a physical disability(ies) and/or chronic illness and to adults ages sixty (60) and older, to live as independently as possible, safely and with dignity. Services shall be provided for less than twelve (12) hours per day, and include supervision; assistance with activities of daily living; nursing care; rehabilitation; nutrition and recreational, social, cognitive or physical stimulation. Services also include monitoring of the individual's condition; counseling, as appropriate, on nutrition, hygiene or other related matters; referrals, as appropriate, to other services and resources that could assist the individual including any necessary follow up; as well as assistance and support to caregiving families.

A Request for Application was posted on the Department's website on July 6, 2016; four (4) applications were received. A team of individuals with extensive program knowledge reviewed the applications. These agreements are with two (2) of four (4) vendors selected. The remaining agreements will be presented at a future Governor and Executive Council Meeting. The Department may receive additional applications as the Request for Applications remains open until program service needs are met. Score sheet attached.

The agreements contains language allowing the Department the right to renew the contracts for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and approval by Governor and Executive Council.

Should the Governor and Executive Council not approve these requests, Adult Day Services to eligible adults, age sixty (60) and older may be eliminated which may jeopardize individuals' ability to remain in their homes and communities. It may also result in increased numbers of individuals needing more costly long-term care services in traditional nursing homes or other community based care programs.

Area to be Served: Greater Nashua Area; Strafford, Rockingham and Carroll Counties

Source of Funds:

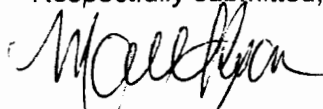
40% Federal Funds from the United States Department of Health and Human Services, Administration for Community Living, Title III Older Americans Act, Catalog of Federal Domestic Assistance (CFDA) #93.044, Federal Award Identification #17AANHT3SS and Title XX Social Services Block Grant, Catalog of Federal Domestic Assistance (CFDA) #93.667 Social Services Block Grant, Federal Award Identification #1701NHSOSR.

60% General Funds

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
Page 3 of 3

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

Respectfully submitted,



Maureen U. Ryan
Director of Human Services

Approved by:



Jeffrey A. Meyers
Commissioner

**NH DHHS ADULT DAY SERVICES CONTRACTS
FISCAL DETAIL**

Area Agency of Greater Nashua, Inc. / DBA Gateways Community Services

05-95-48-481010-78720000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADMINISTRATION FOR COMMUNITY LIVING, GRANTS (40% Federal Funds; 60% General Funds)

| Fiscal Year | Class | Activity Code | Class Title | Amount |
|--------------------|--------------|----------------------|--------------------------------|---------------------|
| 2017 | 540 | 500382 | Contracts for Program Services | \$43,500.00 |
| 2018 | 540 | 500382 | Contracts for Program Services | \$58,000.00 |
| 2019 | 540 | 500382 | Contracts for Program Services | \$14,500.00 |
| | | | <i>Subtotal:</i> | \$116,000.00 |

05-95-48-481010-92550000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, SOCIAL SERVICE BLOCK GRANT (40% Federal Funds; 60% General Funds)

| Fiscal Year | Class | Activity Code | Class Title | Budget |
|--------------------|--------------|----------------------|--------------------------------|---------------------|
| SFY 2017 | 566 | 500918 | Contracts for Program Services | \$55,201.50 |
| SFY 2018 | 566 | 500918 | Contracts for Program Services | \$73,602.00 |
| SFY 2019 | 566 | 500918 | Contracts for Program Services | \$18,400.50 |
| | | | <i>Subtotal:</i> | \$147,204.00 |
| | | | Total: | \$263,204.00 |

The Homemaker Health Services

05-95-48-481010-92550000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, SOCIAL SERVICE BLOCK GRANT (40% Federal Funds; 60% General Funds)

| Fiscal Year | Class | Activity Code | Class Title | Budget |
|--------------------|--------------|----------------------|--------------------------------|---------------------|
| SFY 2017 | 566 | 500918 | Contracts for Program Services | \$46,218.75 |
| SFY 2018 | 566 | 500918 | Contracts for Program Services | \$61,625.00 |
| SFY 2019 | 566 | 500918 | Contracts for Program Services | \$15,406.25 |
| | | | <i>Subtotal:</i> | \$123,250.00 |
| | | | Grand Total: | \$386,454.00 |



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

Adult Day Program Services

RFA Name

RFA-2017-BEAS-03-ADULT

RFA Number

Bidder Name

1. **Easter Seals, New Hampshire, Inc.**

2. **The Homemakers Health Services**

3. **Gateways Community Services**

4. **VNA at HCS**

5. **0**

6. **0**

7. **0**

| Pass/Fail | Maximum Points | Actual Points |
|-----------|----------------|---------------|
| | 150 | 147 |
| | 150 | 143 |
| | 150 | 149 |
| | 150 | 120 |
| | 150 | 0 |
| | 150 | 0 |
| | 150 | 0 |

Reviewer Names

1. Margaret Morrill, Program Specialist III

2. Jean Crouch, Supervisor VII

3. Tracey Tarr, Administrator II

4.

5.

6.

7.

8.

9.

Subject: Adult Day Program Services (RFA-2017-BEAS-03-ADULT)


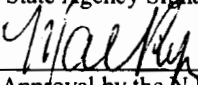
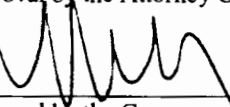
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

| | | | |
|---|--|--|-----------------------------------|
| 1.1 State Agency Name Department of Health and Human Services Bureau of Elderly and Adult Services | | 1.2 State Agency Address 129 Pleasant Street Concord, NH 03301 | |
| 1.3 Contractor Name Area Agency of Greater Nashua Inc., DBA Gateways Community Services | | 1.4 Contractor Address 144 Canal Street Nashua, NH 03064 | |
| 1.5 Contractor Phone Number 603-459-2701 | 1.6 Account Number 05-95-48-78720000-500382 05-95-48-92550000-500918 | 1.7 Completion Date September 30, 2018 | 1.8 Price Limitation \$263,204 |
| 1.9 Contracting Officer for State Agency Eric D. Borrin, Director | | 1.10 State Agency Telephone Number 603-271-9558 | |
| 1.11 Contractor Signature  | | 1.12 Name and Title of Contractor Signatory Sandra Pelletier - President/CEO | |
| 1.13 Acknowledgement: State of <u>NH</u> , County of <u>Hillsborough</u> On <u>9/21/16</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 <u>Janet Cate Boisvert</u> [Seal] | | JANET CATE BOISVERT, Notary Public My Commission Expires June 19, 2018 | |
| 1.13.2 Name and Title of Notary or Justice of the Peace <u>Janet Cate Boisvert, Notary</u> | | | |
| 1.14 State Agency Signature  Date: <u>10/3/16</u> | | 1.15 Name and Title of State Agency Signatory <u>Maureen Ryan</u> <u>Director office of Human Services</u> | |
| 1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____ | | | |
| 1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>Megan Acy - Attorney</u> <u>10/10/14</u> | | | |
| 1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____ | | | |

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

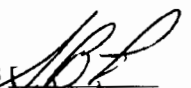
22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

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

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

Contractor Initials

Date


9/21/16



Scope of Services

1. Provisions Applicable to All Services

- 1.1. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Services shall be provided in the Greater Nashua, New Hampshire area.
- 1.4. Hours of operation shall be Monday through Friday, 8:00 am to 3:30 pm.

2. Scope of Work

2.1. Population

- 2.1.1. The Contractor shall provide services in this contract to assist eligible individuals live as independently as possible, safely and with dignity.
- 2.1.2. The Contractor shall provide services for individuals who:
 - 2.1.2.1. Are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, who are eligible for other NH Medicaid services; or
 - 2.1.2.2. Are receiving the same or similar services through the Veterans' Administration.
- 2.1.3. The Contractor shall provide services to individuals who reside in independent living settings and who meet the eligibility criteria as follows:
 - 2.1.3.1. Title III
 - 2.1.3.1.1. Individuals who are age 60 and older and with the most economic or social need as described in:
 - 2.1.3.1.1.1. Older Americans Act of 1965, as amended through P.L. 114-144, Enacted April 19, 2006 (see attached link: http://www.aoa.gov/AoA_programs/OAA/oa_full.asp#Toc153957659), and
 - 2.1.3.1.1.2. NH Administrative Rule He-E 502 (see attached link: http://www.gencourt.state.nh.us/rules/state_agencies/he-e.html).
 - 2.1.3.1.2. Title XX 42 USC §1397 et seq.
 - 2.1.3.2.1. Individuals who are age 60 and older or ages 18-59 who have a chronic illness or disability, and a maximum monthly income of \$1,214 for calendar year 2016 as described in:
 - 2.1.3.2.1.1. The Social Services Block Grant (Title XX) (see attached link: <http://www.acf.hhs.gov/programs/ocs/programs/ssbg/about>), and
 - 2.1.3.2.1.2. NH Administrative Rule He-E 501 (see attached link: http://www.gencourt.state.nh.us/rules/state_agencies/he-e.html).



Exhibit A

2.2. Service Descriptions

- 2.2.1. The Contractor shall be a licensed entity in New Hampshire in a fixed physical location and shall include the provision of one or more of the following services for fewer than (twelve) 12 hours a day to participants 18 years of age and older, based on an individual's needs:
 - 2.2.1.1. Supervision;
 - 2.2.1.2. Assistance with activities of daily living;
 - 2.2.1.3. Nursing care rehabilitation;
 - 2.2.1.4. Recreational, social, cognitive, physical stimulation activities or nutrition services;
 - 2.2.1.5. Monitoring of the individual's condition and counseling as appropriate on nutrition, hygiene or other related matters;
 - 2.2.1.6. Referrals, as appropriate, to other services and resources that could assist the individual including any necessary follow up;
 - 2.2.1.7. Assistance and support to caregiving families; and
 - 2.2.1.8. Developing a person-centered plan for each individual in accordance with NH Administrative Rules He-E 501 and He-E 502.

2.3. Client Access to Services

- 2.3.1. The Contractor shall provide services described in this agreement to eligible clients that apply for or request services, or are referred by Adult Protective Services (APS):
 - 2.3.1.1. Client directly applies for or requests services:
 - 2.3.1.1.1. The Contractor shall determine eligibility for these services in accordance with the rules and requirements of the Title III and Title XX Programs.
 - 2.3.1.2. Client is referred by Adult Protection Services (APS):
 - 2.3.1.2.1. In the event that an individual has been referred by APS, the Contractor shall not take an application, determine or re-determine the individual's eligibility or issue eligibility notifications, in accordance with NH Administrative Rules He-E 501 and 502.

2.4. Client Application/Request for Services

- 2.4.1. The Contractor shall complete an intake and application for services, in accordance with NH Administrative Rules He-E 501 and He-E 502.
 - 2.4.1.1. When determining eligibility pursuant to NH Administrative Rule He-E 501 (Title XX), the Contractor shall use the Department's Form 3000 Application.
 - 2.4.1.2. For applications pursuant to NH Administrative Rule He-E 502 (Title III), the Contractor shall review requests for services and determine eligibility.

2.5. Client Eligibility

- 2.5.1. The Contractor shall submit its policies and procedures for client eligibility determination for services to the Department for review and approval, within thirty (30) days of the start of each State Fiscal Year.
- 2.5.2. The Contractor shall determine eligibility for services and shall be in compliance with the New Hampshire Administrative Rules He-E 501 and He-E 502 regarding eligibility determination, notice of eligibility and the individual's period of eligibility as applicable as follows:



Exhibit A

2.5.2.1. Notice of Eligibility:

2.5.2.1.1. The Contractor shall provide written notice of eligibility within forty five (45) days from the date eligibility was determined, indicate what services are to be provided and at what frequency, and indicate the beginning and end dates for the individual's period of eligibility.

2.5.2.1.2. If the client is determined not eligible for service(s), the notice of denial shall include:

2.5.2.1.2.1. The reason(s) for denial;

2.5.2.1.2.2. A statement regarding the right of the individual or his/her authorized representative to request an informal resolution or appeal of the eligibility determination decision; and

2.5.2.1.2.3. Contact information for requesting an appeal.

2.5.2.2. Redetermination of Service Eligibility:

2.5.2.2.1. The Contractor shall submit its policies and procedures for client eligibility redetermination for services to the Department for review and approval, within thirty (30) days of the start of each State Fiscal Year.

2.5.2.3. Termination of Services:

2.5.2.3.1. Services shall be terminated when:

2.5.2.3.1.1. The individual or his/her authorized representative requests that the services be terminated;

2.5.2.3.1.2. The individual no longer meets the eligibility requirements for services;

2.5.2.3.1.3. Funding by the State for the service(s) is no longer available;

2.5.2.3.1.4. The individual did not reapply for services as required by program rules;

2.5.2.3.1.5. The individual has been admitted to a nursing home or residential care facility; or

2.5.2.3.1.6. The individual is deceased.

2.5.2.4. Service Authorizations for Title XX Eligible Clients:

2.5.2.4.1. Once the client has been determined eligible to receive Title XX services, the Contractor shall submit a service authorization form to the Department in order to facilitate payment for serving eligible clients.

2.5.2.4.2. The Contractor shall submit a completed Form 3502 "Contract Service Authorization-New Authorization" for each client who has been determined eligible to receive services. More than one service may be included on a Form 3502. The completed Form 3502 shall be submitted to:

Department of Health and Human Services
Data Management Unit
129 Pleasant Street
Concord, NH 03301

2.6. Client Assessments

2.6.1. The Contractor shall assess the individual's needs and develop written service plans, keep written progress notes and monitor and adjust service plans to meet the individual's needs in accordance with NH Administrative Rules He-E 501 and He-E 502.



Exhibit A

2.7. Person Centered Provision of Services

- 2.7.1. The Contractor shall incorporate policies and staff-client interactions into its agency's functions, as well as incorporate the following Guiding Principles for Person-Centered Planning Philosophy in the provision of all services in this Agreement:
- 2.7.1.1. Individuals and families are invited, welcomed and supported as full participants in service planning and decision making.
 - 2.7.1.2. Individual's wishes, values and beliefs are considered and respected.
 - 2.7.1.3. Individual is listened to; needs and concerns are addressed.
 - 2.7.1.4. Individual receives the information he/she needs to make informed decisions.
 - 2.7.1.5. Planning is responsive to the individual. His or her preferences drive the planning process although the decision-making process may need to be accelerated to respond to emergencies.
 - 2.7.1.6. Services are designed, scheduled and delivered to best meet the needs and preferences of the individual.
 - 2.7.1.7. The system is committed to excellence and quality improvement.
 - 2.7.1.8. Individual rights are affirmed and protected.
 - 2.7.1.9. Individuals are protected from exploitation, abuse and neglect.
 - 2.7.1.10. The service system is accessible, responsive and accountable to the individual.
 - 2.7.1.11. Person-centered planning may be incorporated into existing service plans or documents already being used by the Contractor.

3. Staffing

- 3.1. The Contractor shall adhere to the following staffing requirements:
- 3.1.1. Maintain a level of staffing necessary to perform and carry out all of the functions, requirements, roles and duties in a timely fashion for the number of clients and geographic area as identified in this Agreement.
 - 3.1.2. Verify and document that all staff and volunteers have appropriate training, education, experience and orientation to fulfill the responsibilities of their respective positions. This includes keeping up-to-date personnel and training records and documentation of all individuals requiring licenses and/or certifications.
 - 3.1.3. Develop and submit a Staffing Contingency Plan in writing to the Department within thirty (30) days of approval of the Contract Agreement. The plan shall include but not be limited to:
 - 3.1.3.1. The process for replacement of personnel in the event of loss of key personnel or other personnel during the period of this Agreement;
 - 3.1.3.2. A description of how additional staff resources will be allocated to support this Agreement in the event of inability to meet any performance standard;
 - 3.1.3.3. A description of time frames necessary for obtaining staff replacements;
 - 3.1.3.4. An explanation of the Contractor's capabilities to provide, in a timely manner, staff replacements/additions with comparable experience; and
 - 3.1.3.5. The method of bringing staff replacements/additions up-to-date regarding this Agreement.

4. Reporting

4.1. Reporting Requirements

- 4.1.1. The Contractor shall complete and submit quarterly reports which will be a pre-defined electronic form supplied by the Department. The report must be submitted by the 15th of



Exhibit A

the month following the quarter end date. The data will include, but not be limited to the following:

- 4.1.1.1. Expenses by program service provided. Service is defined as Adult Day Program Services.
- 4.1.1.2. Revenue by program service provided, by funding source;
- 4.1.1.3. Actual Units served by program service provided, by funding source;
- 4.1.1.4. Number of unduplicated clients served by service provided, by funding source;
- 4.1.1.5. Number of Title III and Title XX clients served with non-Department funds;
- 4.1.1.6. Unmet need/waiting list; and,
- 4.1.1.7. Lengths of time clients are on a waiting list.

4.2. Service Delivery Verification

4.2.1. The Contractor shall submit Service Delivery Verification reports to BEAS Finance for the following required performance measures for each service identified in Section 2.2, Service Descriptions:

4.2.1.1. Eligibility:

- 4.2.1.1.1. The number of applications/service requests and the number and percentage of applicants found eligible for each service;
- 4.2.1.1.2. The number and percentage of applicants found ineligible for each service including the reason(s) applicants were found ineligible.

4.2.1.2. Quality and Appropriateness:

4.2.1.2.1. Plans of Care:

- 4.2.1.2.1.1. The number and percentage of individuals' plans of care in which the plans contain evidence of person-centered planning;
- 4.2.1.2.1.2. The number and percentage of individuals who have experienced a safety-related incident or accident which occurs during times of face-to-face contact with the client(s);
- 4.2.1.2.1.3. The number and percentage of individuals for whom a report to Adult Protective Services was made.

4.2.1.3. Experience:

- 4.2.1.3.1. The number and percentage of individuals surveyed (via telephone, mail, e-mail or face-to-face) who report their experiences with their services and providers have been satisfactory or better.
- 4.2.1.3.2. The Contractor shall indicate the reasons why:
 - 4.2.1.3.2.1. Applicants experienced safety-related incidents which occurs during times of face-to-face contact with the client(s);
 - 4.2.1.3.2.2. Applicants were referred to Adult Protective Services; and
 - 4.2.1.3.2.3. The number and percentage of individuals surveyed who reported their experiences with their services and providers were not satisfactory or better.
- 4.2.1.3.3. The Contractor shall describe the quality improvement activity(ies) to be initiated to address identified concerns about the quality and appropriateness of care.
- 4.2.1.3.4. The Contractor shall survey a sample of participants for each contracted service and provide their survey methodology, in writing, to the Bureau of Elderly and Adult Services (BEAS).



Exhibit A

4.2.1.4. Service Delivery:

- 4.2.1.4.1. The number of open cases at the end of each reporting period and the number and percentage of days individuals did not receive a planned service(s).
- 4.2.1.4.2. The Contractor shall indicate the reasons applicant(s) did not receive planned services.
- 4.2.1.4.3. The Contractor shall describe the quality improvement activity(ies) to be initiated to address identified concerns about service delivery.

5. Client Fees and Donations

5.1. Title III Services

- 5.1.1. With the exception of Subsection 5.3.1. of this agreement below, NH Administrative Rule He-E 502.12 allows Title III contractors to ask individuals receiving services for a voluntary donation towards the cost of the service and provides guidance for requesting donations. The donation is to be purely voluntary and no one can be refused services if he/she is unable or unwilling to donate. The Contractor is not permitted to invoice clients or family members.
- 5.1.2. The Contractor shall report the total amount of collected donations on the quarterly report sent to BEAS Finance.

5.2. Title XX Services

- The Contractor may charge fees to individuals receiving Title XX services provided that the Contractor establishes a sliding fee schedule and provides this information to individuals seeking services. The Contractor shall comply with the NH Administrative Rule He-E 501 when establishing and charging fees to individuals. Additionally, the Contractor is required to report on the total amount of fees/income received for Title XX Services on the quarterly report sent to BEAS Finance.
- 5.2.1. The Contractor providing Title XX services may charge fees to clients referred by APS staff for which reports of abuse, neglect, self-neglect and/or exploitation has not been founded. The Contractor is required to include the total amount of fees/income received for Title XX services, referred by APS staff, with the total amount of fees/income reported for Title XX Services, listed above, on the quarterly report sent to BEAS Finance.

5.3. Adult Protection Services (APS)

- Under RSA 161-F: 42 et seq. (<http://www.gencourt.state.nh.us/rsa/html/XII/161-F/161-F-42.htm>), BEAS provides protective services to incapacitated adults to prevent and/or ameliorate neglect, abuse or exploitation. When BEAS determines that an individual needs protective services as described in NH Administrative Rule He-E 700 (http://www.gencourt.state.nh.us/rules/state_agencies/he-e700.html), the Contractor agrees that the payment received from the Department for the specified services is payment in full for those services, and the provider agrees to refrain from making any attempt to secure additional reimbursement of any type from the individual for those services.
- 5.3.1. The Contractor, providing Title III and/or Title XX services, may not charge fees or ask for donations from clients referred by the Department's Adult Protection Services (APS) program as long as these individuals remain active recipients of Adult Protective Services as verified by Adult Protection Services staff.



Exhibit A

6. Adult Protection Services (APS)

- 6.1. The Contractor shall report suspected abuse, neglect, self-neglect and/or exploitation of incapacitated adults as required by RSA 161-F: 46 of the Adult Protection law (<http://www.gencourt.state.nh.us/rsa/html/XII/161-F/161-F-46.htm>).
- 6.2. The Contractor shall make a good faith effort to assure the provision of some level of services to those persons who the Department refers to the contracted agency and identifies the client is in need of protective services.
- 6.3. The Contractor shall follow the plan of care established by the APS social worker.
- 6.4. The Contractor shall inform the referring APS staff of any changes in the individual's situation or other concerns, and APS staff is expected to inform the Contractor of any information that may affect service provision.

7. E-Studio Electronic Information System

- 7.1. The Contractor shall be required to use the Department's E-Studio electronic information system. E-Studio is BEAS' primary vehicle for uploading important information concerning time-sensitive announcements, policy releases, administrative rule adoptions and other critical information.
- 7.2. The Contractor shall identify all of the key personnel who will require E-Studio accounts to ensure that information from the Department can be shared with the necessary agency staff. There is no cost to the Contractor for the Department to create an E-Studio account and no limit on the number of staff an agency identifies to have access to E-Studio.
- 7.3. The Contractor shall ensure their E-Studio account(s) are kept current and that the Department is notified when a staff member is no longer working in the program so his/her account can be terminated.

8. Criminal Background and Adult Protection Service Registry Checks

- 8.1. The Contractor's staff members or volunteers, who will be interacting with or providing hands-on care to individuals receiving services, are required to complete a BEAS State Registry check prior to providing services; in accordance with the requirement of RSA 161-F: 49 (<http://gencourt.state.nh.us/rsa/html/XII/161-F/161-F-49.htm>).
- 8.2. The Contractor shall conduct a New Hampshire Criminal Records background check on all agency staff as well as prospective employees or volunteers, funded under this contract that may have client contact.

9. Grievance and Appeals

- 9.1. The Contractor shall maintain a system for tracking, resolving and reporting client complaints regarding its services, processes, procedures and staff.
- 9.2. The Contractor shall develop a grievance process. Any grievances filed are to be available to the Department upon request. At a minimum, the process shall include the following:
 - 9.2.1. Client name,
 - 9.2.2. Type of service,
 - 9.2.3. Date of written grievance,
 - 9.2.4. Nature/subject of the grievance,
 - 9.2.5. Who in the agency reconsiders agency decisions, and
 - 9.2.6. The types of issues that can be addressed in the grievance process and how clients are informed of their right to appeal or file grievances.



Exhibit A

10. Culturally and Linguistically Appropriate Standards of Care

- 10.1. The Contractor shall ensure equal access to quality services under this agreement by providing culturally and linguistically appropriate services according to the following guidelines:
- 10.1.1. Assess the ethnic/cultural needs, resources and assets of their community.
 - 10.1.2. Promote the knowledge and skills necessary for staff to work effectively with clients with respect to their culturally and linguistically diverse environment or to those with disabilities.
 - 10.1.3. When feasible and appropriate, provide clients with minimal English skills with interpretation services.
 - 10.1.4. Offer clients a forum through which they have the opportunity to provide feedback to the Contractor regarding cultural and linguistic issues that may require a response.
 - 10.1.5. When feasible and appropriate, identify communication access needs for clients who may be deaf or hard of hearing, and/or have vision or speech impairment and develop an individual communication plan for clients to receive services.

11. Wait Lists

- 11.1. The Contractor shall provide all services covered under this agreement to the extent that funds, staff and/or resources for this purpose are available.
- 11.2. The Contractor shall maintain a wait list in accordance with NH Administrative Rules He-E 501 and He-E 502 when funding or resources are not available to provide the requested services. The wait list shall include at a minimum:
- 11.2.1. The individual's full name and date of birth;
 - 11.2.2. The name of the service being requested;
 - 11.2.3. The date upon which the individual applied for services which shall be the date the application was received by the contract agency or the Department;
 - 11.2.4. The target date of implementing the services based on the communication between the individual and the Department/contractor;
 - 11.2.5. The date upon which the individual's name was placed on the wait list shall be the date of the notice of decision in which the individual was determined eligible for Title XX services;
 - 11.2.6. The individual's assigned priority on the wait list, determined in accordance with Sub-section 11.3. below;
 - 11.2.7. A brief description of the individual's circumstances and the services he or she needs.
- 11.3. The Contractor shall prioritize each individual's standing on the list by determining the individual's urgency of need in the following order:
- 11.3.1. Individual is in an institutional setting or is at risk of being admitted to or discharged from an institutional setting;
 - 11.3.2. Declining mental or physical health of the caregiver;
 - 11.3.3. Declining mental or physical health of the individual;
 - 11.3.4. Individual has no respite services while living with a caregiver; and
 - 11.3.5. Length of time on the wait list.
 - 11.3.6. When 2 or more individuals on the wait list have been assigned the same service priority, the individual served first will be the one with the earliest application date.
 - 11.3.7. Individuals who are being served under protective services RSA 161-F: 42-57 shall be given priority status on the waitlist and in accordance with He-E 501.14 (f) and He-E 502.13.
 - 11.3.8. Individuals with adult protective needs in accordance with RSA 161-F: 42-57 shall be exempt from the wait list.



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- 11.4. When an individual is placed on the wait list, the Contractor shall notify the individual in writing.
11.5. The Contractor shall maintain the wait list for the duration of the contract period and make it available to the Department upon request.

12. Notice of Failure to Meet Service Obligations

12.1. In the event that the Contractor for any reason is unable to meet any service obligations prior to the completion date, the Contractor shall provide written notice of such inability at least ninety (90) days prior and shall mail it to:

Bureau Director
Bureau of Elderly and Adult Services
129 Pleasant Street
Concord, NH 03301

- 12.1.1. Examples of failure to meet service obligations may include, but not limited to:
12.1.1.1. Reducing hours of operation
12.1.1.2. Changing a geographic service area
12.1.1.3. Closing or opening a site
12.1.2. The written notification shall include the following:
12.1.2.1. Reason(s) for the inability to deliver services;
12.1.2.2. How service recipients and the community will be impacted;
12.1.2.3. How service recipients and the community will be notified; and
12.1.2.4. A plan to transition clients into other services or refer the clients to other agencies.
12.1.3. The Contractor shall maintain a plan that addresses the present and future needs of clients receiving services in the event that:
12.1.3.1. Service(s) are terminated or planned to be terminated prior to the termination date of the contract;
12.1.3.2. The contract is terminated or is planned to be terminated prior to the termination date of the contract by the Contractor or the State;
12.1.3.3. The Contractor terminates a service or services for any reason;
12.1.3.4. The Contractor cannot carry out all or a portion of the services terms or conditions outlined in the contract or sub-contracts.

13. Transition Process

- 13.1. The Contractor shall have a transition process for clients in the event that they may be transitioned between the Department's contracted providers.
13.2. The Contractor shall submit a written transition process to the Department within thirty (30) days of approval of the Contract Agreement. The process shall ensure:
13.2.1. Uninterrupted delivery of services to clients;
13.2.2. A method of notifying clients and/or the community about the transition. A staff member shall be available to address questions about the transition.

14. Compliance with Laws and Regulations

14.1. The Contractor shall be licensed in accordance with RSA 151:2 (f) (<http://law.justia.com/codes/new-hampshire/2010/titlexi/chapter151/section151-2/>), and as governed by NH Administrative Rule He-P 818 (<http://www.dhhs.nh.gov/oos/bhfa/documents/he-p818.pdf>). Additionally, the Contractor shall provide services in accordance with NH Administrative Rules He-E 501 and He-E 502.



Exhibit A

14.2. The Contractor shall provide services and administration of the program in accordance with the applicable Federal and State laws, Title III and Title XX rules, policies and regulations adopted by the Department of Health and Human Services currently in effect, and as they may be adopted or amended during the contract period.



Exhibit B

Method and Conditions Precedent to Payment

1. This contract is funded with funds from the Catalog of Federal Domestic Assistance (CFDA) #93.044, Administration on Aging, Special Programs for the aging – Title IIIB and #93.667 US Department of Health and Human Services, Social Services Block Grant – Title XX, in providing services pursuant to Exhibit A, Scope of Services. The contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
2. The State shall pay the Contractor an amount not to exceed the Price Limitation on Form P-37, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
3. Payment for expenses shall be on a cost reimbursement basis only for actual expenditures. Expenditures shall be in accordance with the rate of seven dollars and twenty-five cents (\$7.25) per unit, per client, not to exceed twelve (12) hours per day.
4. Payments for Title III funding shall not exceed sixteen thousand (16,000) units.
5. Payments for Title XX funding shall not exceed twenty thousand, three hundred (20,300) units.
6. Payment for services shall be made as follows:
 - 6.1. The Contractor must submit monthly invoices by the 15th of the month in accordance with procedure and instructions established by the Department for reimbursement for services specified in Exhibit A, Scope of Services. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.
 - 6.2. The invoices must;
 - 6.2.1. Clearly identify the amount requested and the services performed during that period.
 - 6.2.2. Include a detailed account of the services provided to include: individual in receipt of services, number of units and funding source attributable to the services.
 - 6.3. Invoices described in Exhibit B, Method and Conditions Precedent to Payment; Sections 6.1 and 6.2., and reports identified in Exhibit A, Scope of Services; Section 4, Reporting, must be submitted to:

Department of Health and Human Services
Data Management Unit
129 Pleasant Street
PO Box 2000
Concord, NH 03301
7. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A.
8. A final payment request shall be submitted no later than forty (40) days after the Contract ends. Failure to submit the invoice and accompanying documentation could result in nonpayment.
9. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if said services have not been completed in accordance with the terms and conditions of this Agreement.

BP
9/21/16



SPECIAL PROVISIONS

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

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



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

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

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



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

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

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

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

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

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

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



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

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

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

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

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

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

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



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

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

DEFINITIONS

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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



REVISIONS TO GENERAL PROVISIONS

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



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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


9/21/16



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

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

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

Contractor Name:

9/21/16
Date


Name: Sandra Pelletier
Title: President/CEO



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name:

Date 9/21/16


Name: Sandra Belletier
Title: President/CEO



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

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

INSTRUCTIONS FOR CERTIFICATION

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

ABP
Date 9/21/16



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

Contractor Name:

9/21/16
Date


Name: Sandra Pelletier
Title: President/CEO

SP
9/21/16



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

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

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

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

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

Exhibit G

Contractor Initials

Handwritten initials, possibly 'ABP', in black ink.

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

New Hampshire Department of Health and Human Services
Exhibit G



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

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

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

Contractor Name:

9/21/14
Date


Name: Sandra Pelletier
Title: President/CEO

Exhibit G

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

Contractor Initials 

Date 9/21/14



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name:

9/21/16
Date


Name: Sandra Pelletier
Title: President/CEO

Contractor Initials SP
Date 9/21/16



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) **Definitions.**

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

ABP
Date 9/21/16



Exhibit I

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

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

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

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9/21/16



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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



Exhibit I

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

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



Exhibit I

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

(4) Obligations of Covered Entity

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

(5) Termination for Cause

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

(6) Miscellaneous

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

SBP
9/21/16



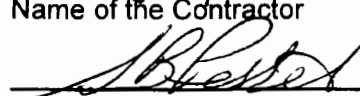
Exhibit I

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

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

 The State

 Signature of Authorized Representative
Maureen Ryan
 Name of Authorized Representative
 Director
Office of Human Services
 Title of Authorized Representative
10/3/16
 Date

Area Agency of Greater Nashua, Inc. DBA Gateway Community Services
 Name of the Contractor

 Signature of Authorized Representative
Sandra Pelletier
 Name of Authorized Representative
 President/CEO
 Title of Authorized Representative
9/21/16
 Date



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

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

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

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

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

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

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

Contractor Name:

Date 9/21/16


Name: Sandra Pelletier
Title: President/CEO



FORM A

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

1. The DUNS number for your entity is: 193539343
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

_____ NO X YES

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

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

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

_____ NO X YES

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

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

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

| | |
|-------------|---------------|
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |

ABP
9/21/16



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the
Adult Day Program Services Contract**

This 1st Amendment to the Adult Day Program Services contract (hereinafter referred to as "Amendment #1") dated this 26th day of October, 2017, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Easter Seals New Hampshire (hereinafter referred to as "the Contractor"), a non-profit 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 October 26, 2016 (Item #15), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

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

WHEREAS, pursuant to the General Provisions, Paragraph 18, and Exhibit C-1 Paragraph 3, the Department reserves the right to renew the Contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council; and

WHEREAS, the parties agree to increase the service unit rate, extend the completion date by nine (9) months, and increase the price limitation;

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:

1. General Provisions (Form P-37), Block 1.7, to read: June 30, 2019
2. General Provisions (Form P-37), Block 1.8, to increase Price Limitation by \$138,543.75 from \$326,250.00 to read: \$464,793.75
3. Amend Form P-37, Block 1.9, to read: E. Maria Reinemann, Esq., Director of Contracts and Procurement
4. Amend Form P-37, Block 1.10 to read: 603-271-9330
5. Delete Exhibit B, Method and Conditions Precedent to Payment, in its entirety and replace with:

Exhibit B – Amendment #1, Method and Conditions Precedent to Payment
6. Add Exhibit K, DHHS Information Security Requirements
7. Add Attachment A – Amendment #1

**New Hampshire Department of Health and Human Services
Adult Day Program Services**



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

11/10/18
Date

Christine Santaniello
Christine Santaniello, Director
Division of Long Term Supports and Services

Easter Seals New Hampshire

12.12.2017
Date

Elin Treanor
Name: Elin Treanor
Title: CFO

Acknowledgement of Contractor's signature:

State of NH, County of Hillsborough on 12.12.2017, before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Cynthia Ross
Signature of Notary Public or Justice of the Peace

**CYNTHIA ROSS, Notary Public
My Commission Expires March 12, 2019**

Name and Title of Notary or Justice of the Peace

My Commission Expires: _____

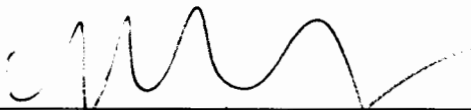
**New Hampshire Department of Health and Human Services
Adult Day Program Services**



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

OFFICE OF THE ATTORNEY GENERAL

1/17/18
Date


Name: Michael J. Caputo
Title: Attorney General

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:



Exhibit B – Amendment #1

Method and Conditions Precedent to Payment

1. This contract is funded with funds from the Catalog of Federal Domestic Assistance (CFDA) #93.044, Administration on Aging, Special Programs for the aging – Title IIIB and #93.667 US Department of Health and Human Services, Social Services Block Grant – Title XX, in providing services pursuant to Exhibit A, Scope of Services. The contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
2. The State shall pay the Contractor an amount not to exceed the Price Limitation on Form P-37, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
3. Payment for expenses shall be on a cost reimbursement basis only for actual expenditures. Expenditures shall be in accordance with the rate of seven dollars and sixty-one cents (\$7.61) per unit, per client not to exceed six (12) hours per day.
4. Payments for Title III funding shall not exceed twenty thousand six hundred twenty five (20,625) units.
5. Payments for Title XX funding shall not exceed forty one thousand two hundred fifty (41,250) units.
6. Payment for services shall be made as follows:
 - 6.1. The Contractor must submit monthly invoices by the 15th of the month in accordance with procedure and instructions established by the Department for reimbursement for services specified in Exhibit A, Scope of Services. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.
 - 6.2. The invoices must;
 - 6.2.1. Clearly identify the amount requested and the services performed during that period.
 - 6.2.2. Include a detailed account of the services provided to include: individual in receipt of services, number of units and funding source attributable to the services.
 - 6.3. Invoices described in Exhibit B, Method and Conditions Precedent to Payment; Section 6.1 and 6.2., and reports identified in Exhibit A, Scope of Services, Section 12, Reporting Requirements must be submitted to:

Department of Health and Human Services
Data Management Unit
129 Pleasant Street
PO Box 2000
Concord, NH 03301
7. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A.
8. A final payment request shall be submitted no later than forty (40) days after the Contract ends. Failure to submit the invoice and accompanying documentation could result in nonpayment.
9. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if said services have not been completed in accordance with the terms and conditions of this Agreement.



Exhibit K

DHHS INFORMATION SECURITY REQUIREMENTS

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this SOW, the Department's Confidential information includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.
2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:
 - 2.1. Contractor shall not store or transfer data collected in connection with the services rendered under this Agreement outside of the United States. This includes backup data and Disaster Recovery locations.
 - 2.2. Maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
 - 2.3. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
 - 2.4. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.
 - 2.5. Ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
 - 2.6. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information
 - 2.7. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
 - 2.7.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

Breach notifications will be sent to the following email addresses:

 - 2.7.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov
 - 2.7.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov
 - 2.8. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed



Exhibit K

by the vendor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion, or otherwise physically destroying the media (for example, degaussing). The vendor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and the vendor prior to destruction.

- 2.9. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the vendor, including breach notification requirements.
3. The vendor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the vendor and any applicable sub-contractors prior to system access being authorized.
4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the appropriate authorized data owner or leadership member within the Department.
6. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

ET

12/12/2017

Attachment A – Amendment #1


ATTESTATION

For State Fiscal Years 2018 and 2019, the New Hampshire Legislature appropriated a one-time increase of up to five percent (5%) over the reimbursement rates in place on June 30, 2017 for certain direct service providers. The increase of public funds is to be used exclusively for the purpose of increasing either service unit rates (per diem) or wages paid to individuals providing services directly to clients.

In recognition of the above, and as the authorized representative of the Agency named below, I certify that the Agency named below will use the increase in funding exclusively to increase the service unit rate for the administration of the services listed in Exhibit A – Scope of Services, and that the State may request an audit of our records to confirm the same.

Elin Treanor, CFO; Easter Seals New Hampshire, Inc.

Name, Title, and Agency Name



Signature

12.12.2017

Date

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 registered to transact business in New Hampshire on November 06, 1967. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 61290



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 6th day of April A.D. 2017.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of Easter Seals New Hampshire, Inc.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on June 14, 2017:
(Date)

RESOLVED: That the Chief Financial Officer
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to
execute any and all documents, agreements and other instruments, and any amendments, revisions,
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 12 day of December, 2017.
(Date Contract Signed)

4. Elin Treanor is the duly elected Chief Financial Officer
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Betty Burke
(Signature of the Elected Officer)

STATE OF NH

County of Hillsborough

The forgoing instrument was acknowledged before me this 12 day of Dec., 2017.

By Betty Burke
(Name of Elected Officer of the Agency)

Cynthia Ross
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: CYNTHIA ROSS, Notary Public
My Commission Expires March 12, 2019



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/20/2017

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

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

| | |
|--|--|
| PRODUCER Hays Companies 133 Federal Street, 4th Floor Boston MA 02110 | CONTACT NAME: Moira Crosby PHONE (A/C, No. Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: mcrosby@hayscompanies.com |
| | INSURER(S) AFFORDING COVERAGE |
| INSURED Easter Seals New Hampshire, Inc 555 Auburn Street Manchester NH 03103 | INSURER A: The North River Insurance Company NAIC # 21105 INSURER B: _____ INSURER C: _____ INSURER D: _____ INSURER E: _____ INSURER F: _____ |

COVERAGES

CERTIFICATE NUMBER: 18-19 WC


REVISION NUMBER:

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

| INSR LTR | TYPE OF INSURANCE | ADDL SUBR INSD WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|---|----------------------------------|---------------|-------------------------|-------------------------|--|
| | COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER: _____ | | | | | 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"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED 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 _____ 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 | Y/N <input type="checkbox"/> N/A | 406-7293041 | 1/1/2018 | 1/1/2019 | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E L EACH ACCIDENT \$ 1,000,000 E L DISEASE - EA EMPLOYEE \$ 1,000,000 E L DISEASE - POLICY LIMIT \$ 1,000,000 |

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

CERTIFICATE HOLDER**CANCELLATION**

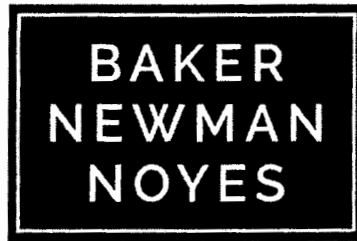
| | |
|--|--|
| State of NH Dept. of Health & Human Services 129 Pleasant St. Concord, NH 03301 | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE James Hays/MCROSB  |
|--|--|

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Mission:

Easterseals provides 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.



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

Consolidated Financial Statements and
Other Financial Information

*Years Ended August 31, 2016 and 2015
With Independent Auditors' Report*

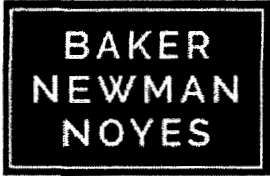
EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

For the Years Ended August 31, 2016 and 2015

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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 consolidated statements of financial position as of August 31, 2016 and 2015, 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 Consolidated 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.

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, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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.

As discussed in note 1, effective August 31, 2016, Easter Seals NH transferred its sole member interest in Easter Seals Rhode Island, Inc. to Fedcap Rehabilitation Services, Inc. As a result, these consolidated financial statements do not include the financial position of Easter Seals Rhode Island, Inc. at August 31, 2016, while the results of operations of Easter Seals Rhode Island, Inc. are included for the year then ended.

Also, as discussed in note 1, effective August 31, 2015, Easter Seals NH transferred its sole member interest in Easter Seals New York, Inc. to Fedcap Rehabilitation Services, Inc. As a result, these consolidated financial statements do not include the financial position of Easter Seals New York, Inc. at August 31, 2015, while the results of operations of Easter Seals New York, Inc. are included for the year then ended.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2016 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.

Baker Newman & Noyes LLC

Manchester, New Hampshire
December 12, 2016

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

August 31, 2016 and 2015

| | <u>2016</u> | <u>2015</u> |
|--|---------------------|---------------------|
| <u>ASSETS</u> | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 1,695,042 | \$ 5,615,095 |
| Accounts receivable from affiliate | - | 98,710 |
| Program and other accounts receivable, less contractual allowance of \$7,372,700 in 2016 and \$1,896,800 in 2015, and allowance for doubtful accounts of \$1,510,600 in 2016 and \$936,400 in 2015 | 9,410,725 | 7,114,280 |
| Contributions receivable, less allowance for doubtful accounts of \$75,100 in 2016 and \$26,500 in 2015 | 880,711 | 605,256 |
| Current portion of assets limited as to use | 330,085 | 315,065 |
| Prepaid expenses and other current assets | <u>463,883</u> | <u>1,214,353</u> |
| Total current assets | 12,780,446 | 14,962,759 |
| Assets limited as to use, net of current portion | 1,191,998 | 1,009,131 |
| Fixed assets, net | 26,371,886 | 22,946,025 |
| Property held for sale | 252,645 | 1,081,662 |
| Bond issuance costs, net | 56,073 | 59,145 |
| Investments, at fair value | 14,148,438 | 12,255,793 |
| Beneficial interest in trusts held by others and other assets | <u>254,271</u> | <u>356,459</u> |
| | <u>\$55,055,757</u> | <u>\$52,670,974</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| Current liabilities: | | |
| Lines of credit | \$ - | \$ 262,356 |
| Accounts payable | 2,002,382 | 1,879,211 |
| Accrued expenses | 4,912,838 | 4,162,793 |
| Current portion of deferred revenue | 781,321 | 1,131,777 |
| Current portion of capital lease obligation | 60,617 | 58,886 |
| Current portion of interest rate swap agreements | 401,859 | 442,045 |
| Current portion of long-term debt | <u>829,680</u> | <u>745,011</u> |
| Total current liabilities | 8,988,697 | 8,682,079 |
| Deferred revenue, net of current portion | 944,167 | 971,667 |
| Other liabilities | 1,192,090 | 1,010,108 |
| Capital lease obligation, net of current portion | 20,995 | 81,612 |
| Interest rate swap agreements, less current portion | 3,086,120 | 2,377,922 |
| Long-term debt, less current portion | <u>20,261,367</u> | <u>19,363,038</u> |
| Total liabilities | 34,493,436 | 32,486,426 |
| Net assets: | | |
| Unrestricted | 14,418,915 | 14,685,373 |
| Temporarily restricted | 1,243,906 | 1,024,433 |
| Permanently restricted | <u>4,899,500</u> | <u>4,474,742</u> |
| Total net assets | <u>20,562,321</u> | <u>20,184,548</u> |
| | <u>\$55,055,757</u> | <u>\$52,670,974</u> |

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2016

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|---|---------------------|-----------------------------------|-----------------------------------|-------------------|
| Public support and revenue: | | | | |
| Public support: | | | | |
| Contributions, net | \$ 398,559 | \$ 1,228,217 | \$ 415,485 | \$ 2,042,261 |
| Special events, net of related direct costs of \$829,743 | 292,525 | 1,356,066 | - | 1,648,591 |
| Annual campaigns, net of related direct costs of \$147,622 | 414,544 | 105,904 | - | 520,448 |
| Bequests | 28,066 | - | 50,000 | 78,066 |
| Net assets released from restrictions | <u>2,483,599</u> | <u>(2,483,599)</u> | <u>-</u> | <u>-</u> |
| Total public support | 3,617,293 | 206,588 | 465,485 | 4,289,366 |
| Revenue: | | | | |
| Fees and grants from governmental agencies, net | 50,447,572 | - | - | 50,447,572 |
| Other fees and grants | 20,996,874 | - | - | 20,996,874 |
| Sales to public | 4,446,844 | - | - | 4,446,844 |
| Dividend and interest income | 492,444 | 2,601 | - | 495,045 |
| Rental income | 26,840 | - | - | 26,840 |
| Other | <u>699,819</u> | <u>-</u> | <u>-</u> | <u>699,819</u> |
| Total revenue | <u>77,110,393</u> | <u>2,601</u> | <u>-</u> | <u>77,112,994</u> |
| Total public support and revenue | 80,727,686 | 209,189 | 465,485 | 81,402,360 |
| Operating expenses: | | | | |
| Program services: | | | | |
| Public health education | 273,502 | - | - | 273,502 |
| Professional education | 20,607 | - | - | 20,607 |
| Direct services | <u>70,998,387</u> | <u>-</u> | <u>-</u> | <u>70,998,387</u> |
| Total program services | 71,292,496 | - | - | 71,292,496 |
| Supporting services: | | | | |
| Management and general | 7,888,590 | - | - | 7,888,590 |
| Fundraising | <u>1,280,675</u> | <u>-</u> | <u>-</u> | <u>1,280,675</u> |
| Total supporting services | <u>9,169,265</u> | <u>-</u> | <u>-</u> | <u>9,169,265</u> |
| Total functional expenses | 80,461,761 | - | - | 80,461,761 |
| Support of National programs | <u>37,375</u> | <u>-</u> | <u>-</u> | <u>37,375</u> |
| Total operating expenses | <u>80,499,136</u> | <u>-</u> | <u>-</u> | <u>80,499,136</u> |
| Increase in net assets from operations | 228,550 | 209,189 | 465,485 | 903,224 |

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

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

Year Ended August 31, 2016

| | <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 | \$ (668,012) | \$ - | \$ - | \$ (668,012) |
| Net unrealized and realized gains on investments | 267,616 | 8,117 | - | 275,733 |
| Decrease in fair value of beneficial interest in trusts held by others | - | - | (4,967) | (4,967) |
| Loss on sales and disposals of fixed assets | (11,659) | - | - | (11,659) |
| Other nonoperating losses | <u>(15,341)</u> | <u>-</u> | <u>-</u> | <u>(15,341)</u> |
| | <u>(427,396)</u> | <u>8,117</u> | <u>(4,967)</u> | <u>(424,246)</u> |
| (Decrease) increase in net assets before effects of discontinued operations | (198,846) | 217,306 | 460,518 | 478,978 |
| (Loss) gain from discontinued operations – see note 13 | <u>(34,483)</u> | <u>2,167</u> | <u>-</u> | <u>(32,316)</u> |
| (Decrease) increase in net assets before effects of deconsolidation of affiliate | (233,329) | 219,473 | 460,518 | 446,662 |
| Deconsolidation of affiliate – see note 12 | <u>(33,129)</u> | <u>-</u> | <u>(35,760)</u> | <u>(68,889)</u> |
| Total (decrease) increase in net assets | (266,458) | 219,473 | 424,758 | 377,773 |
| Net assets at beginning of year | <u>14,685,373</u> | <u>1,024,433</u> | <u>4,474,742</u> | <u>20,184,548</u> |
| Net assets at end of year | <u>\$ 14,418,915</u> | <u>\$ 1,243,906</u> | <u>\$ 4,899,500</u> | <u>\$ 20,562,321</u> |

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2015

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|---|---------------------|-----------------------------------|-----------------------------------|--------------------|
| Public support and revenue: | | | | |
| Public support: | | | | |
| Contributions, net | \$ 612,565 | \$ 853,731 | \$ 14,300 | \$ 1,480,596 |
| Special events, net of related direct costs of \$1,047,735 | 67,806 | 1,415,710 | - | 1,483,516 |
| Annual campaigns, net of related direct costs of \$104,418 | 399,236 | 32,906 | - | 432,142 |
| Bequests | 492,019 | - | - | 492,019 |
| Net assets released from restrictions | <u>1,998,486</u> | <u>(1,998,486)</u> | <u>-</u> | <u>-</u> |
| Total public support | 3,570,112 | 303,861 | 14,300 | 3,888,273 |
| Revenue: | | | | |
| Fees and grants from governmental agencies, net | 71,965,474 | - | - | 71,965,474 |
| Other fees and grants | 24,111,552 | - | - | 24,111,552 |
| Sales to public | 4,375,698 | - | - | 4,375,698 |
| Dividend and interest income | 391,263 | 11,569 | - | 402,832 |
| Rental income | 33,929 | - | - | 33,929 |
| Other | <u>124,778</u> | <u>-</u> | <u>-</u> | <u>124,778</u> |
| Total revenue | <u>101,002,694</u> | <u>11,569</u> | <u>-</u> | <u>101,014,263</u> |
| Total public support and revenue | 104,572,806 | 315,430 | 14,300 | 104,902,536 |
| Operating expenses: | | | | |
| Program services: | | | | |
| Public health education | 410,886 | - | - | 410,886 |
| Professional education | 17,435 | - | - | 17,435 |
| Direct services | <u>91,613,311</u> | <u>-</u> | <u>-</u> | <u>91,613,311</u> |
| Total program services | 92,041,632 | - | - | 92,041,632 |
| Supporting services: | | | | |
| Management and general | 9,785,646 | - | - | 9,785,646 |
| Fundraising | <u>1,808,377</u> | <u>-</u> | <u>-</u> | <u>1,808,377</u> |
| Total supporting services | <u>11,594,023</u> | <u>-</u> | <u>-</u> | <u>11,594,023</u> |
| Total functional expenses | 103,635,655 | - | - | 103,635,655 |
| Support of National programs | <u>119,969</u> | <u>-</u> | <u>-</u> | <u>119,969</u> |
| Total operating expenses | <u>103,755,624</u> | <u>-</u> | <u>-</u> | <u>103,755,624</u> |
| Increase in net assets from operations | 817,182 | 315,430 | 14,300 | 1,146,912 |

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

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

Year Ended August 31, 2015

| | <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 | \$ (227,568) | \$ - | \$ - | \$ (227,568) |
| Net unrealized and realized losses on investments | (407,029) | (223) | - | (407,252) |
| Decrease in fair value of beneficial interest in trusts held by others | - | - | (62,423) | (62,423) |
| Loss on sales and disposals of fixed assets | (10,248) | - | - | (10,248) |
| Other nonoperating losses | <u>(128,854)</u> | <u>-</u> | <u>-</u> | <u>(128,854)</u> |
| | <u>(773,699)</u> | <u>(223)</u> | <u>(62,423)</u> | <u>(836,345)</u> |
| Increase (decrease) in net assets before effects of discontinued operations | 43,483 | 315,207 | (48,123) | 310,567 |
| (Loss) gain from discontinued operations – see note 13 | <u>(204,672)</u> | <u>588</u> | <u>-</u> | <u>(204,084)</u> |
| (Decrease) increase in net assets before effects of deconsolidation of affiliate | (161,189) | 315,795 | (48,123) | 106,483 |
| Deconsolidation of affiliate – see note 12 | <u>657,225</u> | <u>(236,224)</u> | <u>(501,657)</u> | <u>(80,656)</u> |
| Total increase (decrease) in net assets | 496,036 | 79,571 | (549,780) | 25,827 |
| Net assets at beginning of year | <u>14,189,337</u> | <u>944,862</u> | <u>5,024,522</u> | <u>20,158,721</u> |
| Net assets at end of year | \$ <u>14,685,373</u> | \$ <u>1,024,433</u> | \$ <u>4,474,742</u> | \$ <u>20,184,548</u> |

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2016

| | 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 | 2016 | 2015 |
| Salaries and related expenses | \$ 159,903 | \$ - | \$ 53,446,952 | \$ 53,606,855 | \$ 5,358,606 | \$ 966,303 | \$ 6,324,909 | \$ 59,931,764 | \$ 77,638,161 |
| Professional fees | 60,418 | - | 6,409,352 | 6,469,770 | 1,441,057 | 147,732 | 1,588,789 | 8,058,559 | 9,914,343 |
| Supplies | 2,455 | - | 1,853,930 | 1,856,385 | 70,867 | 27,027 | 97,894 | 1,954,279 | 2,920,131 |
| Telephone | 50 | - | 435,407 | 435,457 | 221,650 | 4,500 | 226,150 | 661,607 | 811,257 |
| Postage and shipping | 2,707 | - | 28,857 | 31,564 | 21,241 | 9,314 | 30,555 | 62,119 | 94,759 |
| Occupancy | - | - | 2,414,393 | 2,414,393 | 233,578 | 49,347 | 282,925 | 2,697,318 | 4,243,657 |
| Outside printing, artwork and media | 23,606 | - | 32,160 | 55,766 | 4,815 | 30,463 | 35,278 | 91,044 | 94,452 |
| Travel | 1,205 | - | 2,182,663 | 2,183,868 | 30,664 | 10,085 | 40,749 | 2,224,617 | 2,492,944 |
| Conventions and meetings | 16,492 | 20,607 | 137,197 | 174,296 | 8,519 | 21,415 | 29,934 | 204,230 | 372,868 |
| Specific assistance to individuals | - | - | 1,157,261 | 1,157,261 | 8,324 | 175 | 8,499 | 1,165,760 | 1,271,150 |
| Dues and subscriptions | 175 | - | 26,933 | 27,108 | 7,110 | 1,961 | 9,071 | 36,179 | 38,579 |
| Minor equipment purchases and equipment rental | - | - | 230,386 | 230,386 | 78,874 | 5,743 | 84,617 | 315,003 | 244,346 |
| Ads, fees and miscellaneous | 6,227 | - | 394,751 | 400,978 | 137,768 | 3,701 | 141,469 | 542,447 | 132,440 |
| Interest | - | - | 744,076 | 744,076 | 165,148 | - | 165,148 | 909,224 | 1,263,111 |
| Facility tax assessment | - | - | - | - | - | - | - | - | 226,703 |
| Depreciation and amortization | 264 | - | 1,504,069 | 1,504,333 | 100,369 | 2,909 | 103,278 | 1,607,611 | 1,876,754 |
| \$273,502 | \$ 20,607 | \$ 70,998,387 | \$ 71,292,496 | \$ 7,888,590 | \$ 1,280,675 | \$ 80,461,761 | \$ 103,635,655 | | |
| | 0.34% | 0.02% | 88.24% | 88.60% | 9.80% | 1.60% | 11.40% | 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, 2015

| | Program Services ⁽¹⁾ | | | Supporting Services ⁽¹⁾ | | | Total | Total Program ⁽¹⁾ and Supporting Services Expenses |
|--|---------------------------------|------------------------|---------------------|------------------------------------|--------------------|---------------------|-----------------------|---|
| | Public Health Education | Professional Education | Direct Services | Management and General | Fund-Raising | 2015 | | |
| Salaries and related expenses | \$266,566 | \$ - | \$69,238,797 | \$6,748,845 | \$1,383,953 | \$ 8,132,798 | \$ 77,638,161 | |
| Professional fees | 44,355 | - | 8,014,027 | 1,712,094 | 143,867 | 1,855,961 | 9,914,343 | |
| Supplies | 5,523 | - | 2,781,733 | 70,514 | 62,361 | 132,875 | 2,920,131 | |
| Telephone | 2,281 | - | 566,186 | 230,608 | 12,182 | 242,790 | 811,257 | |
| Postage and shipping | 4,403 | - | 50,702 | 32,136 | 7,518 | 39,654 | 94,759 | |
| Occupancy | 13,086 | - | 3,803,408 | 319,989 | 107,174 | 427,163 | 4,243,657 | |
| Outside printing, artwork and media | 29,816 | - | 33,277 | 6,881 | 24,478 | 31,359 | 94,452 | |
| Travel | 4,503 | - | 2,413,578 | 56,187 | 18,676 | 74,863 | 2,492,944 | |
| Conventions and meetings | 28,768 | 17,435 | 232,396 | 58,465 | 35,804 | 94,269 | 372,868 | |
| Specific assistance to individuals | 30 | - | 1,259,253 | 11,748 | 119 | 11,867 | 1,271,150 | |
| Dues and subscriptions | 527 | - | 20,071 | 14,455 | 3,526 | 17,981 | 38,579 | |
| Minor equipment purchases and equipment rental | 205 | - | 129,087 | 113,830 | 1,224 | 115,054 | 244,346 | |
| Ads, fees and miscellaneous | 10,290 | - | 102,593 | 15,093 | 4,464 | 19,557 | 132,440 | |
| Interest | - | - | 1,013,647 | 249,464 | - | 249,464 | 1,263,111 | |
| Facility tax assessment | - | - | 226,703 | - | - | - | 226,703 | |
| Depreciation and amortization | 533 | - | 1,727,853 | 145,337 | 3,031 | 148,368 | 1,876,754 | |
| | <u>\$410,886</u> | <u>\$17,435</u> | <u>\$91,613,311</u> | <u>\$9,785,646</u> | <u>\$1,808,377</u> | <u>\$11,594,023</u> | <u>\$ 103,635,655</u> | |
| | 0.39% | 0.02% | 88.40% | 9.44% | 1.75% | 11.19% | 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, 2016 and 2015

| | <u>2016</u> | <u>2015</u> |
|--|------------------|-------------------|
| Cash flows from operating activities: | | |
| Increase in net assets | \$ 377,773 | \$ 25,827 |
| Adjustments to reconcile increase in net assets to net cash provided by operating activities: | | |
| Depreciation and amortization | 1,607,611 | 1,880,579 |
| Bad debt provision | 984,511 | 1,350,516 |
| Decrease in fair value of beneficial interest in trusts held by others | 4,967 | 62,423 |
| Net (gain) loss on sales and disposals of fixed assets and property held for sale | (41,204) | 62,958 |
| Change in fair value of interest rate swaps | 668,012 | 227,568 |
| Net unrealized and realized (gains) losses on investments | (275,733) | 407,252 |
| Deconsolidation of affiliates – see note 12 | 68,889 | 80,656 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable from affiliates | 98,710 | (84,823) |
| Program and other accounts receivable | (3,280,956) | (1,096,689) |
| Contributions receivable | (275,455) | (109,179) |
| Prepaid expenses and other current assets | 739,182 | (739,716) |
| Other assets | 28,331 | 597,247 |
| Accounts payable and accrued expenses | 880,435 | 1,862,708 |
| Deferred revenue | (377,956) | 741,405 |
| Other liabilities | <u>181,982</u> | <u>22,923</u> |
| Net cash provided by operating activities | 1,389,099 | 5,291,655 |
| Cash flows from investing activities: | | |
| Purchases of fixed assets | (5,062,802) | (7,095,514) |
| Proceeds from sale of fixed assets and property held for sale | 912,714 | 218,514 |
| Cash provided for deconsolidation of affiliate | (500) | (812,975) |
| Change in investments, net | (1,622,433) | 463,159 |
| Change in assets limited as to use | <u>(197,887)</u> | <u>(37,873)</u> |
| Net cash used by investing activities | (5,970,908) | (7,264,689) |
| Cash flows from financing activities: | | |
| Repayment of long-term debt | (4,155,292) | (971,570) |
| Issuance of long-term debt | 5,079,404 | 4,636,600 |
| Repayments on lines of credit | (262,356) | (26,490,368) |
| Borrowings on lines of credit | <u>–</u> | <u>27,656,333</u> |
| Net cash provided by financing activities | <u>661,756</u> | <u>4,830,995</u> |
| (Decrease) increase in cash and cash equivalents | (3,920,053) | 2,857,961 |
| Cash and cash equivalents, beginning of year | <u>5,615,095</u> | <u>2,757,134</u> |
| Cash and cash equivalents, end of year | \$ 1,695,042 | \$ 5,615,095 |

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

Years Ended August 31, 2016 and 2015

| | <u>2016</u> | <u>2015</u> |
|---|-------------------|---------------------|
| Supplemental disclosure of cash flow information: | | |
| Interest paid | \$ <u>948,000</u> | \$ <u>1,309,000</u> |

In 2015, Easter Seals NH acquired fixed assets under capital leases totaling \$259,604.

In 2016 and 2015, Easter Seals New Hampshire, Inc. transferred its sole member interest in Easter Seals Rhode Island, Inc. and Easter Seals New York, Inc., respectively, to an unrelated party (see note 12).

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

1. Corporate Organization and Purpose

Easter Seals New Hampshire, Inc. and Subsidiaries (Easter Seals NH) consists of various separate nonprofit entities: Easter Seals New Hampshire, Inc. (parent and service corporation); Easter Seals Maine, Inc. (Easter Seals ME); Agency Realty, Inc. (real estate corporation); The Harbor Schools Incorporated (Harbor Schools); Manchester Alcoholism Rehabilitation Center; 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 August 31, 2016, Easter Seals NH entered into an agreement with Fedcap Rehabilitation Services, Inc. (Fedcap), an unrelated entity, whereby Easter Seals NH agreed to transfer its sole member interest in Easter Seals RI to Fedcap for no consideration. Further, on August 31, 2015, Easter Seals NH entered into an agreement with Fedcap whereby Easter Seals NH agreed to transfer its sole member interest in Easter Seals NY to Fedcap for no consideration. See also note 12. The accompanying consolidated statements of activities include the results of operations of Easter Seals RI and Easter Seals NY through the date Easter Seals NH's sole member interest was transferred. Finally, effective October 26, 2016, Agency Realty, Inc. was dissolved and all properties were transferred to Easter Seals New Hampshire, Inc.

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, Maine, Massachusetts (prior to the closure of Harbor Schools, see note 13), Rhode Island (prior to deconsolidation), and Vermont.

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 as described in note 1. 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, 2016 and 2015

2. Summary of Significant Accounting Policies (Continued)

The management of Easter Seals NH has implemented a practice to establish cash reserves on hand. As of August 31, 2016 and 2015, approximately \$1,262,000 and \$2,811,000, respectively, of cash and cash equivalents, and approximately \$2,749,000 and \$1,322,000, respectively, of investments were on-hand under this practice.

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 a trust held by others. Easter Seals NH has recorded as an asset the fair value of its interest in the trust 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. Leasehold improvements and the carrying value of equipment financed by capital leases are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the asset.

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. No impairment losses were recognized in 2016 or 2015.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

2. Summary of Significant Accounting Policies (Continued)

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. Intangible assets at August 31, 2016 and 2015 consist of a patient list obtained in the acquisition of Webster Place in 2012 (in May 2013, Webster Place was merged with Manchester Alcoholism Rehabilitation Center).

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

| | |
|------|------------------|
| 2017 | \$ 33,130 |
| 2018 | 33,130 |
| 2019 | 33,130 |
| 2020 | 33,130 |
| 2021 | <u>33,132</u> |
| | <u>\$165,652</u> |

Amortization expense recognized for the patient list in 2016 and 2015 totaled \$33,130.

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, 2016 and 2015.

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 2016 and 2015 was \$3,072 and \$9,638 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 \$17,000 in 2015 due to favorable rate adjustments approved by the State of New York. There were no such adjustments to revenues recognized in 2016.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

2. Summary of Significant Accounting Policies (Continued)

A third-party payor for three Easter Seals NY programs charged a facility tax assessment on a monthly basis in 2015. The charges are 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, 2015, the facility tax assessment due by Easter Seals NY was approximately \$95,000. See also note 12 regarding the deconsolidation of Easter Seals NY on August 31, 2015.

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. The bad debt provision in 2016 and 2015 totaled \$984,511 and \$1,350,516 respectively, and is recorded against fees and grants from governmental agencies and contributions. The decrease in bad debt provision in 2016 was due to services provided by Manchester Alcoholism Rehabilitation Center being covered by third-party payors, resulting in lower bad debt write-offs.

Easter Seals NH has agreements with third-party payors that provide for payment at amounts different from its established rates. Payment arrangements include discounted charges and prospectively determined payments. Contractual allowances for program and other accounts receivable at August 31, 2016 and 2015 were \$7,372,700 and \$1,896,800, respectively. The total contractual adjustments provided in 2016 and 2015 totaled \$22,618,087 and \$12,959,603, respectively, and are recorded against fees and grants from governmental agencies. The increase in contractual adjustments in 2016 is primarily due to an increase in volume of services provided by Manchester Alcoholism Rehabilitation Center and an increase in these services being covered by third-party payors.

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 \$5,611,000 and \$6,262,000 for the years ended August 31, 2016 and 2015, respectively.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

2. Summary of Significant Accounting Policies (Continued)

Income Taxes

Easter Seals New Hampshire, Inc., Easter Seals ME, Easter Seals VT, Easter Seals RI (see note 1), Harbor Schools and Manchester Alcoholism Rehabilitation Center are exempt from both federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. 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.

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.

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 agreement described in note 8. Easter Seals NH is exposed to repayment loss equal to the net amounts receivable under the swap agreement (not the notional amount) in the event of nonperformance of the other party to the swap agreement. However, Easter Seals NH does not anticipate nonperformance and does not obtain collateral from the other party.

As of August 31, 2016 and 2015, Easter Seals NH had recognized a liability of \$3,487,979 and \$2,819,967, 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, Easter Seals NH recognized decreases in net assets of \$668,012 and \$227,568, respectively, for the years ended August 31, 2016 and 2015 in the accompanying consolidated statements of activity and changes in net assets.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

2. Summary of Significant Accounting Policies (Continued)

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 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 change in the fair value of beneficial interest in trusts held by others, gains and losses on sales and disposals of fixed assets, and net realized and unrealized gains and losses on investments.

Recent Accounting Pronouncements

In April 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-08, *Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360)*. The amendments change the criteria for reporting discontinued operations, while enhancing disclosures in this area. Those amendments also address sources of confusion and inconsistent application related to financial reporting of discontinued operations guidance in accounting principles generally accepted in the United States. Under the new guidance, only disposals representing a strategic shift in operations are presented as discontinued operations. Those strategic shifts should have a major effect on the organization's operations and financial results. Examples include a disposal of a major geographic area, a major line of business, or a major equity method investment. In addition, the new guidance requires expanded disclosures about discontinued operations that will provide financial statement users with more information about the assets, liabilities, income, and expenses of discontinued operations. Easter Seals NH adopted ASU 2014-08 for the year-ending August 31, 2016 on a prospective basis. The adoption of ASU 2014-08 did not significantly impact Easter Seals NH's consolidated financial statements.

In April 2015, the FASB issued ASU No. 2015-03, *Interest – Imputation of Interest: Simplifying the Presentation of Debt Issuance Costs* (ASU 2015-03). ASU 2015-03 simplifies the presentation of debt issuance costs and requires that the debt issuance costs related to a recognized debt liability be presented in the statement of financial position as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. ASU 2015-03 is effective for Easter Seals NH's fiscal year ending August 31, 2017, with early adoption permitted. Management is currently evaluating the impact of the pending adoption of ASU 2015-03 on Easter Seals NH's consolidated financial statements.

In May 2014, the FASB issued No. 2014-09, *Revenue from Contracts with Customers* (ASU 2014-09), which requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which Easter Seals NH expects to be entitled in exchange for those goods and services. ASU 2014-09 will replace most existing revenue recognition guidance when it becomes effective. ASU 2014-09 is effective for Easter Seals NH on September 1, 2019. ASU 2014-09 permits the use of either the retrospective or cumulative effect transition method. Management is currently evaluating the impact that ASU 2014-09 will have on Easter Seals NH's consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires that lease arrangements longer than twelve months result in an entity recognizing an asset and liability. The pronouncement is effective for Easter Seals NH beginning September 1, 2020, with early adoption permitted. The guidance may be adopted retrospectively. Management is currently evaluating the impact this guidance will have on Easter Seals NH's consolidated financial statements.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

2. Summary of Significant Accounting Policies (Continued)

In August 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). Under ASU 2016-14, there is a change in presentation and disclosure requirements for not-for-profit entities to provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. These include qualitative and quantitative requirements in net asset classes, investment return, expenses, liquidity and availability of resources and presentation of operating cash flows. ASU 2016-14 is effective for Easter Seals NH on September 1, 2018, with early adoption permitted. Management is currently evaluating the impact of the pending adoption of ASU 2016-14 on Easter Seals NH's consolidated financial statements.

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 12, 2016, 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, 2016 and 2015

3. Classification of Net Assets (Continued)

Endowment Net Asset Composition by Type of Fund

The major categories of endowment funds at August 31, 2016 and 2015 are as follows:

| | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|----------------------------|-----------------------------------|-----------------------------------|---------------------|
| <u>2016</u> | | | |
| Camping program | \$ 2,944 | \$ 365,969 | \$ 368,913 |
| Other programs | 12,102 | 395,178 | 407,280 |
| Operations | <u>—</u> | <u>3,879,484</u> | <u>3,879,484</u> |
| Total endowment net assets | <u>\$ 15,046</u> | <u>\$ 4,640,631</u> | <u>\$ 4,655,677</u> |
| <u>2015</u> | | | |
| Camping program | \$ 2,464 | \$ 364,869 | \$ 367,333 |
| Other programs | 11,088 | 367,319 | 378,407 |
| Operations | <u>—</u> | <u>3,613,207</u> | <u>3,613,207</u> |
| Total endowment net assets | <u>\$ 13,552</u> | <u>\$ 4,345,395</u> | <u>\$ 4,358,947</u> |

Changes in Endowment Net Assets

During the years ended August 31, 2016 and 2015, Easter Seals NH had the following endowment-related activities:

| | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|--|-----------------------------------|-----------------------------------|---------------------|
| Net endowment assets, August 31, 2014 | \$ 36,404 | \$ 4,331,095 | \$ 4,367,499 |
| Investment return: | | | |
| Investment income, net of fees | 35,554 | — | 35,554 |
| Net appreciation (realized and unrealized) | 639,357 | — | 639,357 |
| Contributions | — | 14,300 | 14,300 |
| Appropriated for expenditure | <u>(697,763)</u> | <u>—</u> | <u>(697,763)</u> |
| Net endowment assets, August 31, 2015 | 13,552 | 4,345,395 | 4,358,947 |
| Investment return: | | | |
| Investment income, net of fees | 9,802 | — | 9,802 |
| Net appreciation (realized and unrealized) | 766,563 | — | 766,563 |
| Contributions | — | 295,236 | 295,236 |
| Appropriated for expenditure | <u>(774,871)</u> | <u>—</u> | <u>(774,871)</u> |
| Net endowment assets, August 31, 2016 | <u>\$ 15,046</u> | <u>\$ 4,640,631</u> | <u>\$ 4,655,677</u> |

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

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, 2016 and 2015 are as follows:

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total Non- Endowment Net Assets</u> |
|--------------------------------|---------------------|-----------------------------------|-----------------------------------|--|
| <u>2016</u> | | | | |
| Seniors program | \$ - | \$ 2,336 | \$ - | \$ 2,336 |
| Veterans program | 86,638 | 476,393 | - | 563,031 |
| Other programs | - | 217,631 | - | 217,631 |
| Operations | <u>14,332,277</u> | <u>532,500</u> | <u>258,869</u> | <u>15,123,644</u> |
| Total non-endowment net assets | <u>\$14,418,915</u> | <u>\$1,228,860</u> | <u>\$258,869</u> | <u>\$15,906,644</u> |
| <u>2015</u> | | | | |
| Seniors program | \$ 158,256 | \$ 6,107 | \$ - | \$ 164,363 |
| Veterans program | 132,433 | 760,869 | - | 893,302 |
| Other programs | - | 210,980 | - | 210,980 |
| Operations | <u>14,394,684</u> | <u>32,925</u> | <u>129,347</u> | <u>14,556,956</u> |
| Total non-endowment net assets | <u>\$14,685,373</u> | <u>\$1,010,881</u> | <u>\$129,347</u> | <u>\$15,825,601</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, 2016 or 2015.

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.

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 NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

3. Classification of Net Assets (Continued)

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

Operating

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 \$1,042,000 and \$2,104,000 for the years ended August 31, 2016 and 2015, 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, 2016, through the remaining contractual term of the underlying lease agreements, are as follows:

Year Ended August 31:

| | |
|------|-----------|
| 2017 | \$576,487 |
| 2018 | 368,513 |
| 2019 | 243,076 |
| 2020 | 126,405 |

Capital

In 2015, Easter Seals NH entered into a three year lease agreement with a bank for certain computer equipment. Payments made under this agreement for the years ended August 31, 2016 and 2015 were \$58,886 and \$38,321, respectively. The carrying value of assets recorded under the capital lease totaled \$74,282 and \$134,095, net of accumulated amortization of \$104,537 and \$44,724 for the years ended August 31, 2016 and 2015, respectively. Amortization expense related to the above capital lease is a component of depreciation expense in the accompanying consolidated statements of functional expenses. Interest expense recognized on the capital lease in 2016 and 2015 was insignificant.

Future minimum payments required for the above capital lease at August 31, 2016 are as follows:

| | |
|------|----------|
| 2017 | \$60,617 |
| 2018 | 20,995 |

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

5. Fixed Assets

Fixed assets consist of the following at August 31:

| | <u>2016</u> | <u>2015</u> |
|--|----------------------|----------------------|
| Buildings | \$ 29,172,825 | \$ 25,247,764 |
| Land and land improvements | 2,925,950 | 2,897,690 |
| Leasehold improvements | 128,330 | 140,663 |
| Office equipment and furniture | 7,929,113 | 8,416,695 |
| Vehicles | 3,074,068 | 2,936,154 |
| Construction in progress | <u>250,175</u> | <u>66,541</u> |
| | 43,480,461 | 39,705,507 |
| Less accumulated depreciation and amortization | <u>(17,108,575)</u> | <u>(16,759,482)</u> |
| | <u>\$ 26,371,886</u> | <u>\$ 22,946,025</u> |

Depreciation and amortization expense related to fixed assets totaled \$1,573,242 and \$1,837,811 in 2016 and 2015, respectively. There was no depreciation and amortization of fixed assets included within discontinued operations in 2016. Depreciation and amortization of fixed assets included within discontinued operations in 2015 totaled \$3,825.

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, 2016 and 2015.

Subsequent to August 31, 2016, Easter Seals NH entered into construction commitments totaling \$2,770,000.

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>2016</u> | <u>2015</u> |
|----------------------------------|---------------------|---------------------|
| Cash and cash equivalents | \$ 514,040 | \$ 452,024 |
| Marketable equity securities | 1,225,399 | 1,552,683 |
| Mutual funds | 12,795,566 | 10,636,952 |
| Corporate and foreign bonds | 707,444 | 620,550 |
| Government and agency securities | <u>428,072</u> | <u>317,780</u> |
| | 15,670,521 | 13,579,989 |
| Less: assets limited as to use | <u>(1,522,083)</u> | <u>(1,324,196)</u> |
| Total investments, at fair value | <u>\$14,148,438</u> | <u>\$12,255,793</u> |

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

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

The composition of assets limited as to use at August 31, 2016 and 2015 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>2016</u> | <u>2015</u> |
|---|--------------------|--------------------|
| Under a deferred compensation plan (see note 7): | | |
| Investments | \$1,191,998 | \$1,009,131 |
| Maintained in escrow to make required payments on revenue bonds (see note 8): | | |
| Cash and cash equivalents | <u>330,085</u> | <u>315,065</u> |
| Total assets limited as to use | <u>\$1,522,083</u> | <u>\$1,324,196</u> |

The principal components of investment income and net realized and unrealized gains (losses) included in continuing operations and other nonoperating expenses, gains and losses are summarized below.

| | <u>2016</u> | <u>2015</u> |
|---|------------------|-------------------|
| Unrestricted investment income and unrealized and realized gains (losses) on investments: | | |
| Dividend and interest income | \$492,444 | \$ 391,263 |
| Net unrealized gains (losses) | 107,141 | (686,996) |
| Net realized gains | <u>160,475</u> | <u>279,967</u> |
| | 760,060 | (15,766) |
| Restricted investment income and unrealized and realized gains (losses) on investments: | | |
| Dividend and interest income | 2,601 | 11,569 |
| Net unrealized gains (losses) | 2,138 | (28,827) |
| Net realized gains | <u>5,979</u> | <u>28,604</u> |
| | <u>10,718</u> | <u>11,346</u> |
| | <u>\$770,778</u> | <u>\$ (4,420)</u> |

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. Easter Seals NH makes a matching contribution for eligible employees equal to 100% of the participants' elective deferrals limited to 2% of the participants' allowable compensation each pay period. The combined amount of employer and employee contributions is subject by law to annual maximum amounts. The employer match was approximately \$489,000 and \$546,000 for the years ended August 31, 2016 and 2015, respectively.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

7. Retirement Plans (Continued)

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 \$105,000 and \$85,000 to this plan during the years ended August 31, 2016 and 2015, respectively. The assets and liabilities associated with this plan were \$1,191,998 and \$1,009,131 at August 31, 2016 and 2015, 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>2016</u> | <u>2015</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 (0.64% at August 31, 2016) through December 2034, annual principal payments continually increasing from \$440,000 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). | \$13,455,000 | \$13,875,000 |
| Non-revolving note payable to a bank with a total availability of \$3,500,000 with a variable rate of LIBOR plus 4.07%. Paid in full in April 2016. | – | 3,377,160 |
| Mortgage note payable to a bank with a variable rate of LIBOR plus 2.25% (2.77% at August 31, 2016), principal and interest payable monthly, due April 2019, secured by an interest in certain property with a net book value of \$5,984,961 at August 31, 2016. | 4,787,320 | – |
| Unsecured note payable to an individual with a fixed rate of 5.25%, principal and interest of \$10,311 payable monthly. Paid in full in April 2016. | – | 80,847 |
| Various notes payable to a bank with fixed interest rates ranging from 2.24% to 2.50%, various principal and interest payments ranging from \$121 to \$2,923 payable monthly through dates ranging from April 2018 through August 2021, secured by vehicles with a net book value of \$470,793 at August 31, 2016. | 430,052 | 315,440 |

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

8. Borrowings (Continued)

| | <u>2016</u> | <u>2015</u> |
|--|---------------------|---------------------|
| Mortgage note payable to a bank with a fixed rate of 4.25%. Principal and interest of \$12,200 payable monthly, due February 2030, secured by an interest in certain property with a net book value of \$4,478,030 at August 31, 2016. | \$ <u>2,418,675</u> | \$ <u>2,459,602</u> |
| | 21,091,047 | 20,108,049 |
| Less current portion | <u>829,680</u> | <u>745,011</u> |
| | <u>\$20,261,367</u> | <u>\$19,363,038</u> |

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

| | |
|------------|---------------------|
| 2017 | \$ 829,680 |
| 2018 | 860,060 |
| 2019 | 4,974,679 |
| 2020 | 610,126 |
| 2021 | 620,775 |
| Thereafter | <u>13,195,727</u> |
| | <u>\$21,091,047</u> |

Lines of Credit and Other Financing Arrangements

Easter Seals New Hampshire, Inc. had an agreement with a bank for a \$500,000 nonrevolving equipment line of credit. The line of credit was 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 was at a fixed rate at the then prime rate minus 0.75% for maturities up to a five-year term. Upon maturity of this agreement, the balances outstanding under the note payable at August 31, 2014 were converted to various term notes secured by vehicles, as described above. Included in long-term debt are five notes payable totaling \$124,628 and five notes payable totaling \$182,756 at August 31, 2016 and 2015, respectively.

Easter Seals New Hampshire, Inc. also has an agreement with a bank for a \$500,000 revolving equipment line, which can be used to fund the purchase of New Hampshire titled vehicles for use by Easter Seals NH through June 2017. Advances are converted to term notes as utilized. The interest rate charged on outstanding borrowings is at a fixed rate equal to the then Business Vehicle Rate at the time of the advance for maturities up to a five year term. Included in long-term debt are twenty-four notes payable totaling \$305,424 and twelve notes payable totaling \$132,684 at August 31, 2016 and 2015, respectively, that originated under this agreement. Availability under this agreement at August 31, 2016 and 2015 is \$194,576 and \$367,316, respectively.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

8. Borrowings (Continued)

Easter Seals New Hampshire, Inc. (the sole member of Easter Seals NY, through its deconsolidation on August 31, 2015, and Harbor Schools), Easter Seals NY and Harbor Schools had a revolving line of credit with a bank through September 1, 2015, with available borrowings up to \$7 million (a portion of which is secured by available letters of credit of \$59,000). Outstanding advances were due on demand. The revolving line of credit had the following sub-limits, which were last amended in October 2014: Easter Seals NH \$3.225 million, Easter Seals NY \$3.5 million and Harbor Schools \$275,000. The interest rate charged on outstanding borrowings was LIBOR plus 2.25%. Under an event of default, the interest rate would increase from LIBOR plus 2.25% to LIBOR plus 5.25%. The line was secured by a first priority interest in all business assets of Easter Seals New Hampshire, Inc., Easter Seals NY and Harbor Schools. The agreement required 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 limited 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, 2015 were \$262,356, related to Harbor Schools. All outstanding balances were paid off on September 1, 2015, and this line of credit was replaced with that described below.

On August 31, 2015, Easter Seals NH entered into a revolving line of credit with a bank. Borrowing availability is up to \$4 million (a portion of which is secured by available letters of credit of \$59,000). Outstanding advances are due on demand. The interest rate charged on outstanding borrowings is at LIBOR rounded up to the nearest one-eighth of one percent plus 2.25% (2.875% at August 31, 2016). 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. with guarantees from Agency Realty, Inc., Easter Seals VT, and Manchester Alcoholism Rehabilitation Center. The agreement requires that collective borrowings under the line of credit be reduced to \$1,000,000 for 30 consecutive days during each calendar year. There were no outstanding balances at August 31, 2016 and 2015.

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 \$330,085 and \$315,065 at August 31, 2016 and 2015, 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 for \$13,620,430 each (expiring and subject to renewal on March 15, 2018, 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 \$13,620,430 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 \$172,000 and \$181,000 in 2016 and 2015, respectively.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

8. Borrowings (Continued)

Easter Seals NH has signed a commitment letter dated November 3, 2016 with a bank to refinance the NHHEFA Series 2004A Revenue Bonds and eliminating the two letters of credit. The commitment is for a 15 year term with no prepayment penalty, and interest will be paid at a variable rate calculated as a spread over one month LIBOR using a 65.01% tax multiplier. The current annual redemption schedule will be amended from an annual to a monthly schedule, which will reduce the average outstanding balances and lower total expected interest costs. The closing is expected to take place on December 20, 2016.

Mortgage Notes Payable

On February 18, 2015, Easter Seals NH and Manchester Alcoholism Rehabilitation Center entered into a \$2,480,000 mortgage note payable to finance the acquisition of certain property located in Franklin, New Hampshire. The interest rate charged is fixed at 4.25%. Monthly principal and interest payments are \$12,200, and all remaining outstanding principal and interest is due on February 18, 2030. The note is secured by the property. On October 25, 2016, an amendment to this agreement was executed to change the interest rate charged to a fixed 3.25%. All other terms remain unchanged.

On April 29, 2016, Easter Seals NH and Manchester Alcoholism Rehabilitation Center entered into a \$4,857,000 mortgage note payable to finance the acquisition of certain property located in Manchester, New Hampshire. The interest rate charged is a variable rate of LIBOR plus 2.25% (2.77% at August 31, 2016). Principal and interest payments are due monthly, and all remaining outstanding principal and interest is due on April 29, 2019. The note is secured by the property.

Interest Rate Swap Agreement

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 \$13,455,000 and \$13,875,000 at August 31, 2016 and 2015, 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 (0.64% at August 31, 2016).

The fair value of the above interest rate swap agreement totaled \$3,487,979 and \$2,819,967 at August 31, 2016 and 2015, respectively, \$401,859 and \$442,045 of which was current at August 31, 2016 and 2015, respectively. During the years ended August 31, 2016 and 2015 net payments required by the agreement totaled \$445,705 and \$477,196, respectively, excluding payments made under the swap agreement held by Easter Seals NY. These payments have been included in interest expense within the accompanying consolidated statements of activities and changes in net assets. See note 11 with respect to fair value determinations.

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, 2016, Easter Seals NH was in compliance with restrictive covenants specified under the NHHEFA bonds and other debt obligations.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

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 12% of other fees and grants revenue was derived from a pass-through grant from Easter Seals, Inc. for the year ended August 31, 2015. There were no such amounts recognized in 2016. Easter Seals NH is a member of Easter Seals, Inc. Membership fees to Easter Seals, Inc. were \$37,375 and \$119,969 for the years ended August 31, 2016 and 2015, respectively, and are reflected as support of National programs on the accompanying consolidated statements of activities and changes in net assets.

Easter Seals NH had an amount due from Easter Seals NY of \$98,710 for the year ended August 31, 2015, which was received in 2016 (see also note 12).

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.

Certain of Easter Seals NH's financial instruments are reported at fair value, which include beneficial interest held in trust, investments and the interest rate swap, 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.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

11. Fair Value of Financial Instruments (Continued)

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, 2016 and 2015.

Investments and Assets Limited as to Use

Cash and cash equivalents are deemed to be Level 1. The fair values of marketable equity securities, and mutual funds that are based upon quoted prices in active markets for identical assets are reflected as Level 1. Investments in certain government and agency securities 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.

Beneficial Interest in Trust Held by Others

The beneficial interest in trust held by others has been assigned fair value levels based on the fair value levels of the underlying investments within the trust. The fair values of marketable equity securities, money market and mutual funds are based upon quoted prices in active markets for identical assets and are reflected as Level 1. Investments in marketable equity securities and mutual funds 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.

Interest Rate Swap Agreement

The fair value for the interest rate swap liability 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, 2016 and 2015

11. Fair Value of Financial Instruments (Continued)

At August 31, 2016 and 2015, 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>2016</u> | | | | |
| Assets: | | | | |
| Assets limited as to use and investments at fair value: | | | | |
| Cash and cash equivalents | \$ 514,040 | \$ - | \$ - | \$ 514,040 |
| Marketable equity securities: | | | | |
| Large-cap | 950,981 | - | - | 950,981 |
| International | 274,418 | - | - | 274,418 |
| Mutual funds, open-ended: | | | | |
| Short-term fixed income | 4,137,513 | - | - | 4,137,513 |
| Intermediate-term bond fund | 1,069,980 | - | - | 1,069,980 |
| High yield bond fund | 261,064 | - | - | 261,064 |
| Foreign bond | 32,125 | - | - | 32,125 |
| Government securities | 629,914 | - | - | 629,914 |
| Emerging markets bond | 16,447 | - | - | 16,447 |
| International equities | 831,645 | - | - | 831,645 |
| Domestic, large-cap | 1,370,393 | - | - | 1,370,393 |
| Domestic, small-cap | 159,034 | - | - | 159,034 |
| Domestic, multi alt | 689,565 | - | - | 689,565 |
| Real estate fund | 178,540 | - | - | 178,540 |
| Emerging markets mutual | 4,041 | - | - | 4,041 |
| Mutual funds, closed-ended: | | | | |
| Domestic, large-cap | 2,450,022 | - | - | 2,450,022 |
| Domestic, mid-cap | 451,852 | - | - | 451,852 |
| Domestic, small-cap | 217,021 | - | - | 217,021 |
| Fixed Income and bond | 2,909 | - | - | 2,909 |
| International equity | 293,501 | - | - | 293,501 |
| Corporate and foreign bonds | - | 707,444 | - | 707,444 |
| Government and agency securities | - | 428,072 | - | 428,072 |
| | <u>\$14,535,005</u> | <u>\$1,135,516</u> | <u>\$ -</u> | <u>\$15,670,521</u> |
| Beneficial interest in trust held by others: | | | | |
| Money market funds | \$ 8,712 | \$ - | \$ - | \$ 8,712 |
| Marketable equity securities: | | | | |
| Large-cap | 59,700 | - | - | 59,700 |
| Mutual funds: | | | | |
| Domestic fixed income | - | 20,208 | - | 20,208 |
| | <u>\$ 68,412</u> | <u>\$ 20,208</u> | <u>\$ -</u> | <u>\$ 88,620</u> |
| Liabilities: | | | | |
| Interest rate swap agreement | \$ - | \$ - | \$3,487,979 | \$ 3,487,979 |

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

11. Fair Value of Financial Instruments (Continued)

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|---|---------------------|-------------------|----------------|---------------------|
| <u>2015</u> | | | | |
| Assets: | | | | |
| Assets limited as to use and investments at fair value: | | | | |
| Cash and cash equivalents | \$ 452,024 | \$ — | \$ — | \$ 452,024 |
| Marketable equity securities: | | | | |
| Large-cap | 957,876 | — | — | 957,876 |
| International | 594,807 | — | — | 594,807 |
| Mutual funds, open-ended: | | | | |
| Short-term fixed income | 2,736,504 | — | — | 2,736,504 |
| Intermediate-term bond fund | 972,183 | — | — | 972,183 |
| High yield bond fund | 243,935 | — | — | 243,935 |
| Foreign bond | 14,089 | — | — | 14,089 |
| Government securities | 746,217 | — | — | 746,217 |
| International equities | 786,193 | — | — | 786,193 |
| Domestic, large-cap | 1,095,893 | — | — | 1,095,893 |
| Domestic, mid-cap | 49,538 | — | — | 49,538 |
| Domestic, small-cap | 3,520 | — | — | 3,520 |
| Domestic, Multi Alt | 404,922 | — | — | 404,922 |
| Real estate fund | 125,629 | — | — | 125,629 |
| Mutual funds, closed-ended: | | | | |
| Domestic, large-cap | 2,470,333 | — | — | 2,470,333 |
| Domestic, mid-cap | 501,299 | — | — | 501,299 |
| Domestic, small-cap | 192,844 | — | — | 192,844 |
| International equity | 293,853 | — | — | 293,853 |
| Corporate and foreign bonds | — | 620,550 | — | 620,550 |
| Government and agency securities | — | 317,780 | — | 317,780 |
| | <u>\$12,641,659</u> | <u>\$ 938,330</u> | <u>\$ —</u> | <u>\$13,579,989</u> |
| Beneficial interest in trust held by others: | | | | |
| Money market funds | \$ 15,496 | \$ — | \$ — | \$ 15,496 |
| Marketable equity securities: | | | | |
| Large-cap | 93,067 | — | — | 93,067 |
| Mutual funds: | | | | |
| Domestic fixed income | — | 20,784 | — | 20,784 |
| | <u>\$ 108,563</u> | <u>\$ 20,784</u> | <u>\$ —</u> | <u>\$ 129,347</u> |
| Liabilities: | | | | |
| Interest rate swap agreements | \$ — | \$ — | \$2,819,967 | \$ 2,819,967 |

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

11. Fair Value of Financial Instruments (Continued)

The table below sets forth a summary of changes in the fair value of Easter Seals NH's Level 3 liabilities for the years ended August 31, 2016 and 2015:

| | <u>Interest Rate Swaps</u> |
|--|--------------------------------|
| Ending balance, August 31, 2014 | \$(3,329,813) |
| Unrealized loss, net | (227,568) |
| Decrease due to deconsolidation of affiliate – see note 12 | <u>737,414</u> |
| Ending balance, August 31, 2015 | (2,819,967) |
| Unrealized loss, net | <u>(668,012)</u> |
| Ending balance, August 31, 2016 | <u><u>\$(3,487,979)</u></u> |

Excluding interest rate swaps held by deconsolidated affiliates (see note 12) at August 31, 2015, the net amounts of unrealized losses for the period attributable to the change in unrealized losses relating to the interest rate swaps still held at August 31, 2016 and 2015 were \$668,012 and \$227,568, 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. Deconsolidation of Related Entities

On August 31, 2016, Easter Seals NH entered into an agreement with Fedcap, an unrelated entity, whereby Easter Seals NH agreed to transfer its sole member interest in Easter Seals RI to Fedcap for no consideration. Accordingly, all of the assets, liabilities and net assets of Easter Seals RI were transferred to Fedcap effective August 31, 2016. Easter Seals NH was concurrently released from all guarantees and other obligations related to Easter Seals RI. Easter Seals NH recognized a decrease in net assets of \$68,889 as a result of the deconsolidation of Easter Seals RI. The accompanying 2016 consolidated financial statements include the operating results of Easter Seals RI for the period from September 1, 2015 through August 31, 2016.

On August 31, 2015, Easter Seals NH entered into an agreement with Fedcap, an unrelated entity, whereby Easter Seals NH agreed to transfer its sole member interest in Easter Seals NY to Fedcap for no consideration. Accordingly, all of the assets, liabilities and net assets of Easter Seals NY were transferred to Fedcap effective August 31, 2015. Easter Seals NH was concurrently released from all guarantees and other obligations related to Easter Seals NY. Easter Seals NH recognized a decrease in net assets of \$80,656 as a result of the deconsolidation of Easter Seals NY. The accompanying 2015 consolidated financial statements include the operating results of Easter Seals NY for the period from September 1, 2014 through August 31, 2015.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

12. Deconsolidation of Related Entities (Continued)

Summary statements of financial position and activities of Easter Seals NY for the year ended August 31, 2015 and Easter Seals RI for the years ended August 31, 2016 and 2015 are as follows:

| | <u>Easter Seals RI</u> <u>August 31, 2016</u> | <u>Easter Seals RI</u> <u>August 31, 2015</u> | <u>Easter Seals NY</u> <u>August 31, 2015</u> |
|--|--|--|--|
| Assets: | | | |
| Cash and cash equivalents | \$ 500 | \$ 500 | \$ 812,975 |
| Program and other accounts receivable, net | - | 134,809 | 3,291,793 |
| Investments, at fair value | 5,521 | - | 706,842 |
| Beneficial interests in trust held by others | 35,760 | 34,533 | 501,660 |
| Fixed assets, net | 23,039 | 29,649 | 7,592,335 |
| Other assets | <u>11,288</u> | <u>10,790</u> | <u>370,019</u> |
| Total assets | 76,108 | 210,281 | 13,275,624 |
| Liabilities: | | | |
| Line of credit | - | - | (3,101,513) |
| Accounts payable | - | (125,581) | (940,713) |
| Deferred revenue | - | - | (222,027) |
| Accrued expenses | (7,219) | (13,283) | (944,467) |
| Long-term debt | - | - | (6,802,401) |
| Interest rate swap agreement | - | - | (737,414) |
| Capital lease obligation | - | - | (78,325) |
| Other liabilities | <u>-</u> | <u>-</u> | <u>(368,108)</u> |
| Total liabilities | <u>(7,219)</u> | <u>(138,864)</u> | <u>(13,194,968)</u> |
| Net assets | \$ <u>68,889</u> | \$ <u>71,417</u> | \$ <u>80,656</u> |
| | <u>Year Ended</u> <u>August 31, 2016</u> | <u>Year Ended</u> <u>August 31, 2015</u> | <u>Year Ended</u> <u>August 31, 2015</u> |
| Total public support and revenue | \$ 1,367,290 | \$ 1,399,932 | \$ 28,576,469 |
| Total operating expenses | (1,437,574) | (1,463,549) | (29,757,863) |
| Other nonoperating expenses, gains and losses, net | <u>1,054</u> | <u>(4,235)</u> | <u>(273,772)</u> |
| Decrease in net assets before discontinued operations | \$ <u>(69,230)</u> | \$ <u>(67,852)</u> | \$ <u>(1,455,166)</u> |

Total decrease in net assets for Easter Seals RI for the year ended August 31, 2016 includes forgiveness of accounts payable and due to affiliates of \$66,702.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

12. Deconsolidation of Related Entity (Continued)

Losses from discontinued operations within Easter Seals NY for the year ended August 31, 2015 were \$63,854. Total increase (decrease) in net assets for Easter Seals NY for the year ended August 31, 2015 includes the forgiveness of accounts payable and loan to affiliates of \$628,598.

13. Discontinued Operations

The accompanying consolidated financial statements include various programs and entities that are reported as discontinued operations, as follows:

- On May 2, 2014, the Sayville program in New York was discontinued as a license was not able to be obtained. Total decrease in net assets recorded at August 31, 2015 for this program was \$(63,854).
- On June 11, 2014, the Board of Directors of Easter Seals NH voted to discontinue the Pediatric Outpatient programs located in Manchester and Dover due to significant losses the programs were experiencing.
- On January 25, 2012, the Board of Directors of Easter Seals NH voted to close Harbor Schools and cease all operations of this subsidiary.

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/entities were based on performance factors.

Summary statements of financial position for each of the above discontinued programs/entities as of August 31, 2016 and 2015 are as follows:

| | <u>Harbor Schools</u> | | <u>New Hampshire</u> | |
|------------------------|-----------------------|-------------|----------------------|-------------|
| | <u>2016</u> | <u>2015</u> | <u>2016</u> | <u>2015</u> |
| Total assets | \$211,251 | \$881,802 | \$252,645 | \$256,980 |
| Total liabilities | - | 645,381 | - | - |
| Net assets (deficit): | | | | |
| Unrestricted | 159,799 | 187,136 | 252,645 | 256,980 |
| Temporarily restricted | 27,626 | 25,459 | - | - |
| Permanently restricted | 23,826 | 23,826 | - | - |

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2016 and 2015

13. Discontinued Operations (Continued)

Summary statements of activities for each of the above discontinued programs/entities for the years ended August 31, 2016 and 2015 are as follows:

| | <u>Harbor Schools</u> | | <u>New Hampshire</u> | |
|---|-----------------------|-----------------|----------------------|---------------------|
| | <u>2016</u> | <u>2015</u> | <u>2016</u> | <u>2015</u> |
| Total public support and revenue | \$ 22,193 | \$ 50,578 | \$ - | \$ 19,096 |
| Operating expenses | (101,200) | (42,885) | (7,146) | (119,573) |
| Other nonoperating expense, gains or (losses) | 974 | (524) | - | - |
| Gain (loss) on sale of properties, net | <u>52,863</u> | <u>-</u> | <u>-</u> | <u>(46,620)</u> |
| Total increase (decrease) in net assets | <u>\$ (25,170)</u> | <u>\$ 7,169</u> | <u>\$ (7,146)</u> | <u>\$ (147,097)</u> |

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. Financial instruments which subject Easter Seals to credit risk consist primarily of cash equivalents and investments. Easter Seals' investment portfolio consists of diversified investments, which are subject to market risk. Investments that exceeded 10% of investments include the Lord Abbett Short Duration Income A Fund with a balance of \$2,749,256 as of August 31, 2016. No investments exceeded 10% of investments as of August 31, 2015.

OTHER FINANCIAL INFORMATION

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

August 31, 2016

ASSETS

| | <u>* New Hampshire</u> | <u>Vermont</u> | <u>Maine</u> | <u>Rhode Island</u> | <u>Harbor Schools, Inc.</u> | <u>New York</u> | <u>Elimin- ations</u> | <u>Total</u> |
|--|----------------------------|--------------------|-------------------|-------------------------|-------------------------------------|---------------------|---------------------------|---------------------|
| Current assets: | | | | | | | | |
| Cash and cash equivalents | \$ 1,667,032 | \$ 22,471 | \$ 5,539 | \$ - | \$ - | \$ - | \$ - | \$ 1,695,042 |
| Accounts receivable from affiliates | 915,970 | 1,946,359 | - | - | 158,366 | - | (3,020,695) | - |
| Program and other accounts receivable, net | 8,682,061 | 560,864 | 166,367 | - | 1,433 | - | - | 9,410,725 |
| Contributions receivable, net | 841,211 | 925 | 38,575 | - | - | - | - | 880,711 |
| Current portion of assets limited as to use | 330,085 | - | - | - | - | - | - | 330,085 |
| Prepaid expenses and other current assets | <u>411,896</u> | <u>13,051</u> | <u>38,936</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>463,883</u> |
| Total current assets | 12,848,255 | 2,543,670 | 249,417 | - | 159,799 | - | (3,020,695) | 12,780,446 |
| Assets limited as to use, net of current portion | 1,186,340 | 5,658 | - | - | - | - | - | 1,191,998 |
| Fixed assets, net | 26,294,673 | 57,642 | 19,571 | - | - | - | - | 26,371,886 |
| Property held for sale | 252,645 | - | - | - | - | - | - | 252,645 |
| Bond issuance costs, net | 56,073 | - | - | - | - | - | - | 56,073 |
| Investments, at fair value | 14,096,986 | - | - | - | 51,452 | - | - | 14,148,438 |
| Beneficial interest in trusts held by others and other assets | <u>254,271</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>254,271</u> |
| | <u>\$54,989,243</u> | <u>\$2,606,970</u> | <u>\$ 268,988</u> | <u>\$ -</u> | <u>\$ 211,251</u> | <u>\$ -</u> | <u>\$(3,020,695)</u> | <u>\$55,055,757</u> |

LIABILITIES AND NET ASSETS

| | * New Hampshire | Vermont | Maine | Rhode Island | Harbor Schools, Inc. | New York | Elimin- ations | Total |
|---|---------------------|--------------------|--------------------|-----------------|----------------------------|-------------|----------------------|---------------------|
| Current liabilities: | | | | | | | | |
| Accounts payable | \$ 1,984,793 | \$ 16,108 | \$ 1,481 | \$ - | \$ - | \$ - | \$ - | \$ 2,002,382 |
| Accrued expenses | 4,846,594 | 23,124 | 43,120 | - | - | - | - | 4,912,838 |
| Accounts payable to affiliates | - | - | 3,020,695 | - | - | - | (3,020,695) | - |
| Current portion of deferred revenue | 772,270 | 3,800 | 5,251 | - | - | - | - | 781,321 |
| Current portion of capital lease obligation | 60,617 | - | - | - | - | - | - | 60,617 |
| Current portion of interest rate swap agreements | 401,859 | - | - | - | - | - | - | 401,859 |
| Current portion of long-term debt | <u>829,680</u> | - | - | - | - | - | - | <u>829,680</u> |
| Total current liabilities | 8,895,813 | 43,032 | 3,070,547 | - | - | - | (3,020,695) | 8,988,697 |
| Deferred revenue, net of current portion | 944,167 | - | - | - | - | - | - | 944,167 |
| Other liabilities | 1,186,432 | 5,658 | - | - | - | - | - | 1,192,090 |
| Capital lease obligation, net of current portion | 20,995 | - | - | - | - | - | - | 20,995 |
| Interest rate swap agreements, less current portion | 3,086,120 | - | - | - | - | - | - | 3,086,120 |
| Long-term debt, less current portion | <u>20,261,367</u> | - | - | - | - | - | - | <u>20,261,367</u> |
| Total liabilities | 34,394,894 | 48,690 | 3,070,547 | - | - | - | (3,020,695) | 34,493,436 |
| Net assets (deficit): | | | | | | | | |
| Unrestricted | 14,515,689 | 2,543,775 | (2,800,348) | - | 159,799 | - | - | 14,418,915 |
| Temporarily restricted | 1,202,986 | 14,505 | (1,211) | - | 27,626 | - | - | 1,243,906 |
| Permanently restricted | <u>4,875,674</u> | - | - | - | <u>23,826</u> | - | - | <u>4,899,500</u> |
| Total net assets (deficit) | <u>20,594,349</u> | <u>2,558,280</u> | <u>(2,801,559)</u> | - | <u>211,251</u> | - | - | <u>20,562,321</u> |
| | <u>\$54,989,243</u> | <u>\$2,606,970</u> | <u>\$ 268,988</u> | <u>\$ -</u> | <u>\$ 211,251</u> | <u>\$ -</u> | <u>\$(3,020,695)</u> | <u>\$55,055,757</u> |

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

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

August 31, 2015

ASSETS

| | * New Hampshire | Vermont | Maine | Rhode Island | Harbor Schools, Inc. | New York | Elimin- ations | Total |
|--|---------------------|--------------------|-------------------|-------------------|----------------------------|-------------|----------------------|---------------------|
| Current assets: | | | | | | | | |
| Cash and cash equivalents | \$ 5,571,356 | \$ 700 | \$ 42,539 | \$ 500 | \$ - | \$ - | \$ - | \$ 5,615,095 |
| Accounts receivable from affiliates | 1,326,663 | 2,012,939 | - | - | - | - | (3,240,892) | 98,710 |
| Program and other accounts receivable, net | 6,390,110 | 428,089 | 190,115 | 102,466 | 3,500 | - | - | 7,114,280 |
| Contributions receivable, net | 543,356 | 6,700 | 22,857 | 32,343 | - | - | - | 605,256 |
| Current portion of assets limited as to use | 315,065 | - | - | - | - | - | - | 315,065 |
| Prepaid expenses and other current assets | <u>1,150,585</u> | <u>10,611</u> | <u>42,367</u> | <u>10,790</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,214,353</u> |
| Total current assets | 15,297,135 | 2,459,039 | 297,878 | 146,099 | 3,500 | - | (3,240,892) | 14,962,759 |
| Assets limited as to use, net of current portion | 1,009,131 | - | - | - | - | - | - | 1,009,131 |
| Fixed assets, net | 22,832,042 | 55,042 | 29,292 | 29,649 | - | - | - | 22,946,025 |
| Property held for sale | 252,645 | - | - | - | 829,017 | - | - | 1,081,662 |
| Bond issuance costs, net | 59,145 | - | - | - | - | - | - | 59,145 |
| Investments, at fair value | 12,206,508 | - | - | - | 49,285 | - | - | 12,255,793 |
| Beneficial interest in trusts held by others and other assets | 321,926 | - | - | 34,533 | - | - | - | 356,459 |
| | <u>\$51,978,532</u> | <u>\$2,514,081</u> | <u>\$ 327,170</u> | <u>\$ 210,281</u> | <u>\$ 881,802</u> | <u>\$ -</u> | <u>\$(3,240,892)</u> | <u>\$52,670,974</u> |

LIABILITIES AND NET ASSETS

| | * New Hampshire | Vermont | Maine | Rhode Island | Harbor Schools, Inc. | New York | Elimin- ations | Total |
|---|--------------------|-------------|-------------|-----------------|----------------------------|-------------|-------------------|--------------|
| Current liabilities: | | | | | | | | |
| Lines of credit | \$ - | \$ - | \$ - | \$ - | \$ 262,356 | \$ - | \$ - | \$ 262,356 |
| Accounts payable | 1,861,772 | 13,946 | 1,068 | 2,425 | - | - | - | 1,879,211 |
| Accrued expenses | 4,084,707 | 22,980 | 41,272 | 13,283 | 551 | - | - | 4,162,793 |
| Accounts payable to affiliates | - | - | 2,756,262 | 123,156 | 361,474 | - | (3,240,892) | - |
| Current portion of deferred revenue | 1,034,952 | 51,748 | 24,077 | - | 21,000 | - | - | 1,131,777 |
| Current portion of capital lease obligation | 58,886 | - | - | - | - | - | - | 58,886 |
| Current portion of interest rate swap agreements | 442,045 | - | - | - | - | - | - | 442,045 |
| Current portion of long-term debt | 745,011 | - | - | - | - | - | - | 745,011 |
| Total current liabilities | 8,227,373 | 88,674 | 2,822,679 | 138,864 | 645,381 | - | (3,240,892) | 8,682,079 |
| Deferred revenue, net of current portion | 971,667 | - | - | - | - | - | - | 971,667 |
| Other liabilities | 1,010,108 | - | - | - | - | - | - | 1,010,108 |
| Capital lease obligation, net of current portion | 81,612 | - | - | - | - | - | - | 81,612 |
| Interest rate swap agreements, less current portion | 2,377,922 | - | - | - | - | - | - | 2,377,922 |
| Long-term debt, less current portion | 19,363,038 | - | - | - | - | - | - | 19,363,038 |
| Total liabilities | 32,031,720 | 88,674 | 2,822,679 | 138,864 | 645,381 | - | (3,240,892) | 32,486,426 |
| Net assets (deficit): | | | | | | | | |
| Unrestricted | 14,588,670 | 2,417,858 | (2,516,780) | 8,489 | 187,136 | - | - | 14,685,373 |
| Temporarily restricted | 941,759 | 7,549 | 21,271 | 28,395 | 25,459 | - | - | 1,024,433 |
| Permanently restricted | 4,416,383 | - | - | 34,533 | 23,826 | - | - | 4,474,742 |
| Total net assets (deficit) | 19,946,812 | 2,425,407 | (2,495,509) | 71,417 | 236,421 | - | - | 20,184,548 |
| | \$51,978,532 | \$2,514,081 | \$ 327,170 | \$ 210,281 | \$ 881,802 | \$ - | \$ (3,240,892) | \$52,670,974 |

* Includes Agency Realty, 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, 2016

| | <u>* New Hampshire</u> | <u>Vermont</u> | <u>Maine</u> | <u>Rhode Island</u> | <u>Harbor Schools, Inc.</u> | <u>Elimin- ations</u> | <u>Total</u> |
|---|----------------------------|------------------|------------------|-------------------------|-------------------------------------|---------------------------|-------------------|
| Public support and revenue: | | | | | | | |
| Public support: | | | | | | | |
| Contributions, net | \$ 1,897,654 | \$ 46,718 | \$ 34,171 | \$ 63,718 | \$ - | \$ - | \$ 2,042,261 |
| Special events, net | 1,520,205 | 1,539 | 66,029 | 60,818 | - | - | 1,648,591 |
| Annual campaigns, net | 374,196 | 9,546 | 56,852 | 79,854 | - | - | 520,448 |
| Bequests | <u>78,066</u> | - | - | - | - | - | <u>78,066</u> |
| Total public support | 3,870,121 | 57,803 | 157,052 | 204,390 | - | - | 4,289,366 |
| Revenue: | | | | | | | |
| Fees and grants from governmental agencies, net | 43,405,294 | 4,454,207 | 1,475,922 | 1,112,149 | - | - | 50,447,572 |
| Other fees and grants | 19,779,596 | 852,701 | 315,543 | 49,034 | - | - | 20,996,874 |
| Sales to public | 4,446,844 | - | - | - | - | - | 4,446,844 |
| Dividend and interest income | 521,778 | - | - | 1,667 | - | (28,400) | 495,045 |
| Rental income | 26,840 | - | - | - | - | - | 26,840 |
| Intercompany revenue | 742,048 | - | - | - | - | (742,048) | - |
| Other | <u>687,859</u> | <u>11,910</u> | - | <u>50</u> | - | - | <u>699,819</u> |
| Total revenue | <u>69,610,259</u> | <u>5,318,818</u> | <u>1,791,465</u> | <u>1,162,900</u> | - | <u>(770,448)</u> | <u>77,112,994</u> |
| Total public support and revenue | 73,480,380 | 5,376,621 | 1,948,517 | 1,367,290 | - | (770,448) | 81,402,360 |
| Operating expenses: | | | | | | | |
| Program services: | | | | | | | |
| Public health education | 266,568 | 4,148 | - | 2,786 | - | - | 273,502 |
| Professional education | 20,607 | - | - | - | - | - | 20,607 |
| Direct services | <u>63,230,275</u> | <u>4,732,706</u> | <u>1,917,703</u> | <u>1,142,435</u> | - | <u>(24,732)</u> | <u>70,998,387</u> |
| Total program services | 63,517,450 | 4,736,854 | 1,917,703 | 1,145,221 | - | (24,732) | 71,292,496 |

| | * New Hampshire | Vermont | Maine | Rhode Island | Harbor Schools, Inc. | Elimin- ations | Total |
|---|----------------------|---------------------|-----------------------|------------------|----------------------------|-------------------|----------------------|
| Supporting services: | | | | | | | |
| Management and general Fundraising | \$ 7,798,973 | \$ 474,841 | \$ 203,676 | \$ 128,416 | \$ -- | \$ (717,316) | \$ 7,888,590 |
| | <u>951,595</u> | <u>32,053</u> | <u>133,090</u> | <u>163,937</u> | <u>—</u> | <u>—</u> | <u>1,280,675</u> |
| Total supporting services | <u>8,750,568</u> | <u>506,894</u> | <u>336,766</u> | <u>292,353</u> | <u>—</u> | <u>(717,316)</u> | <u>9,169,265</u> |
| Total functional expenses | 72,268,018 | 5,243,748 | 2,254,469 | 1,437,574 | -- | (742,048) | 80,461,761 |
| Support of National programs | <u>37,375</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>37,375</u> |
| Total operating expenses | <u>72,305,393</u> | <u>5,243,748</u> | <u>2,254,469</u> | <u>1,437,574</u> | <u>—</u> | <u>(742,048)</u> | <u>80,499,136</u> |
| Increase (decrease) in net assets from operations | 1,174,987 | 132,873 | (305,952) | (70,284) | -- | (28,400) | 903,224 |
| Other nonoperating expenses, gains and losses: | | | | | | | |
| Change in fair value of interest rate swaps | (668,012) | -- | -- | -- | -- | -- | (668,012) |
| Net realized and unrealized gains on investments | 275,186 | -- | -- | 547 | -- | -- | 275,733 |
| (Decrease) increase in fair value of beneficial interest in trusts held by others | (6,194) | -- | -- | 1,227 | -- | -- | (4,967) |
| Loss on sales and disposals of fixed assets | (10,841) | -- | (98) | (720) | -- | -- | (11,659) |
| Other nonoperating expenses | <u>(15,341)</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>(15,341)</u> |
| | (425,202) | -- | (98) | 1,054 | -- | -- | (424,246) |
| (Loss) gain from discontinued operations | <u>(35,546)</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>(25,170)</u> | <u>28,400</u> | <u>(32,316)</u> |
| Increase (decrease) in net assets before effects of deconsolidation of affiliate | 714,239 | 132,873 | (306,050) | (69,230) | (25,170) | -- | 446,662 |
| Deconsolidation of affiliate | <u>(66,702)</u> | <u>—</u> | <u>—</u> | <u>(2,187)</u> | <u>—</u> | <u>—</u> | <u>(68,889)</u> |
| Total increase (decrease) in net assets | 647,537 | 132,873 | (306,050) | (71,417) | (25,170) | -- | 377,773 |
| Net assets (deficit) at beginning of year | <u>19,946,812</u> | <u>2,425,407</u> | <u>(2,495,509)</u> | <u>71,417</u> | <u>236,421</u> | <u>—</u> | <u>20,184,548</u> |
| Net assets (deficit) at end of year | \$ <u>20,594,349</u> | \$ <u>2,558,280</u> | \$ <u>(2,801,559)</u> | \$ <u>—</u> | \$ <u>211,251</u> | \$ <u>—</u> | \$ <u>20,562,321</u> |

* Includes Agency Realty, 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, 2015

| | * New Hampshire | Vermont | Maine | Rhode Island | Harbor Schools, Inc. | New York | Elimin- ations | Total |
|---|--------------------|-----------|------------|-----------------|----------------------------|-------------|-------------------|--------------|
| Public support and revenue: | | | | | | | | |
| Public support: | | | | | | | | |
| Contributions, net | \$ 730,807 | \$ 15,252 | \$ 121,753 | \$ 84,306 | \$ - | \$ 534,478 | \$ (6,000) | \$ 1,480,596 |
| Special events, net | 1,070,232 | 4,572 | 48,920 | 80,945 | - | 278,847 | - | 1,483,516 |
| Annual campaigns, net | 363,600 | 13,426 | 41,561 | 13,555 | - | - | - | 432,142 |
| Bequests | 459,167 | - | - | - | - | 32,852 | - | 492,019 |
| Total public support | 2,623,806 | 33,250 | 212,234 | 178,806 | - | 846,177 | (6,000) | 3,888,273 |
| Revenue: | | | | | | | | |
| Fees and grants from governmental agencies, net | 41,393,156 | 4,096,507 | 1,743,157 | 1,170,710 | - | 23,561,944 | - | 71,965,474 |
| Other fees and grants | 19,058,227 | 655,514 | 244,805 | 47,930 | - | 4,105,076 | - | 24,111,552 |
| Sales to public | 4,375,698 | - | - | - | - | - | - | 4,375,698 |
| Dividend and interest income | 353,829 | - | - | 1,554 | - | 56,733 | (9,284) | 402,832 |
| Rental income | 27,390 | - | - | - | - | 6,539 | - | 33,929 |
| Intercompany revenue | 2,390,406 | - | - | - | - | - | (2,390,406) | - |
| Other | 123,805 | - | 41 | 932 | - | - | - | 124,778 |
| Total revenue | 67,722,511 | 4,752,021 | 1,988,003 | 1,221,126 | - | 27,730,292 | (2,399,690) | 101,014,263 |
| Total public support and revenue | 70,346,317 | 4,785,271 | 2,200,237 | 1,399,932 | - | 28,576,469 | (2,405,690) | 104,902,536 |
| Operating expenses: | | | | | | | | |
| Program services: | | | | | | | | |
| Public health education | 285,591 | 4,370 | - | 21,125 | - | 99,800 | - | 410,886 |
| Professional education | 23,435 | - | - | - | - | - | (6,000) | 17,435 |
| Direct services | 58,214,130 | 4,108,875 | 2,044,378 | 1,237,113 | - | 26,104,067 | (95,252) | 91,613,311 |
| Total program services | 58,523,156 | 4,113,245 | 2,044,378 | 1,258,238 | - | 26,203,867 | (101,252) | 92,041,632 |

| | * New Hampshire | Vermont | Maine | Rhode Island | Harbor Schools, Inc. | New York | Elimin- ations | Total |
|---|-------------------------|---------------------|----------------------|----------------------|----------------------------|-------------------------|----------------------|---------------------------|
| Supporting services: | | | | | | | | |
| Management and general Fundraising | \$ 8,603,810 902,347 | \$ 435,732 2,317 | \$ 195,933 90,061 | \$ 142,268 62,583 | \$ -- -- | \$ 2,710,841 751,069 | \$ (2,302,938) -- | \$ 9,785,646 1,808,377 |
| Total supporting services | 9,506,157 | 438,049 | 285,994 | 204,851 | -- | 3,461,910 | (2,302,938) | 11,594,023 |
| Total functional expenses | 68,029,313 | 4,551,294 | 2,330,372 | 1,463,089 | -- | 29,665,777 | (2,404,190) | 103,635,655 |
| Support of National programs | 26,793 | -- | 630 | 460 | -- | 92,086 | -- | 119,969 |
| Total operating expenses | 68,056,106 | 4,551,294 | 2,331,002 | 1,463,549 | -- | 29,757,863 | (2,404,190) | 103,755,624 |
| Increase (decrease) in net assets from operations | 2,290,211 | 233,977 | (130,765) | (63,617) | -- | (1,181,394) | (1,500) | 1,146,912 |
| Other nonoperating expenses, gains and losses: | | | | | | | | |
| Change in fair value of interest rate swaps | (150,587) | -- | -- | -- | -- | (76,981) | -- | (227,568) |
| Net realized and unrealized losses on investments | (381,953) | -- | -- | -- | -- | (25,299) | -- | (407,252) |
| Increase (decrease) in fair value of beneficial interest in trusts held by others | 3,890 | -- | -- | (4,235) | -- | (62,078) | -- | (62,423) |
| (Loss) gain on sales and disposals of fixed assets | (11,938) | -- | -- | -- | -- | 1,690 | -- | (10,248) |
| Other nonoperating expenses | (17,750) | -- | -- | -- | -- | (111,104) | -- | (128,854) |
| Capital transfer | (558,338) | -- | -- | (4,235) | -- | (273,772) | -- | (836,345) |
| (Loss) gain from discontinued operations | (523,877) | 523,877 | -- | -- | -- | -- | -- | -- |
| | (148,597) | -- | (302) | -- | 7,169 | (63,854) | 1,500 | (204,084) |
| Increase (decrease) in net assets before effects of deconsolidation of affiliate | 1,059,399 | 757,854 | (131,067) | (67,852) | 7,169 | (1,519,020) | -- | 106,483 |
| Deconsolidation of affiliate | (629,389) | 791 | -- | -- | -- | 547,942 | -- | (80,656) |
| Total increase (decrease) in net assets | 430,010 | 758,645 | (131,067) | (67,852) | 7,169 | (971,078) | -- | 25,827 |
| Net assets (deficit) at beginning of year | 19,516,802 | 1,666,762 | (2,364,442) | 139,269 | 229,252 | 971,078 | -- | 20,158,721 |
| Net assets (deficit) at end of year | \$ 19,946,812 | \$ 2,425,407 | \$ (2,495,509) | \$ 71,417 | \$ 236,421 | \$ -- | \$ -- | \$ 20,184,548 |

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

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2016

| | * New Hampshire | Vermont | Maine | Rhode Island | Harbor Schools, Inc. | Elimin- ations | Total |
|--|----------------------|---------------------|---------------------|---------------------|----------------------------|---------------------|----------------------|
| Salaries and related expenses | \$ 53,147,566 | \$ 4,128,114 | \$ 1,550,620 | \$ 1,105,464 | \$ - | \$ - | \$ 59,931,764 |
| Professional fees | 7,779,938 | 556,818 | 301,646 | 162,205 | - | (742,048) | 8,058,559 |
| Supplies | 1,883,406 | 31,831 | 30,059 | 8,983 | - | - | 1,954,279 |
| Telephone | 615,192 | 23,916 | 12,698 | 9,801 | - | - | 661,607 |
| Postage and shipping | 57,240 | 960 | 1,763 | 2,156 | - | - | 62,119 |
| Occupancy | 2,328,611 | 114,258 | 171,692 | 82,757 | - | - | 2,697,318 |
| Outside printing, artwork and media | 76,765 | 2,859 | 6,591 | 4,829 | - | - | 91,044 |
| Travel | 1,961,465 | 198,693 | 20,583 | 43,876 | - | - | 2,224,617 |
| Conventions and meetings | 157,815 | 33,290 | 8,269 | 4,856 | - | - | 204,230 |
| Specific assistance to individuals | 985,280 | 96,210 | 84,270 | - | - | - | 1,165,760 |
| Dues and subscriptions | 31,436 | 40 | 4,163 | 540 | - | - | 36,179 |
| Minor equipment purchases- and equipment rental | 290,959 | 15,906 | 7,265 | 873 | - | - | 315,003 |
| Ads, fees and miscellaneous | 488,288 | 18,789 | 34,363 | 1,007 | - | - | 542,447 |
| Interest | 909,224 | - | - | - | - | - | 909,224 |
| Depreciation and amortization | 1,554,833 | 22,064 | 20,487 | 10,227 | - | - | 1,607,611 |
| | <u>\$ 72,268,018</u> | <u>\$ 5,243,748</u> | <u>\$ 2,254,469</u> | <u>\$ 1,437,574</u> | <u>\$ -</u> | <u>\$ (742,048)</u> | <u>\$ 80,461,761</u> |

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

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2015

| | * New Hampshire | Vermont | Maine | Rhode Island | Harbor Schools, Inc. | New York | Elimin- ations | Total |
|--|----------------------|---------------------|---------------------|---------------------|----------------------------|----------------------|-----------------------|-----------------------|
| Salaries and related expenses | \$ 49,574,053 | \$ 3,577,628 | \$ 1,834,414 | \$ 1,096,869 | \$ - | \$ 21,555,197 | \$ - | \$ 77,638,161 |
| Professional fees | 7,415,575 | 533,058 | 189,755 | 193,494 | - | 3,971,367 | (2,388,906) | 9,914,343 |
| Supplies | 1,952,095 | 27,908 | 20,485 | 9,217 | - | 910,426 | - | 2,920,131 |
| Telephone | 622,842 | 21,360 | 12,500 | 10,012 | - | 144,543 | - | 811,257 |
| Postage and shipping | 59,319 | 912 | 2,089 | 2,076 | - | 30,363 | - | 94,759 |
| Occupancy | 2,444,094 | 111,515 | 174,786 | 88,416 | - | 1,424,846 | - | 4,243,657 |
| Outside printing, artwork and media | 62,529 | 847 | 8,333 | 6,390 | - | 16,353 | - | 94,452 |
| Travel | 2,100,674 | 162,775 | 14,650 | 42,013 | - | 172,832 | - | 2,492,944 |
| Conventions and meetings | 209,924 | 20,428 | 6,140 | 2,727 | - | 139,649 | (6,000) | 372,868 |
| Specific assistance to individuals | 935,227 | 76,105 | 36,556 | 618 | - | 222,644 | - | 1,271,150 |
| Dues and subscriptions | 25,403 | - | 980 | 676 | - | 11,520 | - | 38,579 |
| Minor equipment purchases- and equipment rental | 207,153 | 2,966 | 2,764 | 2,336 | - | 29,127 | - | 244,346 |
| Ads, fees and miscellaneous | 107,080 | 1,794 | 5,266 | 713 | - | 17,587 | - | 132,440 |
| Interest | 907,340 | - | - | - | - | 365,055 | (9,284) | 1,263,111 |
| Facility tax assessment | - | - | - | - | - | 226,703 | - | 226,703 |
| Depreciation and amortization | 1,406,005 | 13,998 | 21,654 | 7,532 | - | 427,565 | - | 1,876,754 |
| | <u>\$ 68,029,313</u> | <u>\$ 4,551,294</u> | <u>\$ 2,330,372</u> | <u>\$ 1,463,089</u> | <u>\$ -</u> | <u>\$ 29,665,777</u> | <u>\$ (2,404,190)</u> | <u>\$ 103,635,655</u> |

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

**Easter Seals New Hampshire, Inc.; 555 Auburn Street; Manchester, NH 03103
2017 Board of Directors**

Chairman

Andrew MacWilliam

Past Chairman

Jim Bee

Vice Chairman

Tom Sullivan

Vice Chairman

Charles S. Goodwin

Treasurer

Matthew Boucher

Assistant Treasurer

Wendell Butcher

Secretary

Charles Panasis

Assistant Secretary

Sue MacDermott

Chairman – Farnum Center

Ian MacDermott

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Rick Courtemanche

Kurt Patten

David Goldberg

Bryan Bouchard

Bob Litterst

Barry LaBombarde

Leslie Thompson

Grant Morris

Christine Williams

Jennifer Horn

Elizabeth Lamontagne

General Counsel & Assistant Secretary

(non-voting member)

Bradford Cook, Esq.

Larry J. Gammon
Easter Seals New Hampshire, Inc.
555 Auburn Street
Manchester, NH 03103

Employment

7/88 to Present President, Chief Executive Officer

A member of Easter Seals National, the Agency is a comprehensive, multi-facility organization with services throughout New Hampshire, Vermont and Maine. Employing over 2000 persons, and operating in excess of 100 million dollars, the Agency has services in Vocational, Educational, Residential, Clinical, Medical, Camping/Recreational, Veterans and Substance Abuse. 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

Elin Treanor
Easter Seals New Hampshire, Inc.
555 Auburn Street
Manchester, NH 03103

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:

- | | |
|----------------|---|
| 2012 – Present | Easter Seals New Hampshire, Inc., Manchester, NH <u>Chief Operating Officer/Chief Financial Officer</u> Oversee all program and fiscal management of multi-corporate, multi-state entity. |
| 1994 – 2012 | 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.

- 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

JOSEPH T. EMMONS

WORK EXPERIENCE

Saint Anselm College, Manchester, NH

Executive Director, Development and Advancement Services

October 2013 – present

Manage day to day operations of annual giving (4 staff members) and advancement services (6 staff members) for Saint Anselm College

- Supervision of annual giving, stewardship, research and advancement services teams in College Advancement
- Oversee and implement all direct mail, e-mail and social media communication – including content, segmentation, timing, etc. – resulting in a 3.7 million dollars raised in annual giving for fiscal year 2014
- Manage all gift entry and database coordination
- Supervise campaign communications and stewardship programs - developing a stewardship plan resulting in 95% of donors receiving donor stewardship packages
- Act as liaison between College Advancement and Athletics resulting in increased athletic participation and dollars raised each of the last 3 years
- Provide and report on fundraising financials to Trustees

Director, Annual Giving

December 2010 – October 2013

Manage \$3 million annual giving program for Saint Anselm College

- Supervision of five person annual giving staff
- Engage and personally solicit annual fund gifts from 100 – 120 alumni yearly ranging from \$1,000 to \$10,000
- Established new reunion giving program and young alumni giving program
- Increased alumni participation from 17% in 2010 to 21% projected in 2013
- Create and implement annual appeal schedule and mailings

Associate Director, Annual Giving

July 2009 – December 2010

Support, implement and enhance the Saint Anselm Fund

- Engage and personally solicit annual fund gifts from 100 – 120 alumni yearly
- Create annual fund marketing pieces and solicitation letters for fundraising purposes
- Manage and support Reunion Giving programs for 4-5 classes yearly
- Support Office of Alumni Relations at college programs and events

Assistant Director, Annual Giving/ Director, Saint Anselm Phone-a-thon

June 2005 – June 2009

Support and enhance the Saint Anselm Fund as well as being responsible for all day-to-day activities of Saint Anselm College Phone-a-thon program

- Lead and facilitated Senior Class Gift Program, increasing student participation three consecutive years
- Manage and supervised staff of 60-65 students in requesting donations from all college alumni
- Implemented a new training program for all callers resulting in higher overall alumni participation
- Assisted the Manager of Advancement Services in creating a new database to streamline the input and updating of alumni records
- Increased dollars raised by the phone-a-thon from \$95,000 to \$170,000

Assistant Director, Alumni Relations

September 2004 – June 2005

Work with Vice President of Alumni Relations in planning, implementation and follow-up on all college events

- Created and designed invitations and brochures for college alumni events
- Recruited and managed volunteers to work various college events including Reunion Weekend, Homecoming, and others
- Effectively responded to and communicated with alumni regarding general alumni inquiries

SnapDragon Associates, Bedford, NH

Recruiter

April 2004 – September 2004

Worked with the President and Vice President of company in all day-to-day activities of the company

- Contacted possible clients (businesses) to provide recruiting services resulting in 2-3 new leads per week
- Searched for, contacted and interviewed top quality professionals for client positions

EDUCATION

Masters in Business Administration

Southern New Hampshire University, Manchester, NH

January 2008

Bachelor of Arts in Business

Saint Anselm College, Manchester, NH

May 2004

OTHER RELATED EXPERIENCE

Moore Center Services Development Board
Diocesan School Board – New Hampshire

September 2010 – present
June 2014 - present

Tina M. Sharby, PHR
Easter Seals New Hampshire, Inc.
555 Auburn Street
Manchester, NH 03103

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 | |

PROFESSIONAL EXPERIENCE

Chief Human Resources Officer 2012-Present

**Senior Vice President Human Resources
Easter Seals, NH, VT, NY, ME, RI, Harbor Schools & Farnum Center
1998- 2012**

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

NANCY L. ROLLINS

EXPERIENCE

Easterseals, NH, VT, ME; Farnum Center/Farnum North-NH.

555 Auburn Street
Manchester, NH 03103

Chief Strategy Officer

November 2016 –Present

Responsible for strategic development across all organizational services and supports. Provides intergovernmental relations working with the senior management team to develop and implement a corporate and legislative strategy. Improve visibility across the three state footprint, specifically in the areas of Health and Human Services, Foundations and State Government. Collaborates with the management team to develop and implement plans for the operational infrastructure of systems, processes and personnel design to accommodate growth and rapid response to needs within the community. Seeks growth opportunities through partnerships, mergers and acquisitions of compatible organizations to meet the needs of individuals and their families across the lifespan who have disabilities or special needs. Leads quality initiative to include reviews of program service, analyzes data and develops and implements strategies to move towards quality performance measurement in all services and supports.

Serves as a member of the Executive Leadership Team. Reports directly to the President/ Chief Executive Officer

Goodwill Industries of Northern New England

38 Locke Road, #2
Concord, NH 03301

New Hampshire State Director for Strategic Development and Public Policy January, 2014 – October 25, 2016

Responsible for collaboration with existing state and local networks to identify, develop or create potential businesses and programs serving the state of New Hampshire. Assuring such activities are consistent with Goodwill of Northern New England's (Goodwill NNE) strategic plan and vision of creating sustainable communities that thrive through the fullest participation of their diverse residents. Acquire knowledge about current trends and emerging issues in public policy, as well as New Hampshire business practices and relates them to existing and potential Goodwill NNE business and program development. Works in conjunction with Goodwill NNE senior management team, New Hampshire Goodwill NNE retail staff, and Agency program managers to fulfill goals in New Hampshire and the agency in general. Represents Goodwill NNE in all state and local activities consistent with the agency's mission to enable persons with diverse challenges achieve personal stability and community engagement.

Serves as a member of the Senior Management Team. Report directly to the President/ Chief Executive Officer.

State of New Hampshire

Department of Health and Human Services
Division of Community Based Care Services

129 Pleasant Street
Concord, New Hampshire 03301

Associate Commissioner

March, 2006 – January, 2014

Responsible for the Division of Community Based Care Services (DCBCS) which provides a wide range of supports and services in partnership with community providers for individuals with developmental disabilities and acquired brain disorders; individuals with serious mental illness or emotional disturbance; adults aged 18-60 who have a chronic illness or disability; individuals age 60 or older; adult protective services ages 18-and up; individuals with substance abuse and alcohol abuse disorders; persons who are homeless or at –risk of homelessness; and children age 0-18 with physical disabilities, chronic illnesses and special health care needs. DCBCS focuses on the development and implementation of long-term care systems that can support an individual’s choice to remain in community and out of long-term institutional settings.

Served as a member of the Commissioner’s Senior Management and Policy Team. This senior level position was a direct report to the Commissioner

State of New Hampshire
Department of Health and Human Services
Office of Medicaid Business & Policy
And
Division of Community Based Care Services
129 Pleasant Street
Concord, NH 03301

January, 2006 – March, 2006

Interim Director

At the request of the Commissioner of the Department of Health and Human Services agreed to serve as Interim Director of the Office of Medicaid Business & Policy (OMBP), which has functional responsibility for health planning, reporting, data and research, and the Medical Assistance program (Medicaid).

In addition, serves as Interim Director for the Division of Community Based Care Services (DCBCS). This Division provides a wide range of supports and services in partnership with community systems for individuals with developmental disabilities and acquired brain disorders, individuals with serious mental illness or emotional disturbance, adults aged 18-60 who have a chronic illness or disability and individuals age 60 or older, and children age 0-18 with physical disabilities, chronic illnesses and special health care needs.

State of New Hampshire
Department of Health and Human Services
Division for Children, Youth, and Families
129 Pleasant Street
Concord, NH 03301

July 1995 – January 2, 2006

Director

Assigned as Acting Director in July 1995, during a reorganization of the Department of Health and Human Services. On November 27, 1995 assumed the position of Director of the Division for Children, Youth and Families (DCYF) responsible for state leadership of the agency that has statutory authority for child protection, children in need of services (CHINS) and community-based juvenile justice, juvenile probations and parole services. In addition DCYF has administrative responsibility for statewide domestic violence funds and provides state funded childcare/child development services that are employment related, protective or preventative. Administer an annual budget of \$124 million dollars. The Division maintains fifteen service sites statewide with a staff of 370. In addition the Division contracts or vendors

services to over 1,600 community-based providers or residential care facilities. On September 16, 2001 the juvenile probation responsibility transferred from DCYF to a newly created Division for Juvenile Justice Services (DJJS). DCYF retains responsibility for child protection, child development/childcare, domestic violence and child welfare prevention services. Administratively DCYF oversees the use of Federal child welfare and Medicaid funds for DJJS. The Director position is a direct report to the Commissioner of the Department of Health and Human Services. Serve as a member of the Department's management team. Provide leadership regarding children, youth and family issues in a wide variety of areas on the community, state and national levels.

State of New Hampshire
Department of Health and Human Services
Division for Children, Youth, and Families
6 Hazen Drive
Concord, NH 03301

August 1994 - July 1995

Deputy Director

Direct responsibility for planning and oversight of operational areas of the Bureau of Administrative Services. This includes oversight of the agency budget, personnel, provider relations, and payment of services. Oversees the Bureau of Children and Families which is responsible for all field operations including twelve district offices providing child welfare, children in need of services (CHINS) and juvenile justice services; and the Bureau of Residential Services that is responsible for the operations of the Youth Detention facility, a long-term juvenile detention facility; the Youth Services Unit, a short-term, pre-adjudication unit; and the Tobey School, a state operated residential facility for seriously emotionally disturbed children and youth. Serve as a liaison to various local, state, and federal agencies relative to child welfare, juvenile justice, and children's mental health services.

State of New Hampshire
Department of Health and Human Services
Division of Mental Health and Developmental Services
105 Pleasant Street
Concord, NH 03301

February 1993 - July 1994

Administrator of Children's Mental Health Services

Coordinate planning efforts for development of Community Mental Health Services and programs for children and adolescents; directed contract negotiations with provider agencies; developed and directed initiatives to recommend and implement policies and standards for the enhancement of community-based services and supports for children and their families; provided technical assistance to mental health organizations to resolve operational problems in the care and training of families and child/adolescent consumers; serve as a liaison to various local, state, and federal agencies relative to children's mental health services.

State of New Hampshire
Department of Health and Human Services
Division of Mental Health and Developmental Services
105 Pleasant Street
Concord, NH 03301

March 1990 - July 1994

Director of New Hampshire - Child and Adolescent Service System Project.

Director of a statewide systems change project funded by the National Institute of Mental Health. Responsible for writing and acquiring two consecutive, three-year, statewide development grants to enhance children's mental health services in New Hampshire. The project involved coordinating state-level interagency planning teams; facilitating a systems change process with state and local interagency planning teams; coordinating, parent support effort, minority outreach, and training initiatives; and instituting new services-delivery for children and adolescents who have a serious emotional disturbance.

State of New Hampshire
Department of Health and Human Services
Division of Mental Health and Developmental Services
105 Pleasant Street
Concord, NH 03301

March 1989 - March 1990

Program Planning and Review Specialist

Mental Health Program Administrator for statewide community mental health services. Regional responsibility for The Mental Health Center of Greater Manchester and Center for Life Management, Salem, NH community mental health services; shelters for homeless, and the Consumer Support Program (CSP) Consumer Demonstration Grant. Administer, manage, and monitor federal and state grants; oversee development and implementation of all program services. Clinical Consultant, Child and Adolescent Service System Project, a statewide capacity building project for the development of a statewide comprehensive system of care for seriously emotionally disturbed children and youth.

River Valley Counseling Center, Inc.
Chicopee Adolescent Program
Chicopee, Massachusetts

May 1978 – February 1989

Director, Child/Adolescent Outpatient Mental Health Services

Administrative:

Responsible for development and implementation of all program services, including, individual, group, and family therapy; Adventure-Based Treatment Program; Home Supports Outreach Program; Community Agency Consultation; Court Advocacy. Supervision of fourteen staff. Developed, negotiated, and maintained contract services with the Massachusetts's Department of Public Health; Department of Mental Health; Department of Social Services; Department of Youth Services; Chicopee Community Development; Pioneer Valley United Way; and the United Way of Holyoke, Granby, and South Hadley. Developed, negotiated, and monitored contract services with seven area community school systems. Responsible for an \$850,000 Program budget. Co-developed and co-founded the Holyoke Teen Clinic in partnership with Holyoke pediatrics Association, Holyoke Health Clinic, and Providence Hospital Alcohol and Substance Abuse Treatment Services, a comprehensive school-based health clinic serving senior and junior high-school students and their families. Formed partnerships with area human service networks. Provided in-service training workshops to local schools and community agencies. Developed and implemented mental health and substance abuse treatment services on site at the Westover Job Corps Healthcare Facility in Chicopee, Mass. The Westover Job Corps serves a large multicultural population from throughout the greater Northeast.

Clinical:

Provide individual, group, and family therapy to low and moderate-income families. Focus on substance abuse, family systems, and general child/adolescent mental health services. Developed and co-lead Adventure-based treatment groups with adolescents who have serious emotional disturbances, developmental delays and /or special medical needs. Provided clinical supervision to nine therapists. Provided clinical consultation to Holyoke Girls Club/Boys Club; Holyoke High School Teen Clinic, Inc.; Chicopee District Court, Holyoke District Court, and the Department of Social Services, Holyoke District Office; facilitated staff case disposition, in-service training and utilization review of children's mental health cases.

Hartford Neighborhood Centers

Mitchell House
Hartford, Connecticut

September 1974 - May 1975

Youth Counselor

Full-time undergraduate student internship. Developed and implemented human service programs for inner-city Hispanic and African-American youth. Provided counseling, therapeutic recreation, advocacy, and crisis intervention services. Served as a member of City-Wide Youth Board. Provided staff support to other Center programs serving pre-schoolers, school-aged youth and elderly.

Springfield Girls Club/ Family Center

Springfield, Massachusetts

September 1973 - May 1974

Child Care Worker

Provided a multi-cultural, after school recreational program for preschoolers.

EDUCATION

Master of Social Work

University of Connecticut
School of Social Work
West Hartford, Connecticut

Degree conferred, May 1985

Concentration in Public Policy and Administration-Minor in Group Work

Bachelor of Science, Cum Laude

Springfield College
Springfield, Massachusetts

Degree conferred, May 1985

Concentration in Community, Leadership and Organizational Development

Primary Focus on Human Services Administration

TEACHING EXPERIENCE

Dartmouth College Medical School
Department of Psychiatry

Dartmouth-Hitchcock Medical Center
 Lebanon, New Hampshire
Adjunct Faculty January 2001- Dec. 2005

Springfield College
 School of Human Services
 Manchester, New Hampshire
Adjunct Faculty May 1999 – August 2005

New Hampshire Public Manager Program
 NH Division of Personnel
 Bureau of Education and Training
Professional Mentor for a middle management employee December 1997 – December 1999

University of New Hampshire
 School of Health and Human Services
 Department of Social Work
Adjunct Faculty September 1996 - 1999

PROFESSIONAL ASSOCIATIONS

Brain Injury Association of NH – Employment Advisory Committee September 2015 – 2016

Governor’s Interagency Council on Homelessness (ICH) Employment Workgroup
 February 2015 -Present

Center on Aging and Community Living Advisory Board September 2014 - Present

Legislative Task Force on Work and Family, Governor Appointment September 2014- Present

NH Center for Non-profits Policy and Leadership Task Force May 2014 - Present

New Hampshire State Rehabilitation Advisory Council, Governor Appointment February 2014 – Present
 Chair Oct. 2016 - Present

National Advisory Committee, *Positioning Public Child Welfare Initiative: Strengthening Families
 For the 21st Century* this initiative is co-sponsored by the National Association of Public Child Welfare
 Administrators (NAPCWA) and Casey Family Programs February 2008 - 2009

New Hampshire State Mental Health Council January 2006 – 2011

New Hampshire Children’s Behavioral Health Collaborative, Member Leadership Committee 2010-
 August 2013

New Hampshire Interagency Coordinating Council for Women Offenders January 2006 – December
 2013

National Association of State Mental Policy Directors (NASMHPD) January 2006- December 2013

NASMHPD representative to the Children's Mental Health Subcommittee
Chair, NASMHPD President's Task Force on Returning Veteran's
Board Member Member-at-Large 2011-2013
Board Member NASMHPD Research Institute, Inc. (NRI) 2011-Present
NASMHPD Research Institute, Inc. (NRI), Board Vice-President 2011-2013
NASMHPD Representative to the 27th Annual Rosalyn Carter Symposium on Mental Health
Policy, "*Building Bridges and Support for Children Exposed to Domestic Violence, Child
Welfare and Juvenile Justice*", Atlanta, Georgia, Oct. 26 and 27, 2011.
NASMHPD Board Vice-President 2012 - 2013

National Association of Public Child Welfare Administrators (NAPCWA), an Affiliate of the American
Public Human Services Association

SMHRCY Representative to Children's Mental Health Subcommittee and
NAPCWA Executive Committee, 1991 - 1994
NH State Child Welfare Representative, 1995- Present
NAPCWA Executive Committee, Member-at-Large, Vice-President, January 2002- Dec 2004
NAPCWA State Representative to the APHSA –sponsored re-writes of the Interstate Compact for
The Placement of Children, Dec. 2004 – Nov. 2005
NAPCWA President, January 2005 – January 2006

New England Association of Child Welfare Commissioners and Directors
Judge Baker Children's Center, Boston, Mass.

Committee Member, 1995 – January 2006
Vice-President, 2001- January 2006

NH Chapter of the National Association of Social Workers September 1999 - 2003
25 Walker Street
Concord, New Hampshire
State Advisory Board - Member- at-large

University of New Hampshire
School of Health and Human Services
Department of Social Work September 1998 – September 2002
Community Advisory Board Member

National Technical Assistance Center for Children's Mental Health 1995 - 1998
Georgetown University Child Development Center
Advisory Committee Member

State Mental Health Representative for Children and Youth (SMHRCY)
NH State Representative, 1989 - 1994
Executive Committee, 1992 - 1994

Community 2000: Pioneer Valley United Way
Member, Substance Abuse Subcommittee
Children and Adolescents Subcommittee, 1988 - 1989

Western MA. AIDS Service Providers Coalition, 1987 - 1989

Massachusetts Council for Children 1988 -1989
Board of Directors Regional Member, Holyoke, MA

Massachusetts Association of Substance Abuse Service Providers (MASASP)
Member of Statewide Board of Directors, 1985 - 1987

CIVIC ASSOCIATIONS

Upper Valley Lake Sunapee Regional Planning Commission, Commissioner Representative for the Town of New London appointed by Town Board of Selectmen. 2012 – 2016
Vice Chair of the Commission, Serve on the Executive Committee 2014 - 2016

New London Zoning Board of Adjustments, appointed by the Town Board of Selectman
2013- 2014

At Home New Hampshire, helping seniors 'age in place' in New London, Newbury, Springfield, Sunapee, Sutton and Wilmot, Board of Directors. 2012 – 2014

Member of Saint Andrew's Episcopal Church, New London, NH
Appointed to the Vestry, January 2014 -2017

New London, Board of Selectmen Elected, May 2014- Present
Chair, May 2015 -2016
Board Representative to the Budget Committee 2014-2017

New Hampshire Municipal Association, Board of Directors 2015 - Present

Awards

Awarded the "*New Hampshire National Guard Distinguished Service Medal*" for providing leadership while at the Department of Health and Human Services for developing services, supports and special military / civilian partnerships for the purposes of better meeting the needs of New Hampshire service members both active duty, deployed and reserves, their families, and veterans. Presented by William N. Reddel III, Major General , New Hampshire National Guard, The Adjutant General and Governor Margaret Wood Hassan , 20 November 2014.

Awarded the "*Commander's Award for Civilian Service*" for organizing and implementing 'Operation Welcome Home' a military / civilian partnership to support hundreds of New Hampshire Guard service members returning from Iraq and Afghanistan. Presented by Kenneth Clark, Major General, New Hampshire National Guard, The Adjutant General, 24 May 2005.

Awarded the "*Commissioner's Award*" which recognizes those who, through their hard work and dedication, have made outstanding contributions toward the prevention, intervention, and treatment of child abuse and neglect. Individuals who receive this award have demonstrated a strong personal commitment to ensuring the safety and well being of children and to supporting and strengthening our nation's families. Presented at the 2005 15th National Conference on Child Abuse and Neglect, by Joan E. Ohl, Commissioner, Children's Bureau, Administration for Children, Youth and Families, U.S. Department of Health and Human Services, Washington, D.C., 21 April 2005.

Susan L. Silsby

SUMMARY OF QUALIFICATIONS

- Over 25 years of experience in the non-profit industry
- Successful track record in program operations across multiple states
- Strong leadership and managerial skills
- Solid fiscal management ability
- Exceptional customer service skills
- Professional, organized and highly motivated

EDUCATION

University System of New Hampshire Plymouth, New Hampshire
BA in Psychology

Varsity Swimming & Diving, Varsity Field Hockey, Delta Zeta National
Sorority

PROFESSIONAL EXPERIENCE

1988- Present EASTER SEALS NEW HAMPSHIRE

Senior Vice President of Program Services

Plan, develop, implement and monitor program services for adults throughout New Hampshire.

Manage all aspects of operations related to the delivery services including program development, financial management and personnel management.

Analyze trends in referrals, service delivery and funding to develop and implement strategic plans that increase the market share, enhance financial viability and improve public relations.

Report on administrative, financial, and programmatic outcomes.

Initiate and maintain contact with local and state agency representatives, at all levels, to promote Easter Seals services and develop new program opportunities.

Establish and maintain effective and positive relationships with public and private agencies, referring agencies, parents, funders, and community representatives to ensure customer satisfaction and solicit increased referrals

Other positions held: Vice President of Community Based Services, Director of Vocational Services, Direct Support Professional

EASTER SEALS NH, INC.

Key Personnel

| Name | Job Title | Salary | % Paid from this Contract | Amount Paid from this Contract |
|-----------------|---------------------|-----------|---------------------------|--------------------------------|
| Larry G. Gammon | President & CEO | \$367,107 | 0% | \$0 |
| Elin Treanor | CFO | \$244,800 | 0% | \$0 |
| Joseph Emmons | SVP, Development | \$120,000 | 0% | \$0 |
| Tina Sharby | CHRO | \$145,656 | 0% | \$0 |
| Nancy Rollins | COO | \$117,000 | 0% | \$0 |
| Susan Silsby | SVP, Adult Services | \$146,000 | 0% | \$0 |



Jeffrey A. Meyers
Commissioner

Maureen U. Ryan
Director of Human
Services

SEP 27 2016 15 mac

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF HUMAN SERVICES
BUREAU OF ELDERLY & ADULT SERVICES

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9203 1-800-351-1888
Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

September 14, 2016

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, Bureau of Elderly and Adult Services, to enter into a **retroactive** agreement with Easter Seals New Hampshire (Vendor #177204), 555 Auburn Street, Manchester, New Hampshire, for the provision of Adult Day Services to adults ages sixty (60) or older, and adults ages 18 and older with chronic illnesses and/or disabilities in an amount not to exceed \$326,250 effective October 1, 2016, upon Governor and Executive Council approval with a completion date of September 30, 2018. 40% Federal Funds and 60% General Funds.

Funds to support this request are available in the following accounts in State Fiscal Year 2017 and anticipated to be available in State Fiscal Years 2018 and 2019 upon availability and continued appropriation of funds in future operating budgets, with the authority to adjust encumbrances between state fiscal years through the Budget Office without Governor and Executive Council approval, if needed and justified.

05-95-48-481010-78720000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING, GRANTS (40% Federal Funds; 60% General Funds)

| Fiscal Year | Class | Activity Code | Class Title | Amount |
|------------------|-------|---------------|--------------------------------|-------------------|
| 2017 | 540 | 500382 | Contracts for Program Services | 40,784.25 |
| 2018 | 540 | 500382 | Contracts for Program Services | 54,379.00 |
| 2019 | 540 | 500382 | Contracts for Program Services | 13,594.75 |
| <i>Subtotal:</i> | | | | <i>108,758.00</i> |

05-95-48-481010-92550000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, SOCIAL SERVICE BLOCK GRANT (40% Federal Funds; 60% General Funds)

| Fiscal Year | Class | Activity Code | Class Title | Budget |
|------------------|-------|---------------|--------------------------------|---------------------|
| SFY 2017 | 566 | 500918 | Contracts for Program Services | 81,559.50 |
| SFY 2018 | 566 | 500918 | Contracts for Program Services | 108,746.00 |
| SFY 2019 | 566 | 500918 | Contracts for Program Services | 27,186.50 |
| <i>Subtotal:</i> | | | | <i>217,492.00</i> |
| Total: | | | | \$326,250.00 |

EXPLANATION

This request is **retroactive** due to the need for the Department to prioritize the completion of contracts for substance use disorder services that were time sensitive. The issuance of the RFA for the Adult Day Services was delayed until shortly after the start of State Fiscal Year 2017. In addition, in an attempt to receive more proposals for this service, the closing date for the procurement was extended in hopes of allowing more time for vendors to submit proposals.

The purpose of the agreement is for the licensed organization to provide Adult Day Program Services in accordance with the Older American Act, Title III Services and Title XX Social Services Block Grant Programs, to eligible individuals, age sixty (60) and older, and to adults ages eighteen (18) and older with chronic illnesses and/or disabilities. Eligible adults are those who reside in independent living settings and are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, who are eligible for other NH Medicaid services; or individuals who are receiving the same or similar services through the Veterans' Administration.

The selected vendor will provide Adult Day Services to assist eligible adults ages eighteen to fifty-nine (18-59) with a physical disability(ies) and/or chronic illness and to adults ages sixty (60) and older, to live as independently as possible, safely and with dignity. Services shall be provided for less than twelve (12) hours per day, and include supervision; assistance with activities of daily living; nursing care; rehabilitation; nutrition and recreational, social, cognitive or physical stimulation. Services also include monitoring of the individual's condition; counseling, as appropriate, on nutrition, hygiene or other related matters; referrals, as appropriate, to other services and resources that could assist the individual including any necessary follow up; as well as assistance and support to caregiving families.

A Request for Application was posted on the Department's website on July 6, 2016; three (3) applications were received. A team of individuals with extensive program knowledge reviewed the applications. This agreement is with one (1) of three (3) vendors selected. The Department intends to present the remaining two (2) agreements at a future Governor and Executive Council Meeting. The Department expects additional applications as the Request for Application remains open until program services are met.

The agreement contains language allowing the Department the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and approval by Governor and Executive Council.

Should the Governor and Executive Council not approve this request, Adult Day Services to eligible adults, age sixty (60) and older may be eliminated which may jeopardize their ability to remain in their homes and communities. It may also result in increased numbers of individuals needing more costly long-term care services in traditional nursing homes or community based care programs.

Area to be Served: Greater Manchester Area

Source of Funds:

40% Federal Funds from the United States Department of Health and Human Services, Administration for Community Living, Title III Older Americans Act, Catalog of Federal Domestic Assistance (CFDA) #93.044, Federal Award Identification #17AANHT3SS and Title XX Social Services Block Grant, Catalog of Federal Domestic Assistance (CFDA) #93.667 Social Services Block Grant, Federal Award Identification #1701NHSOSR.

60% General Funds

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
Page 3 of 3

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

Respectfully submitted,



Maureen U. Ryan
Director of Human Services

Approved by:



Jeffrey A. Meyers
Commissioner



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

Adult Day Program Services

RFA Name

RFA-2017-BEAS-03-ADULT

RFA Number

Bidder Name

1. Easter Seals, New Hampshire, Inc.
2. The Homemakers Health Services
3. Gateways Community Services
- 4.
- 5.
- 6.
- 7.

- Reviewer Names**
1. Margaret Morrill, Program Specialist III
 2. Jean Crouch, Supervisor VII
 3. Tracey Tarr, Administrator II
 - 4.
 - 5.
 - 6.
 - 7.
 - 8.
 - 9.

| Pass/Fail | Maximum Points | Actual Points |
|-----------|----------------|---------------|
| | 150 | 147 |
| | 150 | 143 |
| | 150 | 149 |
| | 150 | 0 |
| | 150 | 0 |
| | 150 | 0 |
| | 150 | 0 |

Subject: Adult Day Program Services (RFA-2017-BEAS-03-ADULT)


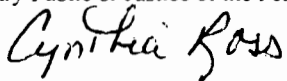
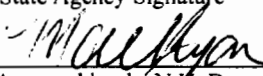
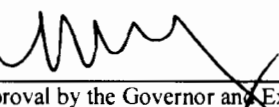
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

| | | | |
|---|--|---|-----------------------------------|
| 1.1 State Agency Name Department of Health and Human Services Bureau of Elderly and Adult Services | | 1.2 State Agency Address 129 Pleasant Street Concord, NH 03301 | |
| 1.3 Contractor Name Easter Seals New Hampshire | | 1.4 Contractor Address 555 Auburn Street Manchester, NH 03103 | |
| 1.5 Contractor Phone Number 603-623-8863 | 1.6 Account Number 05-95-48-78720000-500382 05-95-48-92550000-500918 | 1.7 Completion Date September 30, 2018 | 1.8 Price Limitation \$326,250 |
| 1.9 Contracting Officer for State Agency <i>Eric D. Borrin, Director</i> | | 1.10 State Agency Telephone Number 603-271-9558 | |
| 1.11 Contractor Signature  | | 1.12 Name and Title of Contractor Signatory Elin Treanor, CFO | |
| 1.13 Acknowledgement: State of <i>NH</i> , County of <i>Hillsborough</i> On <i>Sept 12, 2016</i> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12. | | | |
| 1.13.1 Signature of Notary Public or Justice of the Peace <div style="display: flex; align-items: center;"> <div style="margin-right: 20px;">[Seal]</div>  </div> | | | |
| 1.13.2 Name and Title of Notary or Justice of the Peace CYNTHIA ROSS, Notary Public My Commission Expires March 12, 2019 | | | |
| 1.14 State Agency Signature  | | 1.15 Name and Title of State Agency Signatory Maura Ryan Director, Office of Human Services | |
| 1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Date: <i>9/14/16</i> Director, On: _____ | | | |
| 1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <i>Megan A. Yeale - Attorney</i> <i>9/16/16</i> | | | |
| 1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____ | | | |

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

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

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

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

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

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

Contractor Initials ET
Date 9/12/2016

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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

Contractor Initials

Date

ET
9/11/2016



Scope of Services

1. Provisions Applicable to All Services

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

2. Scope of Services

2.1. Population

- 2.1.1. The Contractor shall provide services in this contract to assist eligible individuals live as independently as possible, safely and with dignity.
- 2.1.2. The Contractor shall provide services for individuals who:
 - 2.1.2.1. Are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, who are eligible for other NH Medicaid services; or
 - 2.1.2.2. Are receiving the same or similar services through the Veterans' Administration.
- 2.1.3. The Contractor shall provide services to individuals who reside in independent living settings and who meet the eligibility criteria as follows:
 - 2.1.3.1. Title III
 - 2.1.3.1.1. Individuals who are age 60 and older and with the most economic or social need as described in:
 - 2.1.3.1.1.1. Older Americans Act of 1965, as amended through P.L. 114-144, Enacted April 19, 2006 (see attached link: http://www.aoa.gov/AoA_programs/OAA/oa_full.asp#_Toc153957659), and
 - 2.1.3.1.1.2. NH Administrative Rule He-E 502 (see attached link: http://www.gencourt.state.nh.us/rules/state_agencies/he-e.html).
 - 2.1.3.1.2. Title XX 42 USC §1397 et seq.
 - 2.1.3.1.2.1. Individuals who are age 60 and older or ages 18-59 who have a chronic illness or disability, and a maximum monthly income of \$1,214 for calendar year 2016 as described in:
 - 2.1.3.1.2.1.1. The Social Services Block Grant (Title XX) (see attached link: <http://www.acf.hhs.gov/programs/ocs/programs/ssbg/about>), and
 - 2.1.3.1.2.1.2. NH Administrative Rule He-E 501 (see attached link: http://www.gencourt.state.nh.us/rules/state_agencies/he-e.html).

2.2. Area Served

- 2.2.1. The Contractor shall provide services to the greater Manchester, New Hampshire, area.
- 2.2.2. The Contractor's hours of operation shall be Monday through Friday, 7:30 am to 5:30 pm.



2.3. Service Descriptions

- 2.3.1. The Contractor shall be a licensed entity in New Hampshire in a fixed physical location and shall include the provision of one or more of the following services for fewer than (twelve) 12 hours a day to participants 18 years of age and older, based on an individual's needs:
 - 2.3.1.1. Supervision;
 - 2.3.1.2. Assistance with activities of daily living;
 - 2.3.1.3. Nursing care rehabilitation;
 - 2.3.1.4. Recreational, social, cognitive, physical stimulation activities or nutrition services;
 - 2.3.1.5. Monitoring of the individual's condition and counseling as appropriate on nutrition, hygiene or other related matters;
 - 2.3.1.6. Referrals, as appropriate, to other services and resources that could assist the individual including any necessary follow up;
 - 2.3.1.7. Assistance and support to caregiving families; and
 - 2.3.1.8. Developing a person-centered plan for each individual in accordance with NH Administrative Rules He-E 501 and He-E 502.

2.4. Client Access to Services

- 2.4.1. The Contractor shall provide services described in this agreement to eligible clients that apply for or request services, or are referred by Adult Protective Services (APS):
 - 2.4.1.1. Client directly applies for or requests services:
 - 2.4.1.1.1. The Contractor shall determine eligibility for these services in accordance with the rules and requirements of the Title III and Title XX Programs.
 - 2.4.1.2. Client is referred by Adult Protection Services (APS):
 - 2.4.1.2.1. In the event that an individual has been referred by APS, the Contractor shall not take an application, determine or re-determine the individual's eligibility or issue eligibility notifications, in accordance with NH Administrative Rules He-E 501 and 502.

2.5. Client Application/Request for Services

- 2.5.1. The Contractor shall complete an intake and application for services, in accordance with NH Administrative Rules He-E 501 and He-E 502.
 - 2.5.1.1. When determining eligibility pursuant to NH Administrative Rule He-E 501 (Title XX), the Contractor shall use the Department's Form 3000 Application.
 - 2.5.1.2. For applications pursuant to NH Administrative Rule He-E 502 (Title III), the Contractor shall review requests for services and determine eligibility.

2.6. Client Eligibility

- 2.6.1. The Contractor shall submit its policies and procedures for client eligibility determination for services to the Department for review and approval, within thirty (30) days of the start of each State Fiscal Year.
- 2.6.2. The Contractor shall determine eligibility for services and shall be in compliance with the New Hampshire Administrative Rules He-E 501 and He-E 502 regarding eligibility



Exhibit A

determination, notice of eligibility and the individual's period of eligibility as applicable as follows:

- 2.6.2.1. Notice of Eligibility:
 - 2.6.2.1.1. The Contractor shall provide written notice of eligibility within forty five (45) days from the date eligibility was determined, indicate what services are to be provided and at what frequency, and indicate the beginning and end dates for the individual's period of eligibility.
 - 2.6.2.1.2. If the client is determined not eligible for service(s), the notice of denial shall include:
 - 2.6.2.1.2.1. The reason(s) for denial;
 - 2.6.2.1.2.2. A statement regarding the right of the individual or his/her authorized representative to request an informal resolution or appeal of the eligibility determination decision; and
 - 2.6.2.1.2.3. Contact information for requesting an appeal.
- 2.6.2.2. Redetermination of Service Eligibility:
 - 2.6.2.2.1. The Contractor shall submit its policies and procedures for client eligibility redetermination for services to the Department for review and approval, within thirty (30) days of the start of each State Fiscal Year.
- 2.6.2.3. Termination of Services:
 - 2.6.2.3.1. Services shall be terminated when:
 - 2.6.2.3.1.1. The individual or his/her authorized representative requests that the services be terminated;
 - 2.6.2.3.1.2. The individual no longer meets the eligibility requirements for services;
 - 2.6.2.3.1.3. Funding by the State for the service(s) is no longer available;
 - 2.6.2.3.1.4. The individual did not reapply for services as required by program rules;
 - 2.6.2.3.1.5. The individual has been admitted to a nursing home or residential care facility; or
 - 2.6.2.3.1.6. The individual is deceased.
- 2.6.2.4. Service Authorizations for Title XX Eligible Clients:
 - 2.6.2.4.1. Once the client has been determined eligible to receive Title XX services, the Contractor shall submit a service authorization form to the Department in order to facilitate payment for serving eligible clients.
 - 2.6.2.4.2. The Contractor shall submit a completed Form 3502 "Contract Service Authorization-New Authorization" for each client who has been determined eligible to receive services. More than one service may be included on a Form 3502. The completed Form 3502 shall be submitted to:
 - Department of Health and Human Services
 - Data Management Unit
 - 129 Pleasant Street
 - Concord, NH 03301



Exhibit A

2.7. Client Assessments

- 2.7.1. The Contractor shall assess the individual's needs and develop written service plans, keep written progress notes and monitor and adjust service plans to meet the individual's needs in accordance with NH Administrative Rules He-E 501 and He-E 502.

2.8. Person Centered Provision of Services

- 2.8.1. The Contractor shall incorporate policies and staff-client interactions into its agency's functions, as well as incorporate the following Guiding Principles for Person-Centered Planning Philosophy in the provision of all services in this Agreement:
- 2.8.1.1. Individuals and families are invited, welcomed and supported as full participants in service planning and decision making.
 - 2.8.1.2. Individual's wishes, values and beliefs are considered and respected.
 - 2.8.1.3. Individual is listened to; needs and concerns are addressed.
 - 2.8.1.4. Individual receives the information he/she needs to make informed decisions.
 - 2.8.1.5. Planning is responsive to the individual. His or her preferences drive the planning process although the decision-making process may need to be accelerated to respond to emergencies.
 - 2.8.1.6. Services are designed, scheduled and delivered to best meet the needs and preferences of the individual.
 - 2.8.1.7. The system is committed to excellence and quality improvement.
 - 2.8.1.8. Individual rights are affirmed and protected.
 - 2.8.1.9. Individuals are protected from exploitation, abuse and neglect.
 - 2.8.1.10. The service system is accessible, responsive and accountable to the individual.
 - 2.8.1.11. Person-centered planning may be incorporated into existing service plans or documents already being used by the Contractor.

3. Staffing

- 3.1. The Contractor shall adhere to the following staffing requirements:
- 3.1.1. Maintain a level of staffing necessary to perform and carry out all of the functions, requirements, roles and duties in a timely fashion for the number of clients and geographic area as identified in this Agreement.
 - 3.1.2. Verify and document that all staff and volunteers have appropriate training, education, experience and orientation to fulfill the responsibilities of their respective positions. This includes keeping up-to-date personnel and training records and documentation of all individuals requiring licenses and/or certifications.
 - 3.1.3. Develop and submit a Staffing Contingency Plan in writing to the Department within thirty (30) days of approval of the Contract Agreement. The plan shall include but not be limited to:
 - 3.1.3.1. The process for replacement of personnel in the event of loss of key personnel or other personnel during the period of this Agreement;
 - 3.1.3.2. A description of how additional staff resources will be allocated to support this Agreement in the event of inability to meet any performance standard;
 - 3.1.3.3. A description of time frames necessary for obtaining staff replacements;
 - 3.1.3.4. An explanation of the Contractor's capabilities to provide, in a timely manner, staff replacements/additions with comparable experience; and
 - 3.1.3.5. The method of bringing staff replacements/additions up-to-date regarding this Agreement.

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4. Reporting

4.1. Reporting Requirements

- 4.1.1. The Contractor shall complete and submit quarterly reports which will be a pre-defined electronic form supplied by the Department. The report must be submitted by the 15th of the month following the quarter end date. The data will include, but not be limited to the following:
- 4.1.1.1. Expenses by program service provided. Service is defined as Adult Day Program Services.
 - 4.1.1.2. Revenue by program service provided, by funding source;
 - 4.1.1.3. Actual Units served by program service provided, by funding source;
 - 4.1.1.4. Number of unduplicated clients served by service provided, by funding source;
 - 4.1.1.5. Number of Title III and Title XX clients served with non-Department funds;
 - 4.1.1.6. Unmet need/waiting list; and,
 - 4.1.1.7. Lengths of time clients are on a waiting list.

4.2. Service Delivery Verification

- 4.2.1. The Contractor shall submit Service Delivery Verification reports to BEAS Finance for the following required performance measures for each service identified in Section 2.3, Service Descriptions:
- 4.2.1.1. Eligibility:
- 4.2.1.1.1. The number of applications/service requests and the number and percentage of applicants found eligible for each service;
 - 4.2.1.1.2. The number and percentage of applicants found ineligible for each service including the reason(s) applicants were found ineligible.
- 4.2.1.2. Quality and Appropriateness:
- 4.2.1.2.1. Plans of Care:
- 4.2.1.2.1.1. The number and percentage of individuals' plans of care in which the plans contain evidence of person-centered planning;
 - 4.2.1.2.1.2. The number and percentage of individuals who have experienced a safety-related incident or accident which occurs during times of face-to-face contact with the client(s);
 - 4.2.1.2.1.3. The number and percentage of individuals for whom a report to Adult Protective Services was made.
- 4.2.1.3. Experience:
- 4.2.1.3.1. The number and percentage of individuals surveyed (via telephone, mail, e-mail or face-to-face) who report their experiences with their services and providers have been satisfactory or better.
 - 4.2.1.3.2. The Contractor shall indicate the reasons why:
 - 4.2.1.3.2.1. Applicants experienced safety-related incidents which occurs during times of face-to-face contact with the client(s);
 - 4.2.1.3.2.2. Applicants were referred to Adult Protective Services; and
 - 4.2.1.3.2.3. The number and percentage of individuals surveyed who reported their experiences with their services and providers were not satisfactory or better.



Exhibit A

- 4.2.1.3.3. The Contractor shall describe the quality improvement activity(ies) to be initiated to address identified concerns about the quality and appropriateness of care.
- 4.2.1.3.4. The Contractor shall survey a sample of participants for each contracted service and provide their survey methodology, in writing, to the Bureau of Elderly and Adult Services (BEAS).
- 4.2.1.4. Service Delivery:
 - 4.2.1.4.1. The number of open cases at the end of each reporting period and the number and percentage of days individuals did not receive a planned service(s).
 - 4.2.1.4.2. The Contractor shall indicate the reasons applicant(s) did not receive planned services.
 - 4.2.1.4.3. The Contractor shall describe the quality improvement activity(ies) to be initiated to address identified concerns about service delivery.

5. Client Fees and Donations

5.1. Title III Services

- 5.1.1. With the exception of Subsection 5.3.1. of this agreement below, NH Administrative Rule He-E 502.12 allows Title III contractors to ask individuals receiving services for a voluntary donation towards the cost of the service and provides guidance for requesting donations. The donation is to be purely voluntary and no one can be refused services if he/she is unable or unwilling to donate. The Contractor is not permitted to invoice clients or family members.
- 5.1.2. The Contractor shall report the total amount of collected donations on the quarterly report sent to BEAS Finance.

5.2. Title XX Services

The Contractor may charge fees to individuals receiving Title XX services provided that the Contractor establishes a sliding fee schedule and provides this information to individuals seeking services. The Contractor shall comply with the NH Administrative Rule He-E 501 when establishing and charging fees to individuals. Additionally, the Contractor is required to report on the total amount of fees/income received for Title XX Services on the quarterly report sent to BEAS Finance.

- 5.2.1. The Contractor providing Title XX services may charge fees to clients referred by APS staff for which reports of abuse, neglect, self-neglect and/or exploitation has not been founded. The Contractor is required to include the total amount of fees/income received for Title XX services, referred by APS staff, with the total amount of fees/income reported for Title XX Services, listed above, on the quarterly report sent to BEAS Finance.

5.3. Adult Protection Services (APS)

Under RSA 161-F: 42 et seq. (<http://www.gencourt.state.nh.us/rsa/html/XII/161-F/161-F-42.htm>), BEAS provides protective services to incapacitated adults to prevent and/or ameliorate neglect, abuse or exploitation. When BEAS determines that an individual needs protective services as described in NH Administrative Rule He-E 700 (http://www.gencourt.state.nh.us/rules/state_agencies/he-e700.html), the Contractor agrees that the payment received from the Department for the specified services is payment in full for



Exhibit A

those services, and the provider agrees to refrain from making any attempt to secure additional reimbursement of any type from the individual for those services.

- 5.3.1. The Contractor, providing Title III and/or Title XX services, may not charge fees or ask for donations from clients referred by the Department's Adult Protection Services (APS) program as long as these individuals remain active recipients of Adult Protective Services as verified by Adult Protection Services staff.

6. Adult Protection Services (APS)

- 6.1. The Contractor shall report suspected abuse, neglect, self-neglect and/or exploitation of incapacitated adults as required by RSA 161-F: 46 of the Adult Protection law (<http://www.gencourt.state.nh.us/rsa/html/XII/161-F/161-F-46.htm>).
- 6.2. The Contractor shall make a good faith effort to assure the provision of some level of services to those persons who the Department refers to the contracted agency and identifies the client is in need of protective services.
- 6.3. The Contractor shall follow the plan of care established by the APS social worker.
- 6.4. The Contractor shall inform the referring APS staff of any changes in the individual's situation or other concerns, and APS staff is expected to inform the Contractor of any information that may affect service provision.

7. E-Studio Electronic Information System

- 7.1. The Contractor shall be required to use the Department's E-Studio electronic information system. E-Studio is BEAS' primary vehicle for uploading important information concerning time-sensitive announcements, policy releases, administrative rule adoptions and other critical information.
- 7.2. The Contractor shall identify all of the key personnel who will require E-Studio accounts to ensure that information from the Department can be shared with the necessary agency staff. There is no cost to the Contractor for the Department to create an E-Studio account and no limit on the number of staff an agency identifies to have access to E-Studio.
- 7.3. The Contractor shall ensure their E-Studio account(s) are kept current and that the Department is notified when a staff member is no longer working in the program so his/her account can be terminated.

8. Criminal Background and Adult Protection Service Registry Checks

- 8.1. The Contractor's staff members or volunteers, who will be interacting with or providing hands-on care to individuals receiving services, are required to complete a BEAS State Registry check prior to providing services; in accordance with the requirement of RSA 161-F: 49 (<http://gencourt.state.nh.us/rsa/html/XII/161-F/161-F-49.htm>).
- 8.2. The Contractor shall conduct a New Hampshire Criminal Records background check on all agency staff as well as prospective employees or volunteers, funded under this contract that may have client contact.

9. Grievance and Appeals

- 9.1. The Contractor shall maintain a system for tracking, resolving and reporting client complaints regarding its services, processes, procedures and staff.
- 9.2. The Contractor shall develop a grievance process. Any grievances filed are to be available to the Department upon request. At a minimum, the process shall include the following:
 - 9.2.1. Client name,
 - 9.2.2. Type of service,



Exhibit A

- 9.2.3. Date of written grievance,
- 9.2.4. Nature/subject of the grievance,
- 9.2.5. Who in the agency reconsiders agency decisions, and
- 9.2.6. The types of issues that can be addressed in the grievance process and how clients are informed of their right to appeal or file grievances.

10. Culturally and Linguistically Appropriate Standards of Care

- 10.1. The Contractor shall ensure equal access to quality services under this agreement by providing culturally and linguistically appropriate services according to the following guidelines:
 - 10.1.1. Assess the ethnic/cultural needs, resources and assets of their community.
 - 10.1.2. Promote the knowledge and skills necessary for staff to work effectively with clients with respect to their culturally and linguistically diverse environment or to those with disabilities.
 - 10.1.3. When feasible and appropriate, provide clients with minimal English skills with interpretation services.
 - 10.1.4. Offer clients a forum through which they have the opportunity to provide feedback to the Contractor regarding cultural and linguistic issues that may require a response.
 - 10.1.5. When feasible and appropriate, identify communication access needs for clients who may be deaf or hard of hearing, and/or have vision or speech impairment and develop an individual communication plan for clients to receive services.

11. Wait Lists

- 11.1. The Contractor shall provide all services covered under this agreement to the extent that funds, staff and/or resources for this purpose are available.
- 11.2. The Contractor shall maintain a wait list in accordance with NH Administrative Rules He-E 501 and He-E 502 when funding or resources are not available to provide the requested services. The wait list shall include at a minimum:
 - 11.2.1. The individual's full name and date of birth;
 - 11.2.2. The name of the service being requested;
 - 11.2.3. The date upon which the individual applied for services which shall be the date the application was received by the contract agency or the Department;
 - 11.2.4. The target date of implementing the services based on the communication between the individual and the Department/contractor;
 - 11.2.5. The date upon which the individual's name was placed on the wait list shall be the date of the notice of decision in which the individual was determined eligible for Title XX services;
 - 11.2.6. The individual's assigned priority on the wait list, determined in accordance with Sub-section 19.3. below;
 - 11.2.7. A brief description of the individual's circumstances and the services he or she needs.
- 11.3. The Contractor shall prioritize each individual's standing on the list by determining the individual's urgency of need in the following order:
 - 11.3.1. Individual is in an institutional setting or is at risk of being admitted to or discharged from an institutional setting;
 - 11.3.2. Declining mental or physical health of the caregiver;
 - 11.3.3. Declining mental or physical health of the individual;
 - 11.3.4. Individual has no respite services while living with a caregiver; and
 - 11.3.5. Length of time on the wait list.
 - 11.3.6. When 2 or more individuals on the wait list have been assigned the same service priority, the individual served first will be the one with the earliest application date.



Exhibit A

- 11.3.7. Individuals who are being served under protective services RSA 161-F: 42-57 shall be given priority status on the waitlist and in accordance with He-E 501.14 (f) and He-E 502.13.
- 11.3.8. Individuals with adult protective needs in accordance with RSA 161-F: 42-57 shall be exempt from the wait list.
- 11.4. When an individual is placed on the wait list, the Contractor shall notify the individual in writing.
- 11.5. The Contractor shall maintain the wait list for the duration of the contract period and make it available to the Department upon request.

12. Notice of Failure to Meet Service Obligations

- 12.1. In the event that the Contractor for any reason is unable to meet any service obligations prior to the completion date, the Contractor shall provide written notice of such inability at least ninety (90) days prior and shall mail it to:
 - Bureau Director
 - Bureau of Elderly and Adult Services
 - 129 Pleasant Street
 - Concord, NH 03301
- 12.1.1. Examples of failure to meet service obligations may include, but not limited to:
 - 12.1.1.1. Reducing hours of operation
 - 12.1.1.2. Changing a geographic service area
 - 12.1.1.3. Closing or opening a site
- 12.1.2. The written notification shall include the following:
 - 12.1.2.1. Reason(s) for the inability to deliver services;
 - 12.1.2.2. How service recipients and the community will be impacted;
 - 12.1.2.3. How service recipients and the community will be notified; and
 - 12.1.2.4. A plan to transition clients into other services or refer the clients to other agencies.
- 12.1.3. The Contractor shall maintain a plan that addresses the present and future needs of clients receiving services in the event that:
 - 12.1.3.1. Service(s) are terminated or planned to be terminated prior to the termination date of the contract;
 - 12.1.3.2. The contract is terminated or is planned to be terminated prior to the termination date of the contract by the Contractor or the State;
 - 12.1.3.3. The Contractor terminates a service or services for any reason;
 - 12.1.3.4. The Contractor cannot carry out all or a portion of the services terms or conditions outlined in the contract or sub-contracts.

13. Transition Process

- 13.1. The Contractor shall have a transition process for clients in the event that they may be transitioned between the Department's contracted providers.
- 13.2. The Contractor shall submit a written transition process to the Department within thirty (30) days of approval of the Contract Agreement. The process shall ensure:
 - 13.2.1. Uninterrupted delivery of services to clients;
 - 13.2.2. A method of notifying clients and/or the community about the transition. A staff member shall be available to address questions about the transition.



Exhibit A

14. Compliance with Laws and Regulations

- 14.1. The Contractor shall be licensed in accordance with RSA 151:2 (f) (<http://law.justia.com/codes/new-hampshire/2010/titlexi/chapter151/section151-2/>), and as governed by NH Administrative Rule He-P 818 (<http://www.dhhs.nh.gov/oos/bhfa/documents/he-p818.pdf>). Additionally, the Contractor shall provide services in accordance with NH Administrative Rules He-E 501 and He-E 502.
- 14.2. The Contractor shall provide services and administration of the program in accordance with the applicable Federal and State laws, Title III and Title XX rules, policies and regulations adopted by the Department of Health and Human Services currently in effect, and as they may be adopted or amended during the contract period.



Exhibit B

Method and Conditions Precedent to Payment

1. This contract is funded with funds from the Catalog of Federal Domestic Assistance (CFDA) #93.044, Administration on Aging, Special Programs for the aging – Title IIIB and #93.667 US Department of Health and Human Services, Social Services Block Grant – Title XX, in providing services pursuant to Exhibit A, Scope of Services. The contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
2. The State shall pay the Contractor an amount not to exceed the Price Limitation on Form P-37, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
3. Payment for expenses shall be on a cost reimbursement basis only for actual expenditures. Expenditures shall be in accordance with the rate of seven dollars and twenty-five cents (\$7.25) per unit, per client not to exceed six (12) hours per day.
4. Payments for Title III funding shall not exceed fifteen thousand (15,000) units.
5. Payments for Title XX funding shall not exceed thirty thousand (30,000) units.
6. Payment for services shall be made as follows:
 - 6.1. The Contractor must submit monthly invoices by the 15th of the month in accordance with procedure and instructions established by the Department for reimbursement for services specified in Exhibit A, Scope of Services. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.
 - 6.2. The invoices must;
 - 6.2.1. Clearly identify the amount requested and the services performed during that period.
 - 6.2.2. Include a detailed account of the services provided to include: individual in receipt of services, number of units and funding source attributable to the services.
 - 6.3. Invoices described in Exhibit B, Method and Conditions Precedent to Payment; Section 6.1 and 6.2., and reports identified in Exhibit A, Scope of Services, Section 12, Reporting Requirements must be submitted to:

Department of Health and Human Services
Data Management Unit
129 Pleasant Street
PO Box 2000
Concord, NH 03301
7. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A.
8. A final payment request shall be submitted no later than forty (40) days after the Contract ends. Failure to submit the invoice and accompanying documentation could result in nonpayment.
9. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if said services have not been completed in accordance with the terms and conditions of this Agreement.

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9/12/06



SPECIAL PROVISIONS

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

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



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

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

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



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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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



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

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

DEFINITIONS

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

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9/12/16



REVISIONS TO GENERAL PROVISIONS

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

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9/12/2016



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

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9/11/2016

New Hampshire Department of Health and Human Services
Exhibit D



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

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

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

Contractor Name:

9/12/2016
Date

Elin Treanor
Name: Elin Treanor
Title: CFO



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name:

9/12/2016
Date

Elin Treanor
Name: Elin Treanor
Title: CFO



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

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

INSTRUCTIONS FOR CERTIFICATION

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



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

Contractor Name:

9/12/2016
Date

Elin Treanor
Name: Elin Treanor
Title: CFU

Contractor Initials ET
Date 9/12/2016



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

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

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

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

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

Exhibit G

Contractor Initials

ET

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

Date

9/12/14

New Hampshire Department of Health and Human Services
Exhibit G



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

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

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

Contractor Name:

9/12/2016
Date

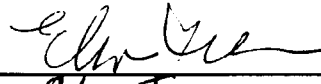

Name: Elin Treanor
Title: CFD

Exhibit G

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

Contractor Initials

ET

Date

9/12/2016



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name:

Date

9/12/2016

Name: Stim Treanor
Title: CEO

Contractor Initials

ET

Date

9/12/2016



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) **Definitions.**

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



Exhibit I

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

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

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

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9/10/014



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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

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9/10/2016



Exhibit I

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

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

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9/12/2016



Exhibit I

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

(4) Obligations of Covered Entity

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

(5) Termination for Cause

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

(6) Miscellaneous

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

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9/12/2016



Exhibit I

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

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

The State

Maureen Ryan
Signature of Authorized Representative

Maureen Ryan
Name of Authorized Representative

Director, Office of Human Services
Title of Authorized Representative

9/14/14
Date

Easter Seals NH, Inc
Name of the Contractor

Elin Treanor
Signature of Authorized Representative

Elin Treanor
Name of Authorized Representative

CEO
Title of Authorized Representative

9/14/2016
Date



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

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

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

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


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

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

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

Contractor Name:

9/12/2014
Date


Name: Elin Treanor
Title: CFD



FORM A

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

1. The DUNS number for your entity is: 08-557-3467
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO YES

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

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

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

NO YES

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

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

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

| | |
|-------------|---------------|
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |



State of New Hampshire
Department of Health and Human Services
Amendment #1 to the
Adult Day Program Services Contract

This 1st Amendment to the Adult Day Program Services contract (hereinafter referred to as "Amendment #1") dated this 26th day of October, 2017, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and The Homemakers Health Services (hereinafter referred to as "the Contractor"), a non-profit corporation with a place of business at 215 Rochester Street, Rochester, NH 03867.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on October 26, 2016 (Item #14), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

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

WHEREAS, pursuant to the General Provisions, Paragraph 18, and Exhibit C-1 Paragraph 3, the Department reserves the right to renew the Contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council; and

WHEREAS, the parties agree to increase the service unit rate, extend the completion date by nine (9) months, and increase the price limitation;

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:

1. General Provisions (Form P-37), Block 1.7, to read: June 30, 2019
2. General Provisions (Form P-37), Block 1.8, to increase Price Limitation by \$52,338.75 from \$123,250.00 to read: \$175,588.75
3. Amend Form P-37, Block 1.9, to read E. Maria Reinemann, Esq., Director of Contracts and Procurement
4. Amend Form P-37, Block 1.10 to read: 603-271-9330
5. Delete Exhibit B, Method and Conditions Precedent to Payment, in its entirety and replace with:

Exhibit B – Amendment #1, Method and Conditions Precedent to Payment
6. Add Exhibit K, DHHS Information Security Requirements
7. Add Attachment A – Amendment #1

New Hampshire Department of Health and Human Services
Adult Day Program Services



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

1/10/18
Date

Christine Santaniello
Christine Santaniello, Director
Division of Long Term Supports and Services

12-15-17
Date

The Homemakers Health Services
Ronald J. Indorzi
Name: Ronald J. Indorzi
Title: President, Board of Directors

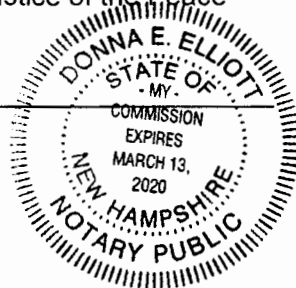
Acknowledgement of Contractor's signature:

State of New Hampshire, County of Strafford on 12/15/17, before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Donna E. Elliott
Signature of Notary Public or ~~Justice of the Peace~~

Name and Title of Notary or Justice of the Peace

My Commission Expires:





New Hampshire Department of Health and Human Services
Adult Day Program Services

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

OFFICE OF THE ATTORNEY GENERAL

1/17/18
Date

[Signature]
Name: Michael J. Kelly
Title: Attorney General

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:



Exhibit B – Amendment #1

Method and Conditions Precedent to Payment

1. This contract is funded with funds from the Catalog of Federal Domestic Assistance (CFDA) #93.667 US Department of Health and Human Services, Social Services Block Grant – Title XX, in providing services pursuant to Exhibit A, Scope of Services. The contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
2. The State shall pay the Contractor an amount not to exceed the Price Limitation on Form P-37, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
3. Payment for expenses shall be on a cost reimbursement basis only for actual expenditures. Expenditures shall be in accordance with the rate of seven dollars and sixty-one cents (\$7.61) per unit, per client not to exceed twelve (12) hours per day.
4. Payments for Title XX funding shall not exceed twenty-three thousand three hundred seventy-five (23,375) units.
5. Payment for services shall be made as follows:
 - 5.1. The Contractor must submit monthly invoices by the 15th of the month in accordance with procedure and instructions established by the Department for reimbursement for services specified in Exhibit A, Scope of Services. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.
 - 5.2. The invoices must;
 - 5.2.1. Clearly identify the amount requested and the services performed during that period.
 - 5.2.2. Include a detailed account of the services provided to include: individual in receipt of services, number of units and funding source attributable to the services.
 - 5.3. Invoices described in Exhibit B, Method and Conditions Precedent to Payment; Sections 6.1 and 6.2., and reports identified in Exhibit A, Scope of Services; Section 4, Reporting, must be submitted to:

Department of Health and Human Services
Data Management Unit
129 Pleasant Street
PO Box 2000
Concord, NH 03301
6. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A.
7. A final payment request shall be submitted no later than forty (40) days after the Contract ends. Failure to submit the invoice and accompanying documentation could result in nonpayment.
8. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if said services have not been completed in accordance with the terms and conditions of this Agreement.

A handwritten signature in black ink, appearing to be "R. J. [unclear]".



Exhibit K

DHHS INFORMATION SECURITY REQUIREMENTS

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this SOW, the Department's Confidential information includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.
2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:
 - 2.1. Contractor shall not store or transfer data collected in connection with the services rendered under this Agreement outside of the United States. This includes backup data and Disaster Recovery locations.
 - 2.2. Maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
 - 2.3. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
 - 2.4. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.
 - 2.5. Ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
 - 2.6. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information
 - 2.7. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
 - 2.7.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

Breach notifications will be sent to the following email addresses:

 - 2.7.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov
 - 2.7.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov
 - 2.8. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed

A handwritten signature in black ink, appearing to be "J. H. G.", written over a horizontal line.

12/15/17



Exhibit K

by the vendor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion, or otherwise physically destroying the media (for example, degaussing). The vendor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and the vendor prior to destruction.

- 2.9. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the vendor, including breach notification requirements.
3. The vendor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the vendor and any applicable sub-contractors prior to system access being authorized.
 4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
 5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the appropriate authorized data owner or leadership member within the Department.
 6. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

A handwritten signature in black ink, appearing to be "J. G. G.", written over a horizontal line.

12/15/17

Attachment A – Amendment #1

ATTESTATION

For State Fiscal Years 2018 and 2019, the New Hampshire Legislature appropriated a one-time increase of up to five percent (5%) over the reimbursement rates in place on June 30, 2017 for certain direct service providers. The increase of public funds is to be used exclusively for the purpose of increasing either service unit rates (per diem) or wages paid to individuals providing services directly to clients.

In recognition of the above, and as the authorized representative of the Agency named below, I certify that the Agency named below will use the increase in funding exclusively to increase the service unit rate for the administration of the services listed in Exhibit A – Scope of Services, and that the State may request an audit of our records to confirm the same.

Ronald Indorf, President, The Homemakers Health Services

Name, Title, and Agency Name

Signature

12/15/17

Date

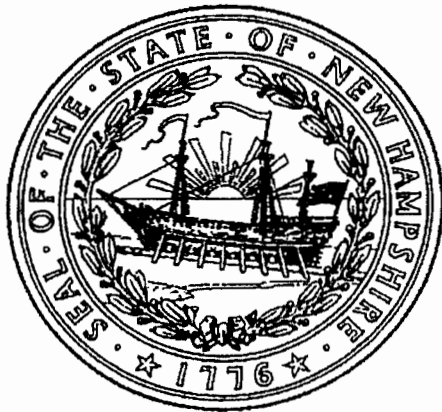
State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE HOMEMAKERS HEALTH SERVICES is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on March 29, 1974. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 65585



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 13th day of December A.D. 2017.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Susan Reid, do hereby certify that
(Name of the elected Officer of the Agency, cannot be contract signatory)

1. I am a duly elected Officer of The Homemakers Health Services
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on 05/19/2016:
(Date)

RESOLVED: That the President of the Board of Directors
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to
execute any and all documents, agreements and other instruments, and any amendments, revisions,
or modifications thereto, as he/she may deem necessary, desirable or appropriate

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 15 day of December, 2017.
(Date Contract Signed)

4. Ronald Indorf is the duly elected President of the Board of Directors
(Name of Contract Signatory) (Title of Contract Signatory)
of the Agency.




(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Strafford

The forgoing instrument was acknowledged before me this 15th day of Dec, 2017.

By Susan Reid (see)
(Name of Elected Officer of the Agency)



(Notary Public/Justice of the Peace)

(OPTIONAL SEAL)

Commission Expires: _____



Client#: 507997

HOMEMHEA

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/14/2017

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

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

PRODUCER: USI Insurance Services LLC, 3 Executive Park Drive, Suite 300, Bedford, NH 03110, 855 874-0123. CONTACT NAME: USI Insurance Services LLC, PHONE: 855 874-0123, FAX: (A/C, No):. INSURER(S) AFFORDING COVERAGE: INSURER A: Great American Insurance Co. (NAIC # 16691), INSURER B: AmGUARD Insurance Co. (NAIC # 42390).

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.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL SUBR INSR, WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella Liability, and Workers Compensation and Employers' Liability.

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

CERTIFICATE HOLDER CANCELLATION

Certificate holder: State of New Hampshire, Department of Health and Human Services, 129 Pleasant St, Concord, NH 03301. Cancellation notice: 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: [Signature]

ABOUT US



choose The Homemakers Health Services of New Hampshire.

WHO WE ARE

The Homemakers Health Services is a full service, charitable health care agency which provides compassionate, professional, comprehensive and cost effective visiting nurses, behavioral health, physical, occupational and speech therapies, home health, home support, adult medical day care services and community wellness programs to adults throughout Strafford and parts of Carroll and Rockingham Counties in NH.

Your Care - Your Choice. You have a choice as to who provides you with home care services. For compassionate, professional care.

Our Mission, Vision, and Values

The mission of The Homemakers Health Services is to provide comprehensive health care and supportive services to enhance the lives of individuals in need so that they can remain safely in their home.

AUDITED FINANCIAL STATEMENTS
THE HOMEMAKERS HEALTH SERVICES, INC.
ROCHESTER, NEW HAMPSHIRE
JUNE 30, 2017

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| Statements of Changes in Net Assets | 6 |
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PEACH & MCPHERSON
CERTIFIED PUBLIC ACCOUNTANTS
110 WASHINGTON AVENUE
NORTH HAVEN, CONNECTICUT 06473
TELEPHONE (203)234-9426

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of
The Homemakers Health Services, Inc.
Rochester, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of The Homemakers Health Services, Inc. which comprise the balance sheets as of June 30, 2017 and 2016, and the related statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Homemakers Health Services, Inc. as of June 30, 2017 and 2016, and the results of its operations, changes in net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



North Haven, Connecticut
October 17, 2017

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

BALANCE SHEETS

June 30, 2017 and 2016

ASSETS

| | <u>2017</u> | <u>2016</u> |
|-----------------------------|--------------------|--------------------|
| Current Assets: | | |
| Cash and Cash Equivalents | \$ 146,347 | \$ 372,273 |
| Investments | 19,860 | 17,557 |
| Accounts Receivable | 205,673 | 312,568 |
| Accounts Receivable – Other | 7,877 | - |
| Grants Receivable | 100,250 | 64,725 |
| Prepaid Expenses | <u>23,981</u> | <u>7,408</u> |
| Total Current Assets | 503,988 | 774,531 |
| Property and Equipment, Net | 1,069,628 | 1,038,885 |
| Assets Limited as to Use: | | |
| Cash and Cash Equivalents | <u>32,538</u> | <u>29,804</u> |
| Total | <u>\$1,606,154</u> | <u>\$1,843,220</u> |

LIABILITIES AND NET ASSETS

| | | |
|--|--------------------|--------------------|
| Current Liabilities: | | |
| Current Portion of Long-Term Debt | \$ 11,800 | \$ 11,417 |
| Accounts Payable and Accrued Expenses | 120,448 | 75,848 |
| Accrued Payroll and Related Withholdings | 109,647 | 126,667 |
| Estimated Third-Party Payor Reserves | <u>29,318</u> | <u>29,318</u> |
| Total Current Liabilities | 271,213 | 243,250 |
| Long-Term Debt, Net of Current Portion | <u>125,684</u> | <u>137,484</u> |
| Total Liabilities | <u>396,897</u> | <u>380,734</u> |
| Net Assets: | | |
| Unrestricted | 1,176,719 | 1,432,682 |
| Temporarily Restricted | <u>32,538</u> | <u>29,804</u> |
| Total Net Assets | <u>1,209,257</u> | <u>1,462,486</u> |
| Total | <u>\$1,606,154</u> | <u>\$1,843,220</u> |

See accompanying notes to financial statements.

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

STATEMENTS OF OPERATIONS

For the Years Ended June 30, 2017 and 2016

| | <u>2017</u> | <u>2016</u> |
|---|----------------------|----------------------|
| Operating Revenue: | | |
| Net Patient Service Revenue | \$1,856,193 | \$2,156,730 |
| Provision for Uncollectible Accounts | (181,137) | (154,130) |
| Net Patient Service Revenue, Less Provision for Uncollectible Accounts | 1,675,056 | 2,002,600 |
| Contributions, Bequests, Memorials and Fund Raising | 70,162 | 146,340 |
| Grant Revenue | 797,794 | 793,775 |
| Other Revenue | 1,574 | 19,127 |
| Interest Income | 813 | 537 |
| Net Assets Released From Restrictions Used For Operations | 2,224 | 12,459 |
| Total Operating Revenue | <u>2,547,623</u> | <u>2,974,838</u> |
| Operating Expenses: | | |
| Salaries and Related Expenses | 2,320,303 | 2,615,815 |
| Professional Fees and Contracted Services | 88,304 | 104,175 |
| Transportation | 113,339 | 131,135 |
| Space Occupancy | 52,820 | 77,734 |
| Other | 251,975 | 293,554 |
| Interest | 5,020 | 5,362 |
| Depreciation | 34,207 | 37,957 |
| Total Operating Expenses | <u>2,865,968</u> | <u>3,265,732</u> |
| Loss From Operations | (318,345) | (290,894) |
| Non-operating Income: | | |
| Gain on Sale of Assets | - | 2,006 |
| Net Appreciation on Investments | 2,303 | 3,435 |
| Total Non-operating Income | <u>2,303</u> | <u>5,441</u> |
| Deficiency of Revenue Over Expenses | (316,042) | (285,453) |
| Grant for Capital Acquisition | <u>60,079</u> | <u>-</u> |
| Decrease in Unrestricted Net Assets | <u>(\$ 255,963)</u> | <u>(\$ 285,453)</u> |

See accompanying notes to financial statements.

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

STATEMENTS OF CHANGES IN NET ASSETS

For the Years Ended June 30, 2017 and 2016

| | <u>2017</u> | <u>2016</u> |
|---|--------------------|--------------------|
| Unrestricted Net Assets: | | |
| Deficiency of Revenue Over Expenses | (\$ 316,042) | (\$ 285,453) |
| Grant for Capital Acquisition | <u>60,079</u> | <u>-</u> |
| Decrease in Unrestricted Net Assets | (<u>255,963</u>) | (<u>285,453</u>) |
| Temporarily Restricted Net Assets: | | |
| Contributions | 4,958 | 1,300 |
| Net Assets Released From Restrictions Used For Operations | (<u>2,224</u>) | (<u>12,459</u>) |
| Increase (Decrease) in Temporarily Restricted Net Assets | <u>2,734</u> | (<u>11,159</u>) |
| Change in Net Assets | (253,229) | (296,612) |
| Net Assets, Beginning of Year | <u>1,462,486</u> | <u>1,759,098</u> |
| Net Assets, End of Year | <u>\$1,209,257</u> | <u>\$1,462,486</u> |

See accompanying notes to financial statements.

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2017 and 2016

| | <u>2017</u> | <u>2016</u> |
|---|--------------------|-------------------|
| Cash Flows From Operating Activities: | | |
| Cash Received From Patients and Third-Party Payors | \$1,781,951 | \$1,944,431 |
| Cash Received From Contributions, Bequests, Memorials and Fund Raising | 70,162 | 433,840 |
| Cash Received From Grants | 762,269 | 805,192 |
| Cash Received From Other Revenue | 764 | 2,717 |
| Cash Received From Interest Income | 813 | 537 |
| Cash Paid to Employees and Suppliers | (2,818,653) | (3,170,627) |
| Cash Paid for Interest | (5,020) | - |
| Net Cash Provided (Used) by Operating Activities | <u>(207,714)</u> | <u>16,090</u> |
| Cash Flows From Investing Activities: | | |
| Purchase of Property and Equipment | (64,950) | (4,220) |
| Proceeds Received From Sale of Property and Equipment | - | 2,006 |
| Proceeds Received From Sale of Investments | - | 149,642 |
| Grant for Capital Acquisition | 60,079 | - |
| Net Cash Provided (Used) From Investing Activities | <u>(4,871)</u> | <u>147,428</u> |
| Cash Flows From Financing Activities: | | |
| Payments on Long-Term Debt | (10,607) | - |
| Net Increase (Decrease) in Cash and Cash Equivalents | (223,192) | 163,518 |
| Cash and Cash Equivalents at Beginning of Year | <u>402,077</u> | <u>238,559</u> |
| Cash and Cash Equivalents at End of Year | <u>\$ 178,885</u> | <u>\$ 402,077</u> |

See accompanying notes to financial statements.

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

STATEMENTS OF CASH FLOWS – CONT'D.

For the Years Ended June 30, 2017 and 2016

RECONCILIATION OF CHANGE IN NET ASSETS
TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

| | <u>2017</u> | <u>2016</u> |
|---|---------------------|------------------|
| Change in Net Assets | (\$253,229) | (\$296,612) |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities: | | |
| Debt Reduction – Sewer Hook-up Fees | (810) | (11,048) |
| Depreciation | 34,207 | 37,957 |
| Gain on Sale of Assets | - | (2,006) |
| Grant for Capital Acquisition | (60,079) | - |
| Net Appreciation on Investments | (2,303) | (3,435) |
| (Increase) Decrease in Accounts Receivable | 106,895 | (58,169) |
| Decrease in Bequest Receivable | - | 287,500 |
| (Increase) Decrease in Other Receivable | (7,877) | 26,652 |
| (Increase) Decrease in Grants Receivable | (35,525) | 11,417 |
| (Increase) Decrease in Prepaid Expenses | (16,573) | 13,234 |
| Increase in Accounts Payable and Accrued Expenses | 44,600 | 1,083 |
| Increase (Decrease) in Accrued Payroll and Related Withholdings | (17,020) | <u>9,517</u> |
| Net Cash Provided (Used) by Operating Activities | <u>(\$207,714)</u> | <u>\$ 16,090</u> |

See accompanying notes to financial statements.

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2017 and 2016

Note 1 – Description of Organization

Organization

The Homemakers Health Services, Inc. (the Organization) was incorporated in 1974 in New Hampshire as a not-for-profit corporation. The Organization provides health and supportive services to individuals at their homes, primarily in Strafford County, New Hampshire and operates an adult medical day care center in Rochester, New Hampshire.

The Organization's mission is to provide comprehensive health care and supportive services to enhance the lives of individuals in need, so they may remain safely in their homes.

Note 2 – Significant Accounting Policies

The Organization prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for Health Care Entities. The significant accounting and reporting policies used by the Organization are described subsequently to enhance the usefulness and understandability of the financial statements.

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents include checking, savings and money market savings accounts, a money market mutual fund, and certificates of deposit.

Investments and Investment Policy

Investments in equity securities and in debt securities are measured at fair value in the balance sheet, in accordance with FASB Codification 820-10, Fair Value Measurements and Disclosures. Investments are classified as non-trading. Investment income (including realized gains and losses on investments, interest and dividends) is included in "excess (deficiency) of revenue over expenses", unless the income is restricted by donor or law. Unrealized gains and losses on investments are excluded from "excess (deficiency) of revenue over expenses".

The Organization has adopted investment policies for its long-term investment portfolio. The investment policy is established by the Finance Committee of the Board of Directors and is monitored and reviewed on an ongoing basis.

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

NOTES TO FINANCIAL STATEMENTS – CONT'D.

For the Years Ended June 30, 2017 and 2016

Note 2 – Significant Accounting Policies – Cont'd.

Assets Limited as to Use - Endowments

Board-designated Investments (Endowments) – represent resources set aside by the Board of Directors over which the Board of Directors retains control and may, at its discretion, subsequently use for other purposes. Currently, the Organization has no board-designated investments.

Donor-restricted Term Investment (Endowments) – represents resources restricted by donors for use as specified by the donor or by the passage of time. Currently, the Organization has no donor-restricted term investments.

Donor-restricted Permanent Investment (Endowments) – represents resources restricted by donors with the stipulation that the contribution must remain intact in perpetuity. Currently, the Organization has no donor-restricted permanent investments.

FASB ASC 958-205, Not-for-Profit Entities – Presentation of Financial Statements, provides guidance on net asset classification of donor-restricted funds for not-for-profit organizations that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and also requires additional disclosures about an organization's endowment funds (both donor restricted endowment funds and board-designated endowment funds), whether or not the organization is subject to UPMIFA. The State of New Hampshire has adopted UPMIFA, which established law for the management and investment of donor-restricted funds.

The Board of Directors and Management have determined that the Organization's investment portfolios meet the definition of endowment under FASB ASC 985-205. However, the Board of Directors and Management have determined that the Organization's net assets do not meet the definition of endowment under UPMIFA.

Accounts Receivable, Allowance for Uncollectibles and Provision for Bad Debts

The Organization's accounts receivable collection process includes reviewing aging reports, contacting payors to determine why payment has not been made, resubmitting claims when appropriate, and filing appeals with payors for claims that have been denied. The Organization records an estimated allowance for uncollectible accounts by applying estimated bad debt percentages to its patient accounts receivable aging. The percentages to be applied are based on the Organization's historical collection and loss experience.

The Organization's allowance for doubtful accounts at June 30, 2017 and 2016 was approximately \$308,572 and \$211,517, respectively, and is recorded as a reduction against "Accounts Receivable". The Organization's provision for bad debts at June 30, 2017 and 2016 was approximately \$181,137 and \$154,130, respectively, and is recorded as a reduction against "Net Patient Service Revenue". The allowance for doubtful accounts is maintained at a level that management believes is sufficient to cover potential losses. However, actual collections could differ from estimates.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method. Estimated useful lives range from three to thirty years.

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

NOTES TO FINANCIAL STATEMENTS – CONT'D.

For the Years Ended June 30, 2017 and 2016

Note 2 – Significant Accounting Policies – Cont'd.

Net Asset Classifications

In accordance with the provisions of FASB ASC 958-205, Not-for-Profit Entities – Presentation of Financial Statements, the Organization is required to report net assets and changes in net assets in three classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

- 1) Unrestricted Net Assets – represents unrestricted resources available for support of the Organization, including assets set aside by the Board of Directors, over which the Board of Directors retains control and may, at its discretion, subsequently use for other purposes.
- 2) Temporarily Restricted Net Assets – represents resources that are restricted by a donor for use for a particular purpose or in a particular future period, and income derived from permanently restricted net assets not yet expended in accordance with the donor's restriction. When the donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from temporarily restricted to unrestricted net assets.
- 3) Permanently Restricted Net Assets – represents resources received with the donor's stipulation that the contribution must remain intact in perpetuity. However, the income derived from permanently restricted net assets must be used in accordance with the donor's restriction. Currently the Organization has no permanently restricted net assets.

Net Patient Service Revenue

The Organization has reimbursement agreements with third-party payors, including Medicare and Medicaid, that provide for payments to the Organization at amounts different from its established rates. Standard charges for services to all patients are recorded as revenue when services are rendered. Patients unable to pay full charge, who do not have other third-party resources, are charged a reduced amount based on the Organization's published sliding fee scale. Reductions in full charge are recognized when the service is rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties and exclusion from the Medicare and Medicaid programs. The Organization believes that it is in substantial compliance with all applicable laws and regulations. However, 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 operating revenue in the year that such amounts become known.

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

NOTES TO FINANCIAL STATEMENTS – CONT'D.

For the Years Ended June 30, 2017 and 2016

Note 2 – Significant Accounting Policies – Cont'd.

Charity Care

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

Recognition of Grant Revenue

The Organization recognizes grant revenue to the extent that eligible grant costs are incurred. Grants receivable are recognized to the extent costs have been incurred, but not reimbursed. Deferred revenue represents grant advances which exceed eligible costs incurred.

Grants require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of funds to grantors. As of the date of the financial statements, the Organization has not been informed by any funding organization of any funds, which are required to be returned.

Accounting for Contributions

Unconditional promises to give cash and other assets to the Organization are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. Unrestricted contributions are reported as increases in unrestricted net assets. Restricted contributions are reported as either temporarily or permanently restricted revenue if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

Income Taxes

The Organization is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and, accordingly, there is no provision for income taxes. Income determined to be unrelated business taxable income would be taxable. During the years ended June 30, 2017 and 2016, the Organization had no unrelated business income. The Organization is no longer subject to federal, state or local tax examinations by tax authorities for years before, and including, fiscal year ended June 30, 2013.

The Organization, in accordance with the provisions of FASB ASC 740, Accounting for Uncertainty in Income Taxes, evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures, review of any required tax filings and discussions with outside experts.

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

NOTES TO FINANCIAL STATEMENTS – CONT'D.

For the Years Ended June 30, 2017 and 2016

Note 2 – Significant Accounting Policies – Cont'd.

Excess (Deficiency) of Revenue Over Expenses

The statement of operations includes excess (deficiency) of revenue over expenses. Changes in unrestricted net assets, which are excluded from excess (deficiency) of revenue over expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, permanent transfers of assets to and from affiliates for other than goods and services, and contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purposes of acquiring such assets).

Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure through October 17, 2017, which is the date the financial statements were available to be issued.

Note 3 – Fair Value Measurements

In accordance with FASB ASC 820-10, Fair Value Measurements and Disclosures, the Organization is required to measure fair value of its assets and liabilities. Fair value measurements are based on the prices that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard established a fair value hierarchy that prioritizes observable and unobservable inputs to measure fair value into three levels, as follows:

- Level 1: Valuations based on quoted prices in active markets for identical asset or liabilities to which an entity has access at the measurement date. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Valuations based on inputs and information other than quoted market indices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Valuations based on unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The Organization's carrying amounts for all assets and liabilities, which are required to be measured at fair value, with the exception of investments, approximate fair value under Level 1. Investments approximate fair value based on Level 1 and are presented in Note 4.

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

NOTES TO FINANCIAL STATEMENTS – CONT'D.

For the Years Ended June 30, 2017 and 2016

Note 4 – Investments

The composition of unrestricted investments as of June 30, 2017 and 2016 is set forth in the following table. Investments are stated at fair value:

| | <u>Fair Value</u> | <u>Fair Value Measurements Using:</u> Quoted Prices In Active Market For Identical Assets (Level 1) |
|--------------------------|-------------------|--|
| <u>June 30, 2017</u> | | |
| Common Stocks: | | |
| Financial | \$ 549 | \$ 549 |
| Consumer Goods | <u>19,311</u> | <u>19,311</u> |
| | <u>\$19,860</u> | <u>\$19,860</u> |
| <u>June 30, 2016</u> | | |
| Common Stocks: | | |
| Financial | \$ 398 | \$ 398 |
| Consumer Goods | <u>17,159</u> | <u>17,159</u> |
| | <u>\$17,557</u> | <u>\$17,557</u> |

Note 5 – Property and Equipment

A summary of property and equipment at June 30, 2017 and 2016 is as follows:

| | <u>2017</u> | <u>2016</u> |
|--------------------------------|--------------------|--------------------|
| Land | \$ 834,355 | \$ 834,355 |
| Building and Improvements | 508,263 | 508,263 |
| Office Furniture and Equipment | 244,437 | 244,437 |
| Vehicles | <u>230,377</u> | <u>165,427</u> |
| Total Cost | 1,817,432 | 1,752,482 |
| Less, Accumulated Depreciation | (747,804) | (713,597) |
| Net Property and Equipment | <u>\$1,069,628</u> | <u>\$1,038,885</u> |

Depreciation expense for the years ended June 30, 2017 and 2016 amounted to \$34,207 and \$37,957, respectively.

Note 6 – Temporarily Restricted Net Assets

Temporarily restricted net assets at June 30, 2017 and 2016 are restricted to:

| | <u>2017</u> | <u>2016</u> |
|--------------------|-----------------|-----------------|
| Day Out | \$21,804 | \$24,000 |
| Employee Memorial | 4,958 | - |
| Home Care Services | <u>5,776</u> | <u>5,804</u> |
| Total | <u>\$32,538</u> | <u>\$29,804</u> |

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

NOTES TO FINANCIAL STATEMENTS – CONT'D.

For the Years Ended June 30, 2017 and 2016

Note 7 – Long-Term Debt

The Organization and the City of Rochester, New Hampshire obtained grants and other funding commitments to fund the costs associated with the design and construction of an extension of the City of Rochester, New Hampshire's public sewer mains to service the Organization's property in Rochester, New Hampshire. The costs associated with the extension of the sewer main was \$523,298, which was funded by grants of \$181,925 and a promissory note, payable to the City of Rochester, New Hampshire of \$341,373. The promissory note bears interest at 3.352% per annum. In addition, the City of Rochester, New Hampshire has been approved for a loan funding grant in the amount of \$145,798, which consists of loan principal funding of \$105,018 and loan interest funding of \$40,780. The Organization recorded a net principal promissory note payable of \$236,355 with an issue date of July 1, 2007.

Long-term debt consists of the following at June 30, 2017 and 2016:

| | <u>2017</u> | <u>2016</u> |
|--|------------------|------------------|
| Note payable to the City of Rochester, New Hampshire, payable in annual payments of \$16,408, including interest at 3.352% and net of \$7,290 of principal and interest loan funding grant, through June 30, 2026. The note is secured by real estate. The \$16,408 payment due June 2017 was reduced by \$810, and the June 2016 payment was not required to be paid, as the Organization was credited, as per agreement, for sewer hook-up fees that the City of Rochester received. The sewer hook-up fees are included in "Other Revenue". | \$137,484 | \$148,901 |
| Less, Current Installments | <u>11,800</u> | <u>11,417</u> |
| | <u>\$125,684</u> | <u>\$137,484</u> |

Note 8 – Net Patient Service Revenue

Approximately seventy-five percent in 2017 and 2016 of net patient service revenue was derived under federal (Medicare) and state (Medicaid and Medicaid Waiver) third-party reimbursement programs. These revenues are subject to audit and retroactive adjustment by the respective third-party fiscal intermediaries. In the opinion of management, retroactive adjustments, if any, would not be material to the financial position or results of operations of the Organization.

The Organization also has entered into payment agreements with certain commercial insurance carriers and health maintenance organizations. The basis for payment to the Organization under these agreements are negotiated rates usually less than its established charges.

Net patient service revenue is as follows for the years ended June 30, 2017 and 2016:

| | <u>2017</u> | <u>2016</u> |
|----------------------------------|--------------------|--------------------|
| Federal Programs | \$ 789,545 | \$ 886,542 |
| State Programs | 599,135 | 729,287 |
| Other Third Parties and Self-Pay | <u>467,513</u> | <u>540,901</u> |
| | <u>\$1,856,193</u> | <u>\$2,156,730</u> |

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

NOTES TO FINANCIAL STATEMENTS – CONT'D.

For the Years Ended June 30, 2017 and 2016

Note 9 – Grants

The Organization's policy is to record the entire amount of grant awards as receivable when notified of approval. Revenue is recognized based on actual expenses incurred with any unexpended portion recorded as deferred revenue. The status of the grants at June 30, 2017 and 2016 is as follows:

| <u>Grantor</u> | <u>Grant Title</u> | <u>Grant Amount</u> | <u>Grant Period</u> |
|---|--------------------|---------------------|---------------------------------|
| State of New Hampshire Department of Health and Human Services: | | | |
| Bureau of Elderly & Adult Services | Day Out | \$ 61,625 | July 1, 2016 – June 30, 2017 |
| Bureau of Elderly & Adult Services | Day Out | \$ 61,625 | July 1, 2015 – June 30, 2016 |
| Bureau Elderly & Adult Services | In-Home | \$826,192 | July 1, 2016 – June 30, 2017 |
| Bureau Elderly & Adult Services | In-Home | \$826,186 | July 1, 2015 – June 30, 2016 |
| Bureau of Elderly & Adult Services | Nursing Services | \$ 1,826 | July 1, 2016 – June 30, 2017 |
| Bureau of Elderly & Adult Services | Nursing Services | \$ 1,837 | July 1, 2015 – June 30, 2016 |
| Bureau of Elderly & Adult Services | Home Health Aides | \$ 11,632 | July 1, 2016 – June 30, 2017 |
| Bureau of Elderly & Adult Services | Home Health Aides | \$ 12,013 | July 1, 2015 – June 30, 2016 |
| Total State of New Hampshire | | | |
| U.S. Department of Agriculture | Day-Out Meals | \$ 28,881 | July 1, 2016 – June 30, 2017 |
| U.S. Department of Agriculture | Day-Out Meals | \$ 29,269 | July 1, 2015 – June 30, 2016 |
| Total U.S. Department of Agriculture | | | |
| Total | | | |

| <u>Grant Receivable</u> | | <u>Grant Revenue</u> | |
|-------------------------|------------------|----------------------|------------------|
| <u>2017</u> | <u>2016</u> | <u>2017</u> | <u>2016</u> |
| \$ 8,707 | \$ - | \$ 51,337 | \$ - |
| - | 2,066 | - | 34,111 |
| 88,424 | - | \$712,005 | - |
| - | 59,640 | - | 720,630 |
| 49 | - | 833 | - |
| - | 172 | - | 1,127 |
| 375 | - | 4,738 | - |
| <u>-</u> | <u>525</u> | <u>-</u> | <u>8,638</u> |
| <u>97,555</u> | <u>62,403</u> | <u>768,913</u> | <u>764,506</u> |
| 2,695 | - | 28,881 | - |
| <u>-</u> | <u>2,322</u> | <u>-</u> | <u>29,269</u> |
| <u>2,695</u> | <u>2,322</u> | <u>28,881</u> | <u>29,269</u> |
| <u>\$100,250</u> | <u>\$ 64,725</u> | <u>\$797,794</u> | <u>\$793,775</u> |

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

NOTES TO FINANCIAL STATEMENTS – CONT'D.

For the Years Ended June 30, 2017 and 2016

Note 10 – Functional Expenses

The Organization provides health and supportive services to residents within its geographic location, and also operates an adult medical day care center. Expenses related to providing these services are as follows:

| | <u>2017</u> | <u>2016</u> |
|----------------------------|--------------------|--------------------|
| Administrative and General | \$ 893,714 | \$1,113,578 |
| Skilled Services | 946,271 | 975,163 |
| Home Support | 644,175 | 733,873 |
| Adult Day Care | 365,673 | 393,563 |
| Fund Raising | 16,135 | 49,555 |
| Total | <u>\$2,865,968</u> | <u>\$3,265,732</u> |

Note 11 – Concentration of Risk

Amounts held in financial institutions are in excess of the Federal Deposit Insurance Corporation and Securities Investor Protection Corporation limits. The Organization deposits its funds with high quality financial institutions, and management believes the Organization is not exposed to significant credit risk on those amounts.

The Organization grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors is as follows:

| | <u>2017</u> | <u>2016</u> |
|---------------------|-------------|-------------|
| Federal Programs | 17% | 26% |
| State Programs | 39 | 32 |
| Other Third Parties | 33 | 31 |
| Patients | 11 | 11 |
| | <u>100%</u> | <u>100%</u> |

A significant portion of the Organization's net patient service revenue comes from federal and state reimbursement programs. (See Note 8)

A significant portion of the Organization's grant revenue comes from state grant awards. (See Note 9)

Note 12 – Related-Party Transactions

One member of the Board of Directors is employed by Frisbie Memorial Hospital. Frisbie Memorial Hospital refers patients, who are in need of home care services, to the Organization in the ordinary course of business. The patients' services are paid by a third-party payer. No compensation is paid to or received from the board member.

THE HOMEMAKERS HEALTH SERVICES, INC.
Rochester, New Hampshire

NOTES TO FINANCIAL STATEMENTS – CONT'D.

For the Years Ended June 30, 2017 and 2016

Note 13 – Risks and Uncertainties

Because a high percentage of the Organization's revenue is derived from Federal and State reimbursement programs and grant awards, reductions in rates, rate increases that do not cover cost increases and/or significant changes to the payment methodologies could have a material adverse effect on the Organization's financial condition, including results of operations and cash flows, and may require the Organization to revise ways in which business is conducted.

The Organization invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported.

The Homemakers Health Services, Inc.
Board of Directors
FY 17/18

Officers

President: Ronald Indorf, Esq.
Vice President: Susan Reid, MD.
Treasurer: William Hartley, Esq.
Secretary: Robert May

Board of Directors – Terms

Three Year Term

William Hartley, Esq.

Ronald Indorf, Esq.

Two Year Term

Susan Reid, M.D.

Robert May, Jr.

Gabriella Roussos

Jean M. Lanciano

Objective

To succeed in an environment of growth and excellence, earn a job which provides me job satisfaction and self- development, and help me achieve personal as well as organizational goals.

Professional Accomplishments

Interim Executive Director

- Responsible for strategic planning of short term and long term agency goals
- Supervision of resource development and financial needs
- Supervision and oversight of all staff
- Accuracy and integrity of the organizations financial information, reporting and disclosure requirements, internal controls and management information systems

Operations Director

- Responsible for day to day human resource management
- Responsible for day to day maintenance management.
- Responsible for IT oversight
- Supervision of Medical Day Out Program
- Supervision and oversight of administrative staff

Quality Assurance Coordinator

- Responsible for billing quality for non-profit home health agency
- Responsible for ensuring compliance with regulations set by federal and state governments
- Develop policy and procedures to ensure quality care and accuracy of billing
- Track and reconcile all State Funded grants for the Agency
- Supervision of Medical Records Staff

Information Technology

- Coordinate installation, maintenance and repairs of the Agency's network system
 - Plan, coordinate, and implement security measures to safeguard network and information in server files
 - Provide support and training to clinicians and other users concerning their access to the network, various software programs, and other equipment
 - Work with outside vendors to research, identify, and evaluate technical equipment needs and make recommendations to the CEO
-

Jean M. Lanciano

Electronic Protected Health Information Security Officer

- Ensure that privacy information is protected by performing audits, and ongoing evaluation of equipment and Agency network
- Provide ongoing education to staff regarding HIPAA regulations
- Develop and maintain access profiles for software access, network access, and telecommunications systems

Customer Service

- Provide excellent customer service in my full time job at The Homemakers as well as my part time job at Walmart
- Communicate and collaborate with other team members to ensure excellent customer service
- Mentor and train new cashiers

Transferable Skills

- Honest, dependable, reliable, fast learner, hard worker, trustworthy, innovative, multi tasker, team player, common sense
- Can work independently to meet deadlines or can work easily as part of a team
- Able to multi task and handle multiple demands in a fast paced work environment
- Able to reason with, calm down, and satisfy difficult customers
- Proficient with Office 2010, Electronic Medical Records Software, and various other home health related software

Employment History

| | | |
|--------------------|--|--|
| 12/29/1992-present | Current Position: Interim Director/Operations Director and EPHI Security Officer | The Homemakers Health Services, Rochester, NH |
| 11/06/2008-present | Cashier | Walmart, Rochester, NH |

Education

| | | |
|-----------|--|---|
| 1982-1983 | Post-Grad Business Management Studies | MacIntosh College, Dover, NH |
| June 1981 | High School Diploma | Farmington High School, Farmington, NH |

Barbara A. Laganieri R.N. BSN

OBJECTIVE

To make a positive impact in the nursing community.

EDUCATION

2011 - Associates of Science in Nursing; Great Bay Community College. Portsmouth, NH

2015 - Bachelors of Science in Nursing; Saint Joseph's College of Maine. Standish, Maine

2015- Present: Enrolled in MSN program; Saint Joseph's College of Maine. Standish, Maine

LICENSURE AND CERTIFICATIONS

- Registered Nurse NH # 064646-21
- CPR Certified for Basic Life Support exp 5/2019
- Nurse Leadership and Behavioral Health Nurse Trained /Mental Health First Responder Certified
- NHANA, ANA, New Hampshire Homecare Association Member
- Sigma Theta Tau Member

WORK EXPERIENCE

(2017-Present) Nursing Adjunct Clinical Instructor: Great Bay Community College, Portsmouth, New Hampshire

- Instruction of community based psychiatric to nursing III students. Evaluation of clinical skills, documentation and education of psychiatric student nurses.

(2015-Present) Clinical Director: The Homemakers Health Services, Rochester, New Hampshire

- Responsible in the planning; coordination, leading, controlling and evaluation of home care services. Responsible for coordination and liaison community affiliates. Supervises professional and paraprofessional personnel rendering client care services, while fostering public relations for the agency by consulting and planning with health care facilities regarding staffing needs and communicates the concept of quality client care to the community.

(2013 – Present) Case Manager and Quality Assurance Nurse: The Homemakers Health Services. Rochester, New Hampshire

- **Case Manager:**
 - Assess health care needs, collaborate with medical professionals and coordinate referral services to design effective treatment plans.
 - Performing case management to clients assigned to my care; including those who have geriatric, rehabilitative or psychological needs.
 - Clinical Skills: including wound care, mental health, cardiac, diabetic management
 - Psychiatric Nurse; lead program development and implementation.
- **Quality and Assurance Nurse:**
 - Responsible for educating clinical staff in better work practices.
 - Reviewed, designed, and assisted in the implementation of changes in processes and procedures to maximize profits, decrease denial of payments.

(2011-2013) Charge Nurse: Rochester Manor. Rochester, New Hampshire

Oversaw all staff on the rehab wing to insure the personnel on the unit provided appropriate care to the residents. Directed admissions, discharges, and flow of patients. Trained staff in the appropriate use of the Minimal Data Set system to insure patient care plans and regulatory standards were met. Created policies and procedures to prevent falls, decrease pressure ulcers and increase accountability with LNA's.

(2011-2012) Staff Nurse: Strafford County Department of Corrections. Rochester, New Hampshire
Administered medications, treated patients for medical needs, and triaged patients for referral to other healthcare providers.

(2010-2011) Substitute Teacher & Aid: Rochester School Department. Rochester, New Hampshire
Assisted in providing in-class tutoring.

(2000-2010) Department Manager/Optician: Wal-Mart. Newington, New Hampshire
Supervised, trained, and recruited employees. Identified and implemented cost effective programs.

Barbara A. Laganieri R.N.

REFERENCES

- Jean Lanciano-OD-The Homemakers Health Services [REDACTED]
- Jennifer Bickford-CFO-The Homemakers Health Services [REDACTED]
- Darlene Proulx-RN- The Homemakers Health Services [REDACTED]
- Lisa Wunderlich-RN-Wakefield School Department [REDACTED]

Additional references available upon request

Jennifer D. Bickford

Objective: To use my education and background, to ultimately, better serve the clients of the Home Healthcare Agency, while keeping up the high standards of Federal Contracts, and Generally Accepted Accounting Principles.

Computer Software: Excel, Word, Outlook, QuickBooks, ADP Payroll, Multiple Accounting programs, Time Clock programs, Crystal Reports, and DocStar.

Work Experience:

The Homemakers Health Services., Dec 2016 – Present Finance Director

A Nonprofit home health care agency, I manage all aspect of the Finance Department from budgeting, cash flow management, medical billing and receivables, payables, payroll, general ledger, financial reports monthly reported to the Board of Directors, month end and year end reconciliations, fixed assets and depreciation schedules, fully involved in all aspects of Federal, State, Workman's Compensation, and Independent audits. Some Grant writing.

York County Community Action Corp., Dec. 2007 – Dec 2016 Payroll Accountant

A Nonprofit Organization, I am in charge of all aspects of Payroll with ADP. Billing/Accountant for multiple contracts for our Fuel Assistance, Housing, and Weatherization Departments, including accurate and timely billing/reporting. Assist Program directors with budgets, and analysis of forecasts. Manage all of the fixed assets, depreciation schedules, and reconciliations. Month end and Year end reconciliations, and reporting. Fully involved in all aspects of Federal, State, Workman's Compensation, and 403 (b) audits.

Genest Concrete Works, Inc., June 2003 – December 2007 Accounts Payable/Payroll/HR

Duties included all aspects of Accounts Payable for four separate companies. ADP Payroll System, all new-hire paperwork, manage the Health and Disability Insurance policies, as well as the entire Workman's compensation paperwork. Keeping up a fleet of trucks i.e.; IRP registrations, Overweight permits, Quarterly IRS reporting, Insurance, Drivers Logs. Month end duties include; accruals, account reconciliations, for all four companies. Year end duties include account reconciliations, and 1099's.

Millrock, Inc. January 1998 – March 2003 Assistant Controller/Accounts Payable

Duties included all aspects of Accounts Payable, Accounts Receivable, and General Ledger. Job cost reports, WIP Reports, Bank Statement reconciliation. Month end duties which included all balance sheet accounts reconciled, accruals, job costing, sales & use tax return, and more. Prepared year end tax preparation for the tax accountants. Weekly Payroll reports, Cash Flow preparation. Complete backup to the Controller, it was my responsibility to train the new Controller that Millrock hired in 2002. Also crossed trained in the following departments; Receiving, Customer Service, and Purchasing. I was also on the committee to change over the computer system to be 2000 compliant.

AA Contractors Inc. March 1996 – December 1997 Office Manager

Duties included Accounts Payable, Accounts Receivable, General Ledger, and Payroll. Job Cost reports, Bank Statement reconciliation. Month end and year end reporting.

Christo's Place June 1990 – June 1997 Waitress

Education:

Wipfli Training (Federal Non-profit Best Practice spending)

October 2016 (Two Days), Every two years for the past 6 years.

New England College, Dover, NH
Bachelor's Degree in Accounting

October 1996 – May 1998

McIntosh College, Dover NH
Associates Degree in Accounting, and Minor in Taxation

September 1994 – May 1996

Sanford High School, Sanford ME

Graduation, June 1994

References Available Upon Request

The Homemakers Health Services

Key Personnel

| Name | Job Title | Salary | % Paid from this Contract | Amount Paid from this Contract |
|-------------------|----------------------------|----------|---------------------------|--------------------------------|
| Jean Lanciano | Interim Executive Director | \$60,000 | 1.7% | \$1026.00 |
| Jennifer Bickford | Finance Director | \$75,000 | 1.7% | \$1283.00 |
| Barbara Laganiere | Clinical Director | \$75,000 | 1.7% | \$1283.00 |
| | | | | |
| | | | | |



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

BUREAU OF ELDERLY & ADULT SERVICES

Jeffrey A. Meyers
 Commissioner

Maureen U. Ryan
 Director of Human
 Services

129 PLEASANT STREET, CONCORD, NH 03301-3857
 603-271-9203 1-800-351-1888
 Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

14 mac

October 3, 2016

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, Bureau of Elderly and Adult Services, to enter into **retroactive** agreements with the vendors listed below, for the provision of Adult Day Services to adults ages sixty (60) or older, and adults ages 18 and older with chronic illnesses and/or disabilities in an amount not to exceed \$386,454 effective October 1, 2016 upon Governor and Executive Council approval through September 30, 2018. 40% Federal Funds and 60% General Funds.

Funds to support these requests are available in the following accounts in State Fiscal Year 2017 and are anticipated to be available in State Fiscal Years 2018 and 2019 upon availability and continued appropriation of funds in future operating budgets, with the authority to adjust encumbrances between state fiscal years through the Budget Office without Governor and Executive Council approval, if needed and justified.

| Vendor | Vendor # | Vendor Location | Amount |
|--|----------|-----------------|------------------|
| Area Agency of Greater Nashua, Inc. DBA Gateways Community Services | 155784 | Nashua, NH | \$263,204 |
| The Homemaker Health Services | 154849 | Rochester, NH | \$123,250 |
| | | TOTAL: | \$386,454 |

FISCAL DETAILS ATTACHED

EXPLANATION

These requests are **retroactive** due to the need for the Department to prioritize the completion of contracts for substance use disorder services that were time sensitive. The issuance of the RFA for the Adult Day Services was delayed until shortly after the start of State Fiscal Year 2017. In addition, in an attempt to receive more proposals for this service, the closing date for the procurement was extended to allow more time for vendors to submit proposals.

The purpose of these agreements is for the licensed organizations to provide Adult Day Program Services in accordance with the Older American Act, Title III Services and Title XX Social Services Block Grant Programs, to eligible individuals, age sixty (60) and older, and to adults ages eighteen (18) and older with chronic illnesses and/or disabilities. Eligible adults are those who reside in independent living settings and are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, who are eligible for other NH Medicaid services; or individuals who are receiving the same or similar services through the Veterans' Administration.

The selected vendors will provide Adult Day Services to assist eligible adults ages eighteen to fifty-nine (18-59) with a physical disability(ies) and/or chronic illness and to adults ages sixty (60) and older, to live as independently as possible, safely and with dignity. Services shall be provided for less than twelve (12) hours per day, and include supervision; assistance with activities of daily living; nursing care; rehabilitation; nutrition and recreational, social, cognitive or physical stimulation. Services also include monitoring of the individual's condition; counseling, as appropriate, on nutrition, hygiene or other related matters; referrals, as appropriate, to other services and resources that could assist the individual including any necessary follow up; as well as assistance and support to caregiving families.

A Request for Application was posted on the Department's website on July 6, 2016; four (4) applications were received. A team of individuals with extensive program knowledge reviewed the applications. These agreements are with two (2) of four (4) vendors selected. The remaining agreements will be presented at a future Governor and Executive Council Meeting. The Department may receive additional applications as the Request for Applications remains open until program service needs are met. Score sheet attached.

The agreements contains language allowing the Department the right to renew the contracts for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and approval by Governor and Executive Council.

Should the Governor and Executive Council not approve these requests, Adult Day Services to eligible adults, age sixty (60) and older may be eliminated which may jeopardize individuals' ability to remain in their homes and communities. It may also result in increased numbers of individuals needing more costly long-term care services in traditional nursing homes or other community based care programs.

Area to be Served: Greater Nashua Area; Strafford, Rockingham and Carroll Counties

Source of Funds:

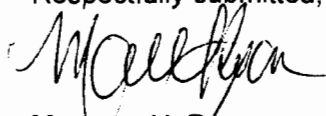
40% Federal Funds from the United States Department of Health and Human Services, Administration for Community Living, Title III Older Americans Act, Catalog of Federal Domestic Assistance (CFDA) #93.044, Federal Award Identification #17AANHT3SS and Title XX Social Services Block Grant, Catalog of Federal Domestic Assistance (CFDA) #93.667 Social Services Block Grant, Federal Award Identification #1701NHSOSR.

60% General Funds

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
Page 3 of 3

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

Respectfully submitted,



Maureen U. Ryan
Director of Human Services

Approved by:



Jeffrey A. Meyers
Commissioner

**NH DHHS ADULT DAY SERVICES CONTRACTS
FISCAL DETAIL**

Area Agency of Greater Nashua, Inc. / DBA Gateways Community Services

05-95-48-481010-78720000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADMINISTRATION FOR COMMUNITY LIVING, GRANTS (40% Federal Funds; 60% General Funds)

| Fiscal Year | Class | Activity Code | Class Title | Amount |
|--------------------|--------------|----------------------|--------------------------------|---------------------|
| 2017 | 540 | 500382 | Contracts for Program Services | \$43,500.00 |
| 2018 | 540 | 500382 | Contracts for Program Services | \$58,000.00 |
| 2019 | 540 | 500382 | Contracts for Program Services | \$14,500.00 |
| | | | <i>Subtotal:</i> | \$116,000.00 |

05-95-48-481010-92550000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, SOCIAL SERVICE BLOCK GRANT (40% Federal Funds; 60% General Funds)

| Fiscal Year | Class | Activity Code | Class Title | Budget |
|--------------------|--------------|----------------------|--------------------------------|---------------------|
| SFY 2017 | 566 | 500918 | Contracts for Program Services | \$55,201.50 |
| SFY 2018 | 566 | 500918 | Contracts for Program Services | \$73,602.00 |
| SFY 2019 | 566 | 500918 | Contracts for Program Services | \$18,400.50 |
| | | | <i>Subtotal:</i> | \$147,204.00 |
| | | | Total: | \$263,204.00 |

The Homemaker Health Services

05-95-48-481010-92550000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, SOCIAL SERVICE BLOCK GRANT (40% Federal Funds; 60% General Funds)

| Fiscal Year | Class | Activity Code | Class Title | Budget |
|--------------------|--------------|----------------------|--------------------------------|---------------------|
| SFY 2017 | 566 | 500918 | Contracts for Program Services | \$46,218.75 |
| SFY 2018 | 566 | 500918 | Contracts for Program Services | \$61,625.00 |
| SFY 2019 | 566 | 500918 | Contracts for Program Services | \$15,406.25 |
| | | | <i>Subtotal:</i> | \$123,250.00 |
| | | | Grand Total: | \$386,454.00 |



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

Adult Day Program Services

RFA Name

RFA-2017-BEAS-03-ADULT

RFA Number

Bidder Name

1. **Easter Seals, New Hampshire, Inc.**

2. **The Homemakers Health Services**

3. **Gateways Community Services**

4. **VNA at HCS**

5. **0**

6. **0**

7. **0**

| Pass/Fail | Maximum Points | Actual Points |
|-----------|----------------|---------------|
| | 150 | 147 |
| | 150 | 143 |
| | 150 | 149 |
| | 150 | 120 |
| | 150 | 0 |
| | 150 | 0 |
| | 150 | 0 |

Reviewer Names

1. Margaret Morrill, Program Specialist III

2. Jean Crouch, Supervisor VII

3. Tracey Tarr, Administrator II

4.

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9.

Subject: Adult Day Program Services (RFA-2017-BEAS-03-ADULT)


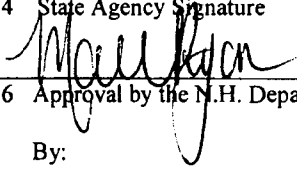
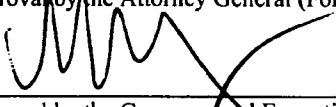
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

| | | | |
|---|---|--|--|
| 1.1 State Agency Name Department of Health and Human Services Bureau of Elderly and Adult Services | | 1.2 State Agency Address 129 Pleasant Street Concord, NH 03301 | |
| 1.3 Contractor Name The Homemakers Health Services | | 1.4 Contractor Address 215 Rochester Hill Road Rochester, NH 03867 | |
| 1.5 Contractor Phone Number 603-335-1770 | 1.6 Account Number 05-95-48-92550000-500918 | 1.7 Completion Date September 30, 2018 | 1.8 Price Limitation \$123,250 |
| 1.9 Contracting Officer for State Agency Eric D. Borrim, Director | | 1.10 State Agency Telephone Number 603-271-9558 | |
| 1.11 Contractor Signature  | | 1.12 Name and Title of Contractor Signatory Robert C. May, Jr., President | |
| 1.13 Acknowledgement: State of <u>NH</u> , County of <u>Strafford</u> On <u>9/22/16</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] <u>Pamela McCauley</u> | | PAMELA McCAULEY, Notary Public My Commission Expires Sept. 16, 2020 | |
| 1.13.2 Name and Title of Notary or Justice of the Peace <u>Pamela McCauley - Notary</u> | | | |
| 1.14 State Agency Signature  | | 1.15 Name and Title of State Agency Signatory Maureen Ryan Director, Office of Human Services | |
| 1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____ | | | |
| 1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>Megan A. [unclear] - Attorney</u> <u>10/10/16</u> | | | |
| 1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____ | | | |

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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



Scope of Services

1. Provisions Applicable to All Services

- 1.1. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Services shall be provided in Strafford, Rockingham and Carroll Counties.
- 1.4. Hours of operation shall be Monday through Friday, 8:00 am to 3:00 pm.

2. Scope of Work

2.1. Population

- 2.1.1. The Contractor shall provide services in this contract to assist eligible individuals live as independently as possible, safely and with dignity.
- 2.1.2. The Contractor shall provide services for individuals who:
 - 2.1.2.1. Are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, who are eligible for other NH Medicaid services; or
 - 2.1.2.2. Are receiving the same or similar services through the Veterans' Administration.
- 2.1.3. The Contractor shall provide services to individuals who reside in independent living settings and who meet the eligibility criteria as follows:
 - 2.1.3.1. Title III
 - 2.1.3.1.1. Individuals who are age 60 and older and with the most economic or social need as described in:
 - 2.1.3.1.1.1. Older Americans Act of 1965, as amended through P.L. 114-144, Enacted April 19, 2006 (see attached link: http://www.aoa.gov/AoA_programs/OAA/oaa_full.asp#_Toc153957659), and
 - 2.1.3.1.1.2. NH Administrative Rule He-E 502 (see attached link: http://www.gencourt.state.nh.us/rules/state_agencies/he-e.html).
 - 2.1.3.1.2. Title XX 42 USC §1397 et seq.
 - 2.1.3.2.1. Individuals who are age 60 and older or ages 18-59 who have a chronic illness or disability, and a maximum monthly income of \$1,214 for calendar year 2016 as described in:
 - 2.1.3.2.1.1. The Social Services Block Grant (Title XX) (see attached link: <http://www.acf.hhs.gov/programs/ocs/programs/ssbg/about>), and
 - 2.1.3.2.1.2. NH Administrative Rule He-E 501 (see attached link: http://www.gencourt.state.nh.us/rules/state_agencies/he-e.html).



Exhibit A

2.2. Service Descriptions

- 2.2.1. The Contractor shall be a licensed entity in New Hampshire in a fixed physical location and shall include the provision of one or more of the following services for fewer than (twelve) 12 hours a day to participants 18 years of age and older, based on an individual's needs:
- 2.2.1.1. Supervision;
 - 2.2.1.2. Assistance with activities of daily living;
 - 2.2.1.3. Nursing care rehabilitation;
 - 2.2.1.4. Recreational, social, cognitive, physical stimulation activities or nutrition services;
 - 2.2.1.5. Monitoring of the individual's condition and counseling as appropriate on nutrition, hygiene or other related matters;
 - 2.2.1.6. Referrals, as appropriate, to other services and resources that could assist the individual including any necessary follow up;
 - 2.2.1.7. Assistance and support to caregiving families; and
 - 2.2.1.8. Developing a person-centered plan for each individual in accordance with NH Administrative Rules He-E 501 and He-E 502.

2.3. Client Access to Services

- 2.3.1. The Contractor shall provide services described in this agreement to eligible clients that apply for or request services, or are referred by Adult Protective Services (APS):
- 2.3.1.1. Client directly applies for or requests services:
 - 2.3.1.1.1. The Contractor shall determine eligibility for these services in accordance with the rules and requirements of the Title III and Title XX Programs.
 - 2.3.1.2. Client is referred by Adult Protection Services (APS):
 - 2.3.1.2.1. In the event that an individual has been referred by APS, the Contractor shall not take an application, determine or re-determine the individual's eligibility or issue eligibility notifications, in accordance with NH Administrative Rules He-E 501 and 502.

2.4. Client Application/Request for Services

- 2.4.1. The Contractor shall complete an intake and application for services, in accordance with NH Administrative Rules He-E 501 and He-E 502.
- 2.4.1.1. When determining eligibility pursuant to NH Administrative Rule He-E 501 (Title XX), the Contractor shall use the Department's Form 3000 Application.
 - 2.4.1.2. For applications pursuant to NH Administrative Rule He-E 502 (Title III), the Contractor shall review requests for services and determine eligibility.

2.5. Client Eligibility

- 2.5.1. The Contractor shall submit its policies and procedures for client eligibility determination for services to the Department for review and approval, within thirty (30) days of the start of each State Fiscal Year.
- 2.5.2. The Contractor shall determine eligibility for services and shall be in compliance with the New Hampshire Administrative Rules He-E 501 and He-E 502 regarding eligibility determination, notice of eligibility and the individual's period of eligibility as applicable as follows:



Exhibit A

-
- 2.5.2.1. Notice of Eligibility:
- 2.5.2.1.1. The Contractor shall provide written notice of eligibility within forty five (45) days from the date eligibility was determined, indicate what services are to be provided and at what frequency, and indicate the beginning and end dates for the individual's period of eligibility.
 - 2.5.2.1.2. If the client is determined not eligible for service(s), the notice of denial shall include:
 - 2.5.2.1.2.1. The reason(s) for denial;
 - 2.5.2.1.2.2. A statement regarding the right of the individual or his/her authorized representative to request an informal resolution or appeal of the eligibility determination decision; and
 - 2.5.2.1.2.3. Contact information for requesting an appeal.
- 2.5.2.2. Redetermination of Service Eligibility:
- 2.5.2.2.1. The Contractor shall submit its policies and procedures for client eligibility redetermination for services to the Department for review and approval, within thirty (30) days of the start of each State Fiscal Year.
- 2.5.2.3. Termination of Services:
- 2.5.2.3.1. Services shall be terminated when:
 - 2.5.2.3.1.1. The individual or his/her authorized representative requests that the services be terminated;
 - 2.5.2.3.1.2. The individual no longer meets the eligibility requirements for services;
 - 2.5.2.3.1.3. Funding by the State for the service(s) is no longer available;
 - 2.5.2.3.1.4. The individual did not reapply for services as required by program rules;
 - 2.5.2.3.1.5. The individual has been admitted to a nursing home or residential care facility; or
 - 2.5.2.3.1.6. The individual is deceased.
- 2.5.2.4. Service Authorizations for Title XX Eligible Clients:
- 2.5.2.4.1. Once the client has been determined eligible to receive Title XX services, the Contractor shall submit a service authorization form to the Department in order to facilitate payment for serving eligible clients.
 - 2.5.2.4.2. The Contractor shall submit a completed Form 3502 "Contract Service Authorization-New Authorization" for each client who has been determined eligible to receive services. More than one service may be included on a Form 3502. The completed Form 3502 shall be submitted to:
 - Department of Health and Human Services
 - Data Management Unit
 - 129 Pleasant Street
 - Concord, NH 03301

2.6. Client Assessments

- 2.6.1. The Contractor shall assess the individual's needs and develop written service plans, keep written progress notes and monitor and adjust service plans to meet the individual's needs in accordance with NH Administrative Rules He-E 501 and He-E 502.



Exhibit A

2.7. Person Centered Provision of Services

- 2.7.1. The Contractor shall incorporate policies and staff-client interactions into its agency's functions, as well as incorporate the following Guiding Principles for Person-Centered Planning Philosophy in the provision of all services in this Agreement:
- 2.7.1.1. Individuals and families are invited, welcomed and supported as full participants in service planning and decision making.
 - 2.7.1.2. Individual's wishes, values and beliefs are considered and respected.
 - 2.7.1.3. Individual is listened to; needs and concerns are addressed.
 - 2.7.1.4. Individual receives the information he/she needs to make informed decisions.
 - 2.7.1.5. Planning is responsive to the individual. His or her preferences drive the planning process although the decision-making process may need to be accelerated to respond to emergencies.
 - 2.7.1.6. Services are designed, scheduled and delivered to best meet the needs and preferences of the individual.
 - 2.7.1.7. The system is committed to excellence and quality improvement.
 - 2.7.1.8. Individual rights are affirmed and protected.
 - 2.7.1.9. Individuals are protected from exploitation, abuse and neglect.
 - 2.7.1.10. The service system is accessible, responsive and accountable to the individual.
 - 2.7.1.11. Person-centered planning may be incorporated into existing service plans or documents already being used by the Contractor.

3. Staffing

- 3.1. The Contractor shall adhere to the following staffing requirements:
- 3.1.1. Maintain a level of staffing necessary to perform and carry out all of the functions, requirements, roles and duties in a timely fashion for the number of clients and geographic area as identified in this Agreement.
 - 3.1.2. Verify and document that all staff and volunteers have appropriate training, education, experience and orientation to fulfill the responsibilities of their respective positions. This includes keeping up-to-date personnel and training records and documentation of all individuals requiring licenses and/or certifications.
 - 3.1.3. Develop and submit a Staffing Contingency Plan in writing to the Department within thirty (30) days of approval of the Contract Agreement. The plan shall include but not be limited to:
 - 3.1.3.1. The process for replacement of personnel in the event of loss of key personnel or other personnel during the period of this Agreement;
 - 3.1.3.2. A description of how additional staff resources will be allocated to support this Agreement in the event of inability to meet any performance standard;
 - 3.1.3.3. A description of time frames necessary for obtaining staff replacements;
 - 3.1.3.4. An explanation of the Contractor's capabilities to provide, in a timely manner, staff replacements/additions with comparable experience; and
 - 3.1.3.5. The method of bringing staff replacements/additions up-to-date regarding this Agreement.

4. Reporting

4.1. Reporting Requirements

- 4.1.1. The Contractor shall complete and submit quarterly reports which will be a pre-defined electronic form supplied by the Department. The report must be submitted by the 15th of



Exhibit A

the month following the quarter end date. The data will include, but not be limited to the following:

- 4.1.1.1. Expenses by program service provided. Service is defined as Adult Day Program Services.
- 4.1.1.2. Revenue by program service provided, by funding source;
- 4.1.1.3. Actual Units served by program service provided, by funding source;
- 4.1.1.4. Number of unduplicated clients served by service provided, by funding source;
- 4.1.1.5. Number of Title III and Title XX clients served with non-Department funds;
- 4.1.1.6. Unmet need/waiting list; and,
- 4.1.1.7. Lengths of time clients are on a waiting list.

4.2. Service Delivery Verification

4.2.1. The Contractor shall submit Service Delivery Verification reports to BEAS Finance for the following required performance measures for each service identified in Section 2.2, Service Descriptions:

4.2.1.1. Eligibility:

- 4.2.1.1.1. The number of applications/service requests and the number and percentage of applicants found eligible for each service;
- 4.2.1.1.2. The number and percentage of applicants found ineligible for each service including the reason(s) applicants were found ineligible.

4.2.1.2. Quality and Appropriateness:

4.2.1.2.1. Plans of Care:

- 4.2.1.2.1.1. The number and percentage of individuals' plans of care in which the plans contain evidence of person-centered planning;
- 4.2.1.2.1.2. The number and percentage of individuals who have experienced a safety-related incident or accident which occurs during times of face-to-face contact with the client(s);
- 4.2.1.2.1.3. The number and percentage of individuals for whom a report to Adult Protective Services was made.

4.2.1.3. Experience:

- 4.2.1.3.1. The number and percentage of individuals surveyed (via telephone, mail, e-mail or face-to-face) who report their experiences with their services and providers have been satisfactory or better.
- 4.2.1.3.2. The Contractor shall indicate the reasons why:
 - 4.2.1.3.2.1. Applicants experienced safety-related incidents which occurs during times of face-to-face contact with the client(s);
 - 4.2.1.3.2.2. Applicants were referred to Adult Protective Services; and
 - 4.2.1.3.2.3. The number and percentage of individuals surveyed who reported their experiences with their services and providers were not satisfactory or better.
- 4.2.1.3.3. The Contractor shall describe the quality improvement activity(ies) to be initiated to address identified concerns about the quality and appropriateness of care.
- 4.2.1.3.4. The Contractor shall survey a sample of participants for each contracted service and provide their survey methodology, in writing, to the Bureau of Elderly and Adult Services (BEAS).



Exhibit A

4.2.1.4. Service Delivery:

- 4.2.1.4.1. The number of open cases at the end of each reporting period and the number and percentage of days individuals did not receive a planned service(s).
- 4.2.1.4.2. The Contractor shall indicate the reasons applicant(s) did not receive planned services.
- 4.2.1.4.3. The Contractor shall describe the quality improvement activity(ies) to be initiated to address identified concerns about service delivery.

5. Client Fees and Donations

5.1. Title III Services

- 5.1.1. With the exception of Subsection 5.3.1. of this agreement below, NH Administrative Rule He-E 502.12 allows Title III contractors to ask individuals receiving services for a voluntary donation towards the cost of the service and provides guidance for requesting donations. The donation is to be purely voluntary and no one can be refused services if he/she is unable or unwilling to donate. The Contractor is not permitted to invoice clients or family members.
- 5.1.2. The Contractor shall report the total amount of collected donations on the quarterly report sent to BEAS Finance.

5.2. Title XX Services

- The Contractor may charge fees to individuals receiving Title XX services provided that the Contractor establishes a sliding fee schedule and provides this information to individuals seeking services. The Contractor shall comply with the NH Administrative Rule He-E 501 when establishing and charging fees to individuals. Additionally, the Contractor is required to report on the total amount of fees/income received for Title XX Services on the quarterly report sent to BEAS Finance.
- 5.2.1. The Contractor providing Title XX services may charge fees to clients referred by APS staff for which reports of abuse, neglect, self-neglect and/or exploitation has not been founded. The Contractor is required to include the total amount of fees/income received for Title XX services, referred by APS staff, with the total amount of fees/income reported for Title XX Services, listed above, on the quarterly report sent to BEAS Finance.

5.3. Adult Protection Services (APS)

- Under RSA 161-F: 42 et seq. (<http://www.gencourt.state.nh.us/rsa/html/XII/161-F/161-F-42.htm>), BEAS provides protective services to incapacitated adults to prevent and/or ameliorate neglect, abuse or exploitation. When BEAS determines that an individual needs protective services as described in NH Administrative Rule He-E 700 (http://www.gencourt.state.nh.us/rules/state_agencies/he-e700.html), the Contractor agrees that the payment received from the Department for the specified services is payment in full for those services, and the provider agrees to refrain from making any attempt to secure additional reimbursement of any type from the individual for those services.
- 5.3.1. The Contractor, providing Title III and/or Title XX services, may not charge fees or ask for donations from clients referred by the Department's Adult Protection Services (APS) program as long as these individuals remain active recipients of Adult Protective Services as verified by Adult Protection Services staff.



Exhibit A

6. Adult Protection Services (APS)

- 6.1. The Contractor shall report suspected abuse, neglect, self-neglect and/or exploitation of incapacitated adults as required by RSA 161-F: 46 of the Adult Protection law (<http://www.gencourt.state.nh.us/rsa/html/XII/161-F/161-F-46.htm>).
- 6.2. The Contractor shall make a good faith effort to assure the provision of some level of services to those persons who the Department refers to the contracted agency and identifies the client is in need of protective services.
- 6.3. The Contractor shall follow the plan of care established by the APS social worker.
- 6.4. The Contractor shall inform the referring APS staff of any changes in the individual's situation or other concerns, and APS staff is expected to inform the Contractor of any information that may affect service provision.

7. E-Studio Electronic Information System

- 7.1. The Contractor shall be required to use the Department's E-Studio electronic information system. E-Studio is BEAS' primary vehicle for uploading important information concerning time-sensitive announcements, policy releases, administrative rule adoptions and other critical information.
- 7.2. The Contractor shall identify all of the key personnel who will require E-Studio accounts to ensure that information from the Department can be shared with the necessary agency staff. There is no cost to the Contractor for the Department to create an E-Studio account and no limit on the number of staff an agency identifies to have access to E-Studio.
- 7.3. The Contractor shall ensure their E-Studio account(s) are kept current and that the Department is notified when a staff member is no longer working in the program so his/her account can be terminated.

8. Criminal Background and Adult Protection Service Registry Checks

- 8.1. The Contractor's staff members or volunteers, who will be interacting with or providing hands-on care to individuals receiving services, are required to complete a BEAS State Registry check prior to providing services; in accordance with the requirement of RSA 161-F: 49 (<http://gencourt.state.nh.us/rsa/html/XII/161-F/161-F-49.htm>).
- 8.2. The Contractor shall conduct a New Hampshire Criminal Records background check on all agency staff as well as prospective employees or volunteers, funded under this contract that may have client contact.

9. Grievance and Appeals

- 9.1. The Contractor shall maintain a system for tracking, resolving and reporting client complaints regarding its services, processes, procedures and staff.
- 9.2. The Contractor shall develop a grievance process. Any grievances filed are to be available to the Department upon request. At a minimum, the process shall include the following:
 - 9.2.1. Client name,
 - 9.2.2. Type of service,
 - 9.2.3. Date of written grievance,
 - 9.2.4. Nature/subject of the grievance,
 - 9.2.5. Who in the agency reconsiders agency decisions, and
 - 9.2.6. The types of issues that can be addressed in the grievance process and how clients are informed of their right to appeal or file grievances.



Exhibit A

10. Culturally and Linguistically Appropriate Standards of Care

- 10.1. The Contractor shall ensure equal access to quality services under this agreement by providing culturally and linguistically appropriate services according to the following guidelines:
- 10.1.1. Assess the ethnic/cultural needs, resources and assets of their community.
 - 10.1.2. Promote the knowledge and skills necessary for staff to work effectively with clients with respect to their culturally and linguistically diverse environment or to those with disabilities.
 - 10.1.3. When feasible and appropriate, provide clients with minimal English skills with interpretation services.
 - 10.1.4. Offer clients a forum through which they have the opportunity to provide feedback to the Contractor regarding cultural and linguistic issues that may require a response.
 - 10.1.5. When feasible and appropriate, identify communication access needs for clients who may be deaf or hard of hearing, and/or have vision or speech impairment and develop an individual communication plan for clients to receive services.

11. Wait Lists

- 11.1. The Contractor shall provide all services covered under this agreement to the extent that funds, staff and/or resources for this purpose are available.
- 11.2. The Contractor shall maintain a wait list in accordance with NH Administrative Rules He-E 501 and He-E 502 when funding or resources are not available to provide the requested services. The wait list shall include at a minimum:
- 11.2.1. The individual's full name and date of birth;
 - 11.2.2. The name of the service being requested;
 - 11.2.3. The date upon which the individual applied for services which shall be the date the application was received by the contract agency or the Department;
 - 11.2.4. The target date of implementing the services based on the communication between the individual and the Department/contractor;
 - 11.2.5. The date upon which the individual's name was placed on the wait list shall be the date of the notice of decision in which the individual was determined eligible for Title XX services;
 - 11.2.6. The individual's assigned priority on the wait list is determined in accordance with Sub-section 11.3. below;
 - 11.2.7. A brief description of the individual's circumstances and the services he or she needs.
- 11.3. The Contractor shall prioritize each individual's standing on the list by determining the individual's urgency of need in the following order:
- 11.3.1. Individual is in an institutional setting or is at risk of being admitted to or discharged from an institutional setting;
 - 11.3.2. Declining mental or physical health of the caregiver;
 - 11.3.3. Declining mental or physical health of the individual;
 - 11.3.4. Individual has no respite services while living with a caregiver; and
 - 11.3.5. Length of time on the wait list.
 - 11.3.6. When 2 or more individuals on the wait list have been assigned the same service priority, the individual served first will be the one with the earliest application date.
 - 11.3.7. Individuals who are being served under protective services RSA 161-F: 42-57 shall be given priority status on the waitlist and in accordance with He-E 501.14 (f) and He-E 502.13.
 - 11.3.8. Individuals with adult protective needs in accordance with RSA 161-F: 42-57 shall be exempt from the wait list.



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- 11.4. When an individual is placed on the wait list, the Contractor shall notify the individual in writing.
11.5. The Contractor shall maintain the wait list for the duration of the contract period and make it available to the Department upon request.

12. Notice of Failure to Meet Service Obligations

- 12.1. In the event that the Contractor for any reason is unable to meet any service obligations prior to the completion date, the Contractor shall provide written notice of such inability at least ninety (90) days prior and shall mail it to:

Bureau Director
Bureau of Elderly and Adult Services
129 Pleasant Street
Concord, NH 03301

- 12.1.1. Examples of failure to meet service obligations may include, but not limited to:
12.1.1.1. Reducing hours of operation
12.1.1.2. Changing a geographic service area
12.1.1.3. Closing or opening a site
12.1.2. The written notification shall include the following:
12.1.2.1. Reason(s) for the inability to deliver services;
12.1.2.2. How service recipients and the community will be impacted;
12.1.2.3. How service recipients and the community will be notified; and
12.1.2.4. A plan to transition clients into other services or refer the clients to other agencies.
12.1.3. The Contractor shall maintain a plan that addresses the present and future needs of clients receiving services in the event that:
12.1.3.1. Service(s) are terminated or planned to be terminated prior to the termination date of the contract;
12.1.3.2. The contract is terminated or is planned to be terminated prior to the termination date of the contract by the Contractor or the State;
12.1.3.3. The Contractor terminates a service or services for any reason;
12.1.3.4. The Contractor cannot carry out all or a portion of the services terms or conditions outlined in the contract or sub-contracts.

13. Transition Process

- 13.1. The Contractor shall have a transition process for clients in the event that they may be transitioned between the Department's contracted providers.
13.2. The Contractor shall submit a written transition process to the Department within thirty (30) days of approval of the Contract Agreement. The process shall ensure:
13.2.1. Uninterrupted delivery of services to clients;
13.2.2. A method of notifying clients and/or the community about the transition. A staff member shall be available to address questions about the transition.

14. Compliance with Laws and Regulations

- 14.1. The Contractor shall be licensed in accordance with RSA 151:2 (f) (<http://law.justia.com/codes/new-hampshire/2010/titlexi/chapter151/section151-2/>), and as governed by NH Administrative Rule He-P 818 (<http://www.dhhs.nh.gov/oos/bhfa/documents/he-p818.pdf>). Additionally, the Contractor shall provide services in accordance with NH Administrative Rules He-E 501 and He-E 502.

**New Hampshire Department of Health and Human Services
Adult Day Program Services**



Exhibit A

14.2. The Contractor shall provide services and administration of the program in accordance with the applicable Federal and State laws, Title III and Title XX rules, policies and regulations adopted by the Department of Health and Human Services currently in effect, and as they may be adopted or amended during the contract period.



Exhibit B

Method and Conditions Precedent to Payment

1. This contract is funded with funds from the Catalog of Federal Domestic Assistance (CFDA) #93.667 US Department of Health and Human Services, Social Services Block Grant – Title XX, in providing services pursuant to Exhibit A, Scope of Services. The contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
2. The State shall pay the Contractor an amount not to exceed the Price Limitation on Form P-37, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
3. Payment for expenses shall be on a cost reimbursement basis only for actual expenditures. Expenditures shall be in accordance with the rate of seven dollars and twenty-five cents (\$7.25) per unit, per client not to exceed twelve (12) hours per day.
4. Payments for Title XX funding shall not exceed seventeen thousand (17,000) units.
5. Payment for services shall be made as follows:
 - 5.1. The Contractor must submit monthly invoices by the 15th of the month in accordance with procedure and instructions established by the Department for reimbursement for services specified in Exhibit A, Scope of Services. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.
 - 5.2. The invoices must;
 - 5.2.1. Clearly identify the amount requested and the services performed during that period.
 - 5.2.2. Include a detailed account of the services provided to include: individual in receipt of services, number of units and funding source attributable to the services.
 - 5.3. Invoices described in Exhibit B, Method and Conditions Precedent to Payment; Sections 6.1 and 6.2., and reports identified in Exhibit A, Scope of Services; Section 4, Reporting, must be submitted to:

Department of Health and Human Services
Data Management Unit
129 Pleasant Street
PO Box 2000
Concord, NH 03301
6. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A.
7. A final payment request shall be submitted no later than forty (40) days after the Contract ends. Failure to submit the invoice and accompanying documentation could result in nonpayment.
8. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if said services have not been completed in accordance with the terms and conditions of this Agreement.

Exhibit B

Contractor Initials

Perma
Date 9/20/16



SPECIAL PROVISIONS

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

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



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

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

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

New Hampshire Department of Health and Human Services
Exhibit C



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

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



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

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

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

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



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

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

DEFINITIONS

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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



REVISIONS TO GENERAL PROVISIONS

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



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

New Hampshire Department of Health and Human Services
Exhibit D




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

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

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

Contractor Name: *The Homemakers Health Services*

9/22/16
Date


Name: *Robert Haber, Jr.*
Title: *President, Board of Directors*



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name: *The Homemakers Health Services*

9/22/16
Date

Robert Roy
Name: *Robert Roy*
Title: *President, Board of Directors*



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

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

INSTRUCTIONS FOR CERTIFICATION

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



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

Contractor Name: *The Homemakers Health Services*

9/22/16
Date

[Signature]
Name: *Robert May Jr*
Title: *President, Board of Directors*



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

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

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

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

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

Exhibit G

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

Contractor Initials

nm

Date

9/22/16

New Hampshire Department of Health and Human Services
Exhibit G



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

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

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

Contractor Name: *The Homemakers Health Services*

9/22/14
Date

Robert May Jr
Name: *Robert May Jr*
Title: *President, Board of Directors*

Exhibit G

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

Contractor Initials *RM*

Date 9/22/14



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: *The Homemakers Health Services*

9/22/16
Date

Robert Men Jr
Name: *Robert Men Jr*
Title: *President, Board of Directors*



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) Definitions.

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

pm

9/22/16



Exhibit I

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

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

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



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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



Exhibit I

- pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.
- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
 - g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
 - h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
 - i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
 - j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
 - k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
 - l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

mm



Exhibit I

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

(4) Obligations of Covered Entity

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

(5) Termination for Cause

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

(6) Miscellaneous


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




Exhibit I

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

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

 The State

 Signature of Authorized Representative
 Maureen Ryan
 Name of Authorized Representative
 Director
 Office of Human Services
 Title of Authorized Representative
 10/3/16
 Date

The Homecare Health Services
 Name of the Contractor

 Signature of Authorized Representative
 Robert May
 Name of Authorized Representative
 President, Board of Directors
 Title of Authorized Representative
 9/22/16
 Date



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

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

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

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

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

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

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

Contractor Name: *The Homemakers Health Services*

9/22/16
Date

Robert M. Jr
Name: *Robert M. Jr*
Title: *President, Board of Directors*



FORM A

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

1. The DUNS number for your entity is: 197260375
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO _____ YES

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

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

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

_____ NO _____ YES

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

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

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

| | |
|-------------|---------------|
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |



State of New Hampshire
Department of Health and Human Services
Amendment #1 to the
Adult Day Program Services Contract

This 1st Amendment to the Adult Day Program Services contract (hereinafter referred to as "Amendment #1") dated this 26th day of October, 2017, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and VNA at HCS, Inc. (hereinafter referred to as "the Contractor"), a non-profit corporation with a place of business at 312 Marlboro Street, Keene, NH 03431.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on November 16, 2016 (Item #10), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

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

WHEREAS, pursuant to the General Provisions, Paragraph 18, and Exhibit C-1 Paragraph 3, the Department reserves the right to renew the Contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council; and

WHEREAS, the parties agree to increase the service unit rate, extend the completion date by nine (9) months, and increase the price limitation;

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:

1. General Provisions (Form P-37), Block 1.7, to read: June 30, 2019
2. General Provisions (Form P-37), Block 1.8, to increase Price Limitation by \$113,913.75 from \$268,250.00 to read: \$382,163.75
3. Amend Form P-37, Block 1.9, to read: E. Maria Reinemann, Esq., Director of Contracts and Procurement
4. Amend Form P-37, Block 1.10 to read: 603-271-9330
5. Delete Exhibit B, Method and Conditions Precedent to Payment, in its entirety and replace with:

Exhibit B – Amendment #1, Method and Conditions Precedent to Payment
6. Add Exhibit K, DHHS Information Security Requirements
7. Add Attachment A – Amendment #1



New Hampshire Department of Health and Human Services
Adult Day Program Services

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

1/10/18
Date

Christine Santaniello
Christine Santaniello, Director
Division of Long Term Supports and Services

VNA at HCS

12/27/17
Date

Susan Ashworth
Name: Susan Ashworth
Title: Acting President/CEO

Acknowledgement of Contractor's signature:

State of NH, County of Cheshire on December 27, 2017, before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Karen M. Campbell
Signature of Notary Public or Justice of the Peace

Karen M. Campbell, Notary
Name and Title of Notary or Justice of the Peace

My Commission Expires: June 4, 2019

KAREN M. CAMPBELL, Notary Public
My Commission Expires June 4, 2019

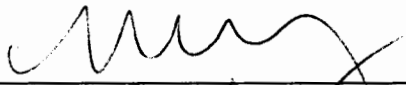


**New Hampshire Department of Health and Human Services
Adult Day Program Services**

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

OFFICE OF THE ATTORNEY GENERAL

1/17/18
Date


Name: William D. Cohen
Title: Attorney

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:



Exhibit B – Amendment #1

Method and Conditions Precedent to Payment

1. This contract is funded with funds from the Catalog of Federal Domestic Assistance (CFDA) #93.044, Administration on Aging, Special Programs for the aging – Title IIIB and #93.667 US Department of Health and Human Services, Social Services Block Grant – Title XX, in providing services pursuant to Exhibit A, Scope of Services. The contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
2. The State shall pay the Contractor an amount not to exceed the Price Limitation on Form P-37, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
3. Payment for expenses shall be on a cost reimbursement basis only for actual expenditures. Expenditures shall be in accordance with the rate of seven dollars and sixty-one cents (\$7.61) per unit, per client, not to exceed twelve (12) hours per day.
4. Payments for Title III funding shall not exceed twenty-two thousand eight hundred twenty-five (22,825) units.
5. Payments for Title XX funding shall not exceed twenty-eight thousand fifty (28,050) units.
6. Payment for services shall be made as follows:
 - 6.1. The Contractor must submit monthly invoices by the 15th of the month in accordance with procedure and instructions established by the Department for reimbursement for services specified in Exhibit A, Scope of Services. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.
 - 6.2. The invoices must;
 - 6.2.1. Clearly identify the amount requested and the services performed during that period.
 - 6.2.2. Include a detailed account of the services provided to include: individual in receipt of services, number of units and funding source attributable to the services.
 - 6.3. Invoices described in Exhibit B, Method and Conditions Precedent to Payment; Sections 6.1 and 6.2., and reports identified in Exhibit A, Scope of Services; Section 4, Reporting, must be submitted to:

Department of Health and Human Services
Data Management Unit
129 Pleasant Street
PO Box 2000
Concord, NH 03301
7. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A.
8. A final payment request shall be submitted no later than forty (40) days after the Contract ends. Failure to submit the invoice and accompanying documentation could result in nonpayment.
9. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if said services have not been completed in accordance with the terms and conditions of this Agreement.



Exhibit K

DHHS INFORMATION SECURITY REQUIREMENTS

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this SOW, the Department's Confidential information includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.
2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:
 - 2.1. Contractor shall not store or transfer data collected in connection with the services rendered under this Agreement outside of the United States. This includes backup data and Disaster Recovery locations.
 - 2.2. Maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
 - 2.3. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
 - 2.4. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.
 - 2.5. Ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
 - 2.6. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information
 - 2.7. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
 - 2.7.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

Breach notifications will be sent to the following email addresses:

 - 2.7.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov
 - 2.7.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov
 - 2.8. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed



Exhibit K

by the vendor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion, or otherwise physically destroying the media (for example, degaussing). The vendor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and the vendor prior to destruction.

- 2.9. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the vendor, including breach notification requirements.
3. The vendor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the vendor and any applicable sub-contractors prior to system access being authorized.
 4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
 5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the appropriate authorized data owner or leadership member within the Department.
 6. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

Attachment A – Amendment #1

ATTESTATION

For State Fiscal Years 2018 and 2019, the New Hampshire Legislature appropriated a one-time increase of up to five percent (5%) over the reimbursement rates in place on June 30, 2017 for certain direct service providers. The increase of public funds is to be used exclusively for the purpose of increasing either service unit rates (per diem) or wages paid to individuals providing services directly to clients.

In recognition of the above, and as the authorized representative of the Agency named below, I certify that the Agency named below will use the increase in funding exclusively to increase the service unit rate for the administration of the services listed in Exhibit A – Scope of Services, and that the State may request an audit of our records to confirm the same.

Susan Ashworth, Acting President/CEO, VNA at HCS, Inc.

Name, Title, and Agency Name

Susan Ashworth

Signature

12/27/17

Date

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 VNA AT HCS, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on November 18, 1981. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 67798



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

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of VNA at HCS, Inc.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of the Agency duly held on December 27, 2017:
(Date)

RESOLVED: That the Acting President/CEO
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of the 27th day of December, 2017.
(Date Contract Signed)

4. Susan Ashworth is the duly elected Acting President/CEO
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.



(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Cheshire

The forgoing instrument was acknowledged before me this 27th day of December, 2017.

By Allen Mendelson
(Name of Elected Officer of the Agency)


(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: June 4, 2019

KAREN M. CAMPBELL, Notary Public
My Commission Expires June 4, 2019



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

01/02/2018

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

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

| | | | |
|---|--|--|------------------------------|
| PRODUCER Berkshire Insurance Group, Inc. 117 Main St Greenfield MA 01301 | CONTACT NAME: Maureen Cormier | PHONE (A/C, No, Ext): (413)773-9913 | FAX (A/C, No): (413)774-3872 |
| | E-MAIL ADDRESS: mcormier@berkshireinsurancegroup.com | | |
| INSURED Home Healthcare Hospice & Community Services Inc. and VNA at PO Box 564 Keene NH 03431 | INSURER(S) AFFORDING COVERAGE | | NAIC # |
| | INSURER A: | Philadelphia Indemnity Insurance Company | 18058 |
| | INSURER B: | Atlantic Charter Insurance Group | |
| | INSURER C: | | |
| | INSURER D: | | |
| | INSURER E: | | |

COVERAGES CERTIFICATE NUMBER: 18GLPL17WC REVISION NUMBER:

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

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|--|-----------|----------|---------------|-------------------------|-------------------------|---|
| A | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: | | | PHPK1759774 | 01/04/2018 | 01/04/2019 | EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 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 \$ |
| | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY | | | | | | COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ |
| | <input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED: RETENTION \$ | | | | | | EACH OCCURRENCE \$ AGGREGATE \$ \$ |
| B | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below | | N/A | WCA00539806 | 07/01/2017 | 07/01/2018 | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000 |
| A | Professional Liability | | | PHPK1759774 | 01/04/2018 | 01/04/2019 | Per claim 1,000,000 Policy aggregate 3,000,000 |

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

CERTIFICATE HOLDER**CANCELLATION**

State of New Hampshire Department of Health and Human Services
129 Pleasant Street

Concord

NH 03301

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

AUTHORIZED REPRESENTATIVE

Maureen Cormier

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VALUES AND MISSION STATEMENT

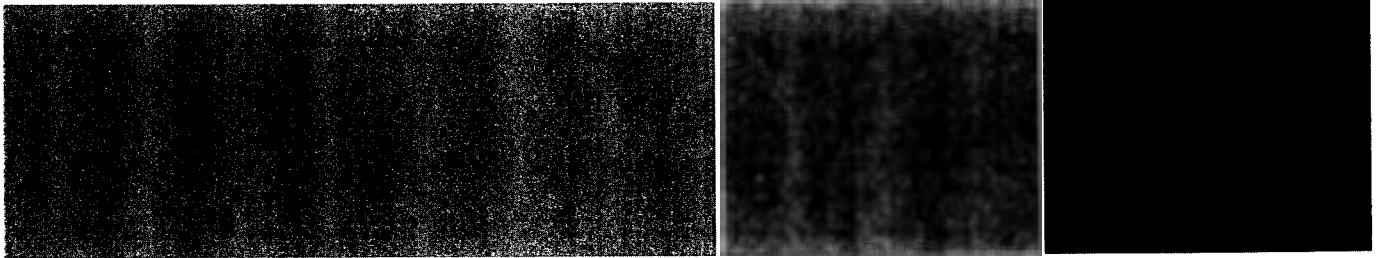
Because we value:

- ▶ **The worth and dignity of all people and their right to privacy**
- ▶ **The right of people to make informed choices**
- ▶ **A creative, holistic approach to individuals' and families' needs**
- ▶ **Health and wellness throughout life**
- ▶ **Access to health care and support services to encourage maximum independence**
- ▶ **A commitment by all staff to acquire and share knowledge through education and research**
- ▶ **Continuous self and agency improvement to meet the changing needs of individuals and our communities**
- ▶ **Collaboration with other providers**

Our mission is:

To provide services which enable people to function throughout life at their optimal level of health, well-being and independence, according to their personal beliefs and choices.

| | |
|-----------------------------|---------------------------|
| Adopted by Board: | September 4, 1997 |
| Reaffirmed by Board: | September 24, 2015 |
| Reaffirmed by Board: | December 1, 2016 |
| Reaffirmed by Board: | December 7, 2017 |



CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2016 and 2015

With Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Home Healthcare, Hospice & Community Services, Inc. and Affiliate

We have audited the accompanying consolidated financial statements of Home Healthcare, Hospice & Community Services, Inc. and Affiliate (the Association), which comprise the consolidated balance sheets as of June 30, 2016 and 2015, and the related consolidated statements of operations, changes in net assets, 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 U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Home Healthcare, Hospice & Community Services, Inc. and Affiliate as of June 30, 2016 and 2015, and the results of their operations, changes in their net assets and their cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
January 5, 2017

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Consolidated Balance Sheets

June 30, 2016 and 2015

ASSETS

| | <u>2016</u> | <u>2015</u> |
|--|----------------------|----------------------|
| Current assets | | |
| Cash and cash equivalents | \$ 353,455 | \$ 570,494 |
| Investments | 18,671 | 20,454 |
| Patient accounts receivable, less allowance for uncollectible accounts of \$422,974 in 2016 and \$332,144 in 2015 | 2,636,850 | 2,719,905 |
| Other receivables | 627,445 | 489,279 |
| Prepaid expenses | <u>305,691</u> | <u>253,629</u> |
| Total current assets | 3,942,112 | 4,053,761 |
| Assets limited as to use | 11,145,483 | 10,529,855 |
| Property and equipment, net | <u>3,413,668</u> | <u>3,446,592</u> |
| Total assets | <u>\$ 18,501,263</u> | <u>\$ 18,030,208</u> |

LIABILITIES AND NET ASSETS

| | | |
|---|----------------------|----------------------|
| Current liabilities | | |
| Line of credit | \$ 120,000 | \$ - |
| Accounts payable and accrued expenses | 438,794 | 338,054 |
| Accrued payroll and related expenses | 1,121,247 | 1,053,270 |
| Deferred revenue | <u>859,691</u> | <u>589,393</u> |
| Total current liabilities and total liabilities | <u>2,539,732</u> | <u>1,980,717</u> |
| Net assets | | |
| Unrestricted | 15,053,034 | 15,171,415 |
| Temporarily restricted | 674,266 | 643,845 |
| Permanently restricted | <u>234,231</u> | <u>234,231</u> |
| Total net assets | <u>15,961,531</u> | <u>16,049,491</u> |
| Total liabilities and net assets | <u>\$ 18,501,263</u> | <u>\$ 18,030,208</u> |

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

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Consolidated Statements of Operations

Years Ended June 30, 2016 and 2015

| | <u>2016</u> | <u>2015</u> |
|---|---------------------|---------------------|
| Operating revenue | | |
| Patient service revenue | \$ 15,458,805 | \$ 14,672,512 |
| Provision for bad debt | <u>(392,553)</u> | <u>(565,262)</u> |
| Net patient service revenue | 15,066,252 | 14,107,250 |
| Other operating revenue | <u>3,009,828</u> | <u>3,051,572</u> |
| Total operating revenue | <u>18,076,080</u> | <u>17,158,822</u> |
| Operating expenses | | |
| Salaries and related expenses | 14,725,825 | 14,317,235 |
| Other operating expenses | 4,157,194 | 3,513,135 |
| Depreciation | <u>437,309</u> | <u>468,369</u> |
| Total operating expenses | <u>19,320,328</u> | <u>18,298,739</u> |
| Operating loss | <u>(1,244,248)</u> | <u>(1,139,917)</u> |
| Other revenue and gains | | |
| Contributions and fundraising income | 775,304 | 326,230 |
| Net assets released for operations | 4,246 | 211,022 |
| Investment income, net | 182,973 | 161,316 |
| Change in fair value of investments | <u>163,344</u> | <u>222,894</u> |
| Total other revenue and gains | <u>1,125,867</u> | <u>921,462</u> |
| Deficit of revenue over expenses and decrease in unrestricted net assets | <u>\$ (118,381)</u> | <u>\$ (218,455)</u> |

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

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Consolidated Statements of Changes in Net Assets

Years Ended June 30, 2016 and 2015

| | <u>2016</u> | <u>2015</u> |
|--|----------------------|----------------------|
| Unrestricted net assets | | |
| Deficit of revenue over expenses and decrease in unrestricted net assets | \$ <u>(118,381)</u> | \$ <u>(218,455)</u> |
| Temporarily restricted net assets | | |
| Contributions | 4,400 | 48,373 |
| Reclassifications from permanently restricted net assets | - | 172,637 |
| Investment income | 16,152 | 13,268 |
| Change in fair value of investments | 14,115 | 18,409 |
| Net assets released for operations | <u>(4,246)</u> | <u>(211,022)</u> |
| Change in temporarily restricted net assets | <u>30,421</u> | <u>41,665</u> |
| Permanently restricted net assets | | |
| Contributions | - | 1,001 |
| Investment income | - | 157 |
| Change in fair value of investments | - | 266 |
| Reclassifications to temporarily net assets | <u>-</u> | <u>(172,637)</u> |
| Change in permanently restricted net assets | <u>-</u> | <u>(171,213)</u> |
| Change in net assets | (87,960) | (348,003) |
| Net assets, beginning of year | <u>16,049,491</u> | <u>16,397,494</u> |
| Net assets, end of year | \$ <u>15,961,531</u> | \$ <u>16,049,491</u> |

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

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Consolidated Statements of Cash Flows

Years Ended June 30, 2016 and 2015

| | <u>2016</u> | <u>2015</u> |
|--|-------------------|-------------------|
| Cash flows from operating activities | | |
| Change in net assets | \$ (87,960) | \$ (348,003) |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | | |
| Depreciation | 437,309 | 468,369 |
| Provision for bad debts | 392,553 | 565,262 |
| Restricted contributions | - | (49,374) |
| Change in fair value of investments | (177,459) | (241,569) |
| Investment income restricted for reinvestment | (16,152) | (13,425) |
| (Increase) decrease in the following assets: | | |
| Investments | 1,783 | 15,598 |
| Patient accounts receivable | (309,498) | (346,071) |
| Other receivables | (138,166) | (71,949) |
| Prepaid expenses | (52,062) | 43,743 |
| Increase in the following liabilities: | | |
| Accounts payable and accrued expenses | 100,740 | 93,767 |
| Accrued payroll and related expenses | 67,977 | 33,155 |
| Deferred revenue | <u>270,298</u> | <u>19,896</u> |
| Net cash provided by operating activities | <u>489,363</u> | <u>169,399</u> |
| Cash flows from investing activities | | |
| Purchase of investments | (2,437,987) | (2,125,163) |
| Proceeds from sale of investments | 2,015,970 | 2,175,836 |
| Capital expenditures | <u>(404,385)</u> | <u>(188,023)</u> |
| Net cash used by investing activities | <u>(826,402)</u> | <u>(137,350)</u> |
| Cash flows from financing activities | | |
| Proceeds from line of credit | 120,000 | - |
| Restricted contributions | <u>-</u> | <u>49,374</u> |
| Net cash provided by financing activities | <u>120,000</u> | <u>49,374</u> |
| Net (decrease) increase in cash and cash equivalents | (217,039) | 81,423 |
| Cash and cash equivalents, beginning of year | <u>570,494</u> | <u>489,071</u> |
| Cash and cash equivalents, end of year | <u>\$ 353,455</u> | <u>\$ 570,494</u> |

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

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

1. Summary of Significant Accounting Policies

Organization

Home Healthcare, Hospice & Community Services, Inc. is a non-stock, non-profit corporation in New Hampshire whose primary purpose is to act as a holding company and provide management services to its affiliate.

Affiliate

VNA at HCS, Inc., is a non-stock, non-profit corporation in New Hampshire whose primary purposes are to provide home healthcare, hospice and community services.

Principles of Consolidation

The consolidated financial statements include the accounts of the Home Healthcare, Hospice and Community Services, Inc., and its affiliate, VNA at HCS, Inc. (collectively, the Association). They are related through a common board membership and common management. All significant intercompany balances and transactions have been eliminated in consolidation.

The Association prepares its consolidated financial statements in accordance with U.S. generally accepted accounting principles (U.S. GAAP) established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

Income Taxes

The Association is a public charity under Section 501(c)(3) of the Internal Revenue Code. As a public charity, the Association is exempt from state and federal income taxes on income earned in accordance with its tax-exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Association's tax positions and concluded that the Association has no unrelated business income or uncertain tax positions that require adjustment to the consolidated financial statements.

Use of Estimates

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

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use.

The Association has cash deposits in a major financial institution which may exceed federal depository insurance limits. The Association has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk with respect to these accounts.

Allowance for Uncollectible Accounts

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible accounts by analyzing the Association's past history and identification of trends for all funding sources in the aggregate. In addition, balances in excess of 365 days are fully reserved. Management regularly reviews revenue data in evaluating the sufficiency of the allowance for uncollectible accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts.

A reconciliation of the allowance for uncollectible accounts follows:

| | <u>2016</u> | <u>2015</u> |
|----------------------------|-------------------|-------------------|
| Balance, beginning of year | \$ 332,144 | \$ 357,315 |
| Provision | 392,553 | 565,262 |
| Write-offs | <u>(301,723)</u> | <u>(590,433)</u> |
| Balance, end of year | <u>\$ 422,974</u> | <u>\$ 332,144</u> |

Investments

Investments in short-term investment options are reported as current assets. Investments held for long-term return are reported as non-current assets.

The Association reports investments at fair value and has elected to report all gains and losses in the excess (deficit) of revenue over expenses to simplify the presentation of these amounts in the consolidated statement of operations, unless otherwise stipulated by the donor or State law.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated balance sheets, statements of operations, and statements of changes in net assets.

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Assets Limited as to Use

Assets limited as to use includes designated assets set aside by the Board of Directors and donor contributions.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Maintenance, repairs and minor renewals are expensed as incurred and renewals and betterments are capitalized. Provision for depreciation is computed using the straight-line method over the useful lives of the related assets.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Association has been limited by donors.

Permanently restricted net assets have been restricted by donors to be maintained by the Association in perpetuity, the income from which is expendable and is recognized as temporarily restricted net assets.

Deferred Revenue

Deferred revenue represents advances on episodic payments that have not yet been earned. Revenue is recognized over the period in which treatment is provided (60 days) on a straight-line basis.

Patient Service Revenue

Providers of home health services to clients eligible for Medicare home health benefits are paid on a prospective basis, with no retrospective settlement. The prospective payment is based on the scoring attributed to the acuity level of the client at a rate determined by federal guidelines.

Providers of hospice services to clients eligible for Medicare hospice benefits are paid on a fee-for-service basis, with no retrospective settlement, provided the Association's aggregate annual Medicare reimbursement is below a predetermined aggregate capitated rate. Revenue is recognized as the services are performed based on the fixed-rate amount.

Charges for services to all patients are recorded as revenue when services are rendered at the net realizable amounts from patients, third-party payers and others, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and in future periods as final settlements are determined. Patients unable to pay full charge, who do not have other third-party resources, are charged a reduced amount based on the Association's published sliding fee scale. Reductions in full charge are recognized when the service is rendered.

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Contributions

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same year as received are reflected as unrestricted contributions in the accompanying consolidated financial statements.

Cost Allocations

The Association operates several related programs. Costs directly attributable to a program are charged to the respective program services. Management and general costs of the Association have been allocated between the programs on the basis of actual direct program costs.

2. Investments and Assets Limited as to Use

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

| | <u>2016</u> | <u>2015</u> |
|--|----------------------|----------------------|
| Cash and cash equivalents | \$ 335,547 | \$ 191,469 |
| U.S. Government and corporate bonds | 3,004,848 | 2,348,193 |
| Marketable securities | 4,912,555 | 4,574,800 |
| Mutual funds | <u>2,911,204</u> | <u>3,435,847</u> |
| Total investments and assets limited as to use | <u>\$ 11,164,154</u> | <u>\$ 10,550,309</u> |
| Unrestricted investments | <u>\$ 18,671</u> | <u>\$ 20,454</u> |
| Assets limited as to use | | |
| Board-designated for future use | 10,236,986 | 9,651,779 |
| Donor-restricted, temporarily | 674,266 | 643,845 |
| Donor-restricted, permanently | <u>234,231</u> | <u>234,231</u> |
| Total assets limited as to use | <u>11,145,483</u> | <u>10,529,855</u> |
| Total investments and assets limited as to use | <u>\$ 11,164,154</u> | <u>\$ 10,550,309</u> |

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Fair Value

FASB ASC Topic 820, *Fair Value Measurement*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants and also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The fair value hierarchy within ASC Topic 820 distinguishes three levels of inputs that may be utilized when measuring fair value:

- Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2: Significant observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.
- Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

All of the Association's investments were measured on a recurring basis.

| | <u>Assets at Fair Value as of June 30, 2016</u> | | |
|---------------------------|---|---------------------|----------------------|
| | <u>Level 1</u> | <u>Level 2</u> | <u>Total</u> |
| Cash and cash equivalents | \$ 335,547 | \$ - | \$ 335,547 |
| Corporate bonds | - | 2,856,973 | 2,856,973 |
| Government bonds | 147,875 | - | 147,875 |
| Equity securities | 4,912,555 | - | 4,912,555 |
| Mutual funds | 2,911,204 | - | 2,911,204 |
| Total | <u>\$ 8,307,181</u> | <u>\$ 2,856,973</u> | <u>\$ 11,164,154</u> |

| | <u>Assets at Fair Value as of June 30, 2015</u> | | |
|---------------------------|---|---------------------|----------------------|
| | <u>Level 1</u> | <u>Level 2</u> | <u>Total</u> |
| Cash and cash equivalents | \$ 191,469 | \$ - | \$ 191,469 |
| Corporate bonds | - | 2,180,271 | 2,180,271 |
| Government bonds | 167,922 | - | 167,922 |
| Equity securities | 4,574,800 | - | 4,574,800 |
| Mutual funds | 3,435,847 | - | 3,435,847 |
| Total | <u>\$ 8,370,038</u> | <u>\$ 2,180,271</u> | <u>\$ 10,550,309</u> |

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Investment income and gains for cash equivalents and investments consist of the following:

| | <u>2016</u> | <u>2015</u> |
|-------------------------------------|-------------------|-------------------|
| Unrestricted net assets | | |
| Investment income, net of fees | \$ 182,973 | \$ 161,316 |
| Change in fair value of investments | 163,344 | 222,894 |
| Restricted net assets | | |
| Investment income | 16,152 | 13,425 |
| Change in fair value of investments | <u>14,115</u> | <u>18,675</u> |
| Total | <u>\$ 376,584</u> | <u>\$ 416,310</u> |

3. Property and Equipment

Property and equipment consists of the following:

| | <u>2016</u> | <u>2015</u> |
|------------------------------------|---------------------|---------------------|
| Land | \$ 471,403 | \$ 471,403 |
| Building and improvements | 5,285,796 | 5,190,786 |
| Furniture, fixtures, and equipment | <u>2,753,382</u> | <u>2,444,704</u> |
| Total cost | 8,510,581 | 8,106,893 |
| Less accumulated depreciation | <u>5,096,913</u> | <u>4,660,301</u> |
| Total property and equipment, net | <u>\$ 3,413,668</u> | <u>\$ 3,446,592</u> |

4. Line of Credit

The Association has an unsecured \$1,000,000 line of credit payable on demand with a local bank with interest at 1% above the bank's base rate (4.50% at June 30, 2016). The outstanding balance was \$120,000 at June 30, 2016. There was no outstanding balance in 2015.

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

5. Temporarily and Permanently Restricted Net Assets

Temporarily and permanently restricted net assets consists of the following:

| | <u>2016</u> | <u>2015</u> |
|-----------------------------|-------------------|-------------------|
| Temporarily restricted | | |
| Jones equipment | \$ 126,621 | \$ 121,165 |
| Haskell equipment | 268,278 | 255,138 |
| Operations | 81,490 | 78,107 |
| Meal sites | 2,417 | 2,777 |
| Respite | 4,089 | 4,089 |
| Hospice memorial garden | 108,325 | 105,228 |
| Johnson Family fund | 16,720 | 15,810 |
| Bednar fund | 3,877 | 2,056 |
| Barbara Duckett scholarship | <u>62,449</u> | <u>59,475</u> |
| Total | <u>\$ 674,266</u> | <u>\$ 643,845</u> |
| Permanently restricted | | |
| Hospice | \$ 10,000 | \$ 10,000 |
| Operations | 8,623 | 8,623 |
| Johnson Family fund | 10,202 | 10,202 |
| Bednar fund | 50,000 | 50,000 |
| Haskell endowment fund | 120,570 | 120,570 |
| Jones endowment fund | <u>34,836</u> | <u>34,836</u> |
| Total | <u>\$ 234,231</u> | <u>\$ 234,231</u> |

In 2015, the Association reviewed historical data relating to permanently restricted net assets and reclassified certain gifts to temporarily restricted net assets based upon interpretation of the initial donor intents. There were no reclassifications in 2016.

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

6. Endowments

The Association has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Association classifies as a donor-restricted endowment (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent donor-restricted endowment gifts, and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Association in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with the UPMIFA, the Association considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund;
- (2) The purposes of the organization and the donor-restricted endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation and deflation;
- (5) The expected total return from income and the appreciation of investments;
- (6) Other resources of the Association;
- (7) The investment policies of the Association;
- (8) The spending policy; and
- (9) Funds with deficiencies.

Return Objectives and Risk Parameters

The investment portfolio is managed to provide for the long-term support of the Association. Accordingly, these funds are managed with disciplined, longer-term investment objectives and strategies designed to meet cash flow and spending requirements. Management of the assets is designed to attain the maximum total return consistent with acceptable and agreed-upon levels of risk. The Association benchmarks its portfolio performance against a number of commonly used indices.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Association 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). The Association targets an asset allocation strategy wherein assets are diversified among several asset classes. The pursuit of maximizing total return is tempered by the need to minimize the volatility of returns and preserve capital. As such, the Association seeks broad diversification among assets having different characteristics with the intent to endure lower relative performance in strong markets in exchange for greater downside protection in weak markets.

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

Spending Policy

The Association's spending policy is equal to investment returns. All available investment returns earned on endowments are expended, or released from endowment in the year earned.

The following summarizes changes in endowment assets:

| | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|--|-----------------------------------|-----------------------------------|-------------------|
| Balance June 30, 2014 | \$ - | \$ 405,444 | \$ 405,444 |
| Contributions | - | 1,001 | 1,001 |
| Investment income, net | - | 423 | 423 |
| Reclassification to temporarily restricted net assets | - | (172,637) | (172,637) |
| Balance June 30, 2015 | - | 234,231 | 234,231 |
| Contributions | - | - | - |
| Investment income, net | - | - | - |
| Balance June 30, 2016 | <u>\$ -</u> | <u>\$ 234,231</u> | <u>\$ 234,231</u> |

7. Patient Service Revenue

Patient service revenue is as follows:

| | <u>2016</u> | <u>2015</u> |
|----------------------------------|----------------------|----------------------|
| Medicare | \$ 10,503,859 | \$ 9,881,992 |
| Medicaid | 971,613 | 1,111,787 |
| Other third-party payers | 2,103,203 | 1,859,583 |
| Municipalities - fee for service | 230,028 | 184,362 |
| Private pay | <u>1,650,102</u> | <u>1,634,788</u> |
| Total | <u>\$ 15,458,805</u> | <u>\$ 14,672,512</u> |

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. The Association believes that it is in substantial compliance with all applicable laws and regulations. However, 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 net patient service revenue in the year that such amounts become known.

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

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

The Association provided services in other health-related activities, primarily to indigent patients, at rates substantially below cost. For certain activities, services were provided without charge. The Association estimates the costs associated with providing the other health-related activities by applying Medicare cost report methodology to determine program costs less any net patient revenue generated by the program. The estimated costs incurred in these activities amounted to \$2,684,818 and \$2,879,336 for the years June 30, 2016 and 2015, respectively.

The Association is able to provide these services with a component of funds received through local community support and federal and state grants. Local community support consists of contributions received directly from the public, United Way, municipal appropriations, and investment income earned from assets limited as to use. Federal and state grants consisted of monies received from the State of New Hampshire.

8. Functional Expenses

The Association provides various services to residents within its geographic location. Expenses related to providing these services are as follows:

| | <u>2016</u> | <u>2015</u> |
|----------------------------|----------------------|----------------------|
| Program services | \$ 16,094,122 | \$ 15,287,565 |
| Administrative and general | <u>3,226,206</u> | <u>3,011,174</u> |
| Total | <u>\$ 19,320,328</u> | <u>\$ 18,298,739</u> |

9. Malpractice Insurance

The Association insures its malpractice risks on a claims-made basis. There was one known malpractice claim outstanding at June 30, 2016 and there were no known malpractice claims outstanding at June 30, 2015. There were no unasserted claims or incidents which require loss accrual at June 30, 2016 or 2015. The Association intends to renew coverage on a claims-made basis and anticipates that such coverage will be available.

Litigation

The Association is involved in litigation arising in the normal course of business. After consultation with legal counsel, management estimates these matters will be resolved without a material adverse effect on the Association's future financial position or results of operations.

HOME HEALTHCARE, HOSPICE & COMMUNITY SERVICES, INC. AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2016 and 2015

10. Retirement Plan

The Association sponsors a defined contribution plan. The retirement contributions by the Association amounted to \$156,431 and \$161,792 for 2016 and 2015, respectively.

11. Concentration of Risk

The Association grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. Following is a summary of accounts receivable, by funding source:

| | <u>2016</u> | <u>2015</u> |
|--------------------------|---------------------|---------------------|
| Medicare | 50 % | 51 % |
| Medicaid | 4 | 10 |
| Other third-party payers | <u>46</u> | <u>39</u> |
| Total | <u><u>100 %</u></u> | <u><u>100 %</u></u> |

12. Subsequent Events

For financial reporting purposes, subsequent events have been evaluated by management through January 5, 2017, which is the date the consolidated financial statements were available to be issued.

**HCS/VNA at HCS, Inc.
FY2018 Board of Directors**

Chair: Allen Mendelson

Vice-Chair: Jane Larmon

Treasurer: David Therrien

Secretary: JoJi Robertson

Betsy Cotter, Director-at-Large

Susan Abert, Esq.

Mike Chelstowski

Julie Green

Julie Greenwood

Eric Horne

John Maclean

John McIntosh

Maureen O'Brien

Leslie Pitts, MD, FAAFP

Brian Reilly, MD

Judy Sadoski

EX-OFFICIO

Cathy Sorenson, CEO
HCS, VNA at HCS
312 Marlboro St.
Keene, NH 03431
352-2253

Susan Lowe, CFO
HCS, VNA at HCS
312 Marlboro St.
Keene, NH 03431
352-2253

Susan Ashworth, Acting CEO
HCS, VNA at HCS
312 Marlboro St.
Keene, NH 03431
352-2253

Thomas Bathrick, DrPH, MSN, BS, RN

Program Evaluations/Consultant/Educator

Nursing Director/Supervisor and Nurse Educator with 13 years experience in the Community Health, Public Health, and clinical instruction fields. Successful across a broad cross-section of student nurse populations.

Program Evaluator and Consultant to healthcare, management and community health systems. Active participant in development and organizational advancement in a variety of organizations. Doctorate in Public Health concentrating in Epidemiology with a 4.0 GPA following development of an 18-month program evaluation of a state Public Health Advisory Council and its Community Health Improvement Plan.

Willing to relocate: Anywhere

Authorized to work in the US for any employer

WORK EXPERIENCE

Triage Nurse

Veteran's Affairs Medical Center - White River Junction, VT - 2015-04 - Present

American Heart Association BLS Instructor

DHMC/Valley Regional Hospital - 2006-08 - Present

Adjunct Faculty - Nursing Dept

Salter School of Nursing and Allied Health - Manchester, NH - 2012-08 - 2015-05

I served as a Clinical Instructor for nursing students in the Long Term Care and acute Rehab Centers.

Infection Prevention Manager

Parkland Medical Center - Nashua, NH - 2014-12 - 2015-04

Responsibilities

Left when son suffered serious injuries in an ATV accident requiring my undivided attention

Clinical Director

St Joseph Home & Hospice - Nashua, NH - 2014-04 - 2014-11

Responsibilities

Develop policy & procedure, implement corrective action for JHACO and Medicare compliance, Infection Control, Staff Education, Team building

Accomplishments

Developed new policies related to medication reconciliation, staff development and productivity. Assisted with Magnet recognition as first home care agency in NH with such recognition.

Reason for leaving related to dissolving of position during hospital cutbacks

Public Health Nurse III

Vermont Department of Health - White River Junction, VT - 2011-02 - 2014-01

District Office Supervisor

Clinical Director (Interim)

Trusting Hands Home Health - Newport, NH - 2009-05 - 2011-02

Certified Anesthesia Tech, Perioperative

DHMC - Lebanon, NH - 1998 - 2011

Support Tech II, Surgical Asst., PCT II, ER tech

Nurse Manager/Health Services Coordinator

PathWays of the River Valley - Lyme, NH - 2006-01 - 2009-02

School Nurse

Mascoma School District - Canaan, NH - 2005-07 - 2006-01

Staff RN - ICU

Springfield Hospital - Springfield, VT - 2004-07 - 2004-12

Metal fabricator, Asst Foreman, Research & Development

Burtco Metal Systems - 1986-09 - 1998-10

EDUCATION

PhD in Epidemiology

Capella University - Minneapolis, MN

2012-09 - 2017-04

Masters in Nursing

Gonzaga University - Spokane, WA

2009-09 - 2012-05

Bachelor Of Science in Applied Technology

Granite State College

2006 - 2008

CERTIFICATIONS/LICENSES

RN

2016-08 - 2018-03

Catherine A Braught, RN

Objective

To obtain an RN position in a clinical facility where a passion for helping and educating people will be an asset to both the team and the patients.

Summary of Qualifications

Nursing Skills

RN nursing skills including ICU, Telemetry, Medical Surgical, Rehabilitation and long term care experience, Charge nurse.

Communication

Use active listening skills to make sure patient's needs are accurately met

Compassionate

Respond to patients and their families in a caring, empathetic manner without allowing my personal biases to interfere

Organized

Multi-task effectively in a fast-paced environment

Employment

| | |
|--|----------------------------|
| Home Healthcare, Hospice & Community Services (VNA at HCS, Inc.) | Keene NH |
| Director of Customized Care | March 2016-Present |
| RN Castle Center Adult Day Services | June 2015-March 2016 |
| Cheshire Medical Center | Keene NH |
| RN ICU/Telemetry/Rehabilitation | November 2012-Present |
| Valley Regional Hospital | Claremont NH |
| RN Med/Surgical | January 2012-November 2012 |
| Applewood/ Genesis | Winchester NH |
| LNA, GN, RN | April 2011 – January 2012 |
| Genesis Eldercare, Keene Center | Keene NH |
| LNA | 2008-2011 |

Education

St Joseph's College of Maine
BSN

Standish ME
Expected Graduation Summer 2015

River Valley Community College
Associate in Science Nursing
Phi Theta Kappa Honor Society

Claremont NH
May 2011

Licensures and Certifications

NH Board of Nursing
Registered Nurse

July 2011
064943-21

ACLS Provider

4/19/2013-04/2015

CPR/AED for the Professional Rescuer and the Healthcare Provider

02/2014-02/2016

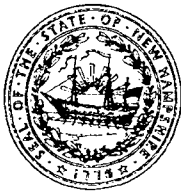
References

Available upon request

VNA at HCS, Inc.

Key Personnel

| Name | Job Title | Salary | % Paid from this Contract | Amount Paid from this Contract |
|-------------------|----------------------------------|-----------|---------------------------|--------------------------------|
| Thomas Bathrick | Chief Clinical Operating Officer | \$105,000 | 0% | \$0.00 |
| Catherine Braught | Director of Customized Care | \$82,400 | 12.5% | \$10,333 |
| | | | | |
| | | | | |
| | | | | |



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

BUREAU OF ELDERLY & ADULT SERVICES

Jeffrey A. Meyers
 Commissioner

Maureen U. Ryan
 Director of Human
 Services

129 PLEASANT STREET, CONCORD, NH 03301-3857
 603-271-9203 1-800-351-1888
 Fax: 603-271-4643 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

October 10, 2016

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, Bureau of Elderly and Adult Services, to enter into an agreement with VNA at HCS (Vendor #177274), 312 Marlboro Street, Keene, New Hampshire 03431, for the provision of Adult Day Services to adults ages sixty (60) or older, and adults ages 18 and older with chronic illnesses and/or disabilities in an amount not to exceed \$268,250 effective upon Governor and Executive Council approval through September 30, 2018. 40% Federal Funds and 60% General Funds.

Funds to support this request are available in the following accounts in State Fiscal Year 2017 and anticipated to be available in State Fiscal Years 2018 and 2019 upon availability and continued appropriation of funds in future operating budgets, with the authority to adjust encumbrances between state fiscal years through the Budget Office without Governor and Executive Council approval, if needed and justified.

05-95-48-481010-78720000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING, GRANTS (40% Federal Funds; 60% General Funds)

| Fiscal Year | Class | Activity Code | Class Title | Amount |
|------------------|-------|---------------|--------------------------------|---------------------|
| 2017 | 540 | 500382 | Contracts for Program Services | \$45,131.25 |
| 2018 | 540 | 500382 | Contracts for Program Services | \$60,175.00 |
| 2019 | 540 | 500382 | Contracts for Program Services | \$15,043.75 |
| <i>Subtotal:</i> | | | | \$120,350.00 |

05-95-48-481010-92550000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, SOCIAL SERVICE BLOCK GRANT (40% Federal Funds; 60% General Funds)

| Fiscal Year | Class | Activity Code | Class Title | Budget |
|------------------|-------|---------------|--------------------------------|---------------------|
| SFY 2017 | 566 | 500918 | Contracts for Program Services | \$55,462.50 |
| SFY 2018 | 566 | 500918 | Contracts for Program Services | \$73,950.00 |
| SFY 2019 | 566 | 500918 | Contracts for Program Services | \$18,487.50 |
| <i>Subtotal:</i> | | | | \$147,900.00 |
| Total: | | | | \$268,250.00 |

EXPLANATION

The purpose of the agreement is for the licensed organization to provide Adult Day Program Services in accordance with the Older American Act, Title III Services and Title XX Social Services Block Grant Programs, to eligible individuals, age sixty (60) and older, and to adults ages eighteen (18) and older with chronic illnesses and/or disabilities. Eligible adults are those who reside in independent living settings and are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, who are eligible for other NH Medicaid services; or individuals who are receiving the same or similar serves through the Veterans' Administration.

The selected vendor will provide Adult Day Services to assist eligible adults ages eighteen to fifty-nine (18-59) with a physical disability(ies) and/or chronic illness and to adults ages sixty (60) and older, to live as independently as possible, safely and with dignity. Services shall be provided for less than twelve (12) hours per day, and include supervision; assistance with activities of daily living; nursing care; rehabilitation; nutrition and recreational, social, cognitive or physical stimulation. Services also include monitoring of the individual's condition; counseling, as appropriate, on nutrition, hygiene or other related matters; referrals, as appropriate, to other services and resources that could assist the individual including any necessary follow up; as well as assistance and support to caregiving families.

A Request for Application was posted on the Department's website on July 6, 2016; four (4) applications were received. A team of individuals with extensive program knowledge reviewed the applications. This agreement is the last of four (4) vendors selected. An agreement with Easter Seals New Hampshire is anticipated to be heard at the October 26th Governor and Executive Council Meeting. Agreements with Area Agency of Greater Nashua, Inc., DBA Gateways Community Services and The Homemaker Health Services are anticipated to be heard at the November 16th Governor and Executive Council Meeting. The Department may receive additional applications as the Request for Application remains open until program services are met. Score sheet attached.

The agreement contains language allowing the Department the right to renew the contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and approval by Governor and Executive Council.

Should the Governor and Executive Council not approve this request, Adult Day Services to eligible adults age sixty (60) and older in the southwestern part of the State may be eliminated which may jeopardize their ability to remain in their homes and communities. It may also result in increased numbers of individuals needing more costly long-term care services in traditional nursing homes or community based care programs.

Areas to be served: Cheshire, Hillsborough and Sullivan Counties

Source of Funds:

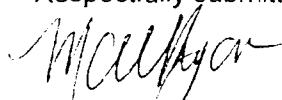
40% Federal Funds from the United States Department of Health and Human Services, Administration for Community Living, Title III Older Americans Act, Catalog of Federal Domestic Assistance (CFDA) #93.044, Federal Award Identification #17AANHT3SS and Title XX Social Services Block Grant, Catalog of Federal Domestic Assistance (CFDA) #93.667 Social Services Block Grant, Federal Award Identification #1701NHSOSR.

60% General Funds

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
Page 3 of 3

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

Respectfully submitted,



Maureen U. Ryan
Director of Human Services

Approved by:



Jeffrey A. Meyers
Commissioner



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

Adult Day Program Services _____

RFA Name

RFA-2017-BEAS-03-ADULT _____

RFA Number

Bidder Name

1. Easter Seals, New Hampshire, Inc.
2. The Homemakers Health Services
3. Gateways Community Services
4. VNA at HCS
5. _____
6. _____
7. _____

Reviewer Names

1. Margaret Morrill, Program Specialist III
2. Jean Crouch, Supervisor VII
3. Tracey Tarr, Administrator II
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____

| Pass/Fail | Maximum Points | Actual Points |
|-----------|----------------|---------------|
| | 150 | 147 |
| | 150 | 143 |
| | 150 | 149 |
| | 150 | 120 |
| | 150 | 0 |
| | 150 | 0 |
| | 150 | 0 |

Subject: Adult Day Program Services (RFA-2017-BEAS-03-ADULT)

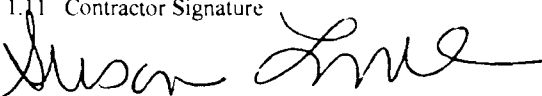
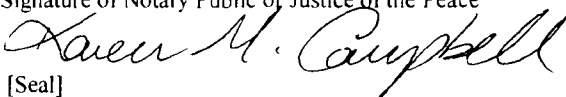
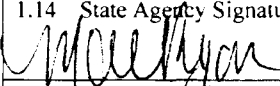
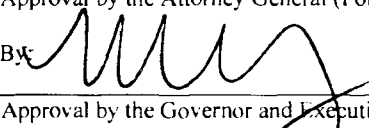
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

| | | | |
|---|--|---|-----------------------------------|
| 1.1 State Agency Name Department of Health and Human Services Bureau of Elderly and Adult Services | | 1.2 State Agency Address 129 Pleasant Street Concord, NH 03301 | |
| 1.3 Contractor Name VNA at HCS, Inc. | | 1.4 Contractor Address 312 Marlboro Street Keene, NH 03431 | |
| 1.5 Contractor Phone Number 603-352-2253 | 1.6 Account Number 05-95-48-481010-78720000 05-95-48-481010-92550000 | 1.7 Completion Date September 30, 2018 | 1.8 Price Limitation \$268,250 |
| 1.9 Contracting Officer for State Agency Eric D. Borrin, Director | | 1.10 State Agency Telephone Number 603-271-9558 | |
| 1.11 Contractor Signature  | | 1.12 Name and Title of Contractor Signatory Susan Lowe, CFO | |
| 1.13 Acknowledgement: State of NH , County of Cheshire On 10/7/2016 , 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] | | KAREN M. CAMPBELL, Notary Public My Commission Expires June 4, 2019 | |
| 1.13.2 Name and Title of Notary or Justice of the Peace Karen M. Campbell, Notary | | | |
| 1.14 State Agency Signature  | | 1.15 Name and Title of State Agency Signatory Maureen Ryan Director, Office of Human Services | |
| 1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Date: 10/11/16 Director, On: _____ | | | |
| 1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: Megan A. Yoder - Attorney 10/26/16 | | | |
| 1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____ | | | |

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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



Exhibit A

Scope of Services

1. Provisions Applicable to All Services

- 1.1. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Services shall be provided in southwestern New Hampshire, including all of Cheshire County and portions of Hillsborough and Sullivan Counties.
- 1.4. Hours of operation shall be Monday through Friday, 8:00 am to 4:30 pm.

2. Scope of Work

2.1. Population

- 2.1.1. The Contractor shall provide services in this contract to assist eligible individuals live as independently as possible, safely and with dignity.
- 2.1.2. The Contractor shall provide services for individuals who:
 - 2.1.2.1. Are not already receiving the same or similar services through one of the Department's Medicaid Waiver Programs, who are eligible for other NH Medicaid services; or
 - 2.1.2.2. Are receiving the same or similar services through the Veterans' Administration.
- 2.1.3. The Contractor shall provide services to individuals who reside in independent living settings and who meet the eligibility criteria as follows:
 - 2.1.3.1. Title III
 - 2.1.3.1.1. Individuals who are age 60 and older and with the most economic or social need as described in:
 - 2.1.3.1.1.1. Older Americans Act of 1965, as amended through P.L. 114-144, Enacted April 19, 2006 (see attached link: http://www.aoa.gov/AoA_programs/OAA/oaafull.asp#Toc153957659), and
 - 2.1.3.1.1.2. NH Administrative Rule He-E 502 (see attached link: http://www.gencourt.state.nh.us/rules/state_agencies/he-e.html).
 - 2.1.3.2. Title XX 42 USC §1397 et seq.
 - 2.1.3.2.1. Individuals who are age 60 and older or ages 18-59 who have a chronic illness or disability, and a maximum monthly income of \$1,214 for calendar year 2016 as described in:
 - 2.1.3.2.1.1. The Social Services Block Grant (Title XX) (see attached link: <http://www.acf.hhs.gov/programs/ocs/programs/ssbg/about>), and
 - 2.1.3.2.1.2. NH Administrative Rule He-E 501 (see attached link: http://www.gencourt.state.nh.us/rules/state_agencies/he-e.html).



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2.2. Service Descriptions

- 2.2.1. The Contractor shall be a licensed entity in New Hampshire in a fixed physical location and shall include the provision of one or more of the following services for fewer than (twelve) 12 hours a day to participants 18 years of age and older, based on an individual's needs:
 - 2.2.1.1. Supervision;
 - 2.2.1.2. Assistance with activities of daily living;
 - 2.2.1.3. Nursing care rehabilitation;
 - 2.2.1.4. Recreational, social, cognitive, physical stimulation activities or nutrition services;
 - 2.2.1.5. Monitoring of the individual's condition and counseling as appropriate on nutrition, hygiene or other related matters;
 - 2.2.1.6. Referrals, as appropriate, to other services and resources that could assist the individual including any necessary follow up;
 - 2.2.1.7. Assistance and support to caregiving families; and
 - 2.2.1.8. Developing a person-centered plan for each individual in accordance with NH Administrative Rules He-E 501 and He-E 502.

2.3. Client Access to Services

- 2.3.1. The Contractor shall provide services described in this agreement to eligible clients that apply for or request services, or are referred by Adult Protective Services (APS):
 - 2.3.1.1. Client directly applies for or requests services:
 - 2.3.1.1.1. The Contractor shall determine eligibility for these services in accordance with the rules and requirements of the Title III and Title XX Programs.
 - 2.3.1.2. Client is referred by Adult Protection Services (APS):
 - 2.3.1.2.1. In the event that an individual has been referred by APS, the Contractor shall not take an application, determine or re-determine the individual's eligibility or issue eligibility notifications, in accordance with NH Administrative Rules He-E 501 and 502.

2.4. Client Application/Request for Services

- 2.4.1. The Contractor shall complete an intake and application for services, in accordance with NH Administrative Rules He-E 501 and He-E 502.
 - 2.4.1.1. When determining eligibility pursuant to NH Administrative Rule He-E 501 (Title XX), the Contractor shall use the Department's Form 3000 Application.
 - 2.4.1.2. For applications pursuant to NH Administrative Rule He-E 502 (Title III), the Contractor shall review requests for services and determine eligibility.

2.5. Client Eligibility

- 2.5.1. The Contractor shall submit its policies and procedures for client eligibility determination for services to the Department for review and approval, within thirty (30) days of the start of each State Fiscal Year.
- 2.5.2. The Contractor shall determine eligibility for services and shall be in compliance with the New Hampshire Administrative Rules He-E 501 and He-E 502 regarding eligibility



Exhibit A

determination, notice of eligibility and the individual's period of eligibility as applicable as follows:

2.5.2.1. Notice of Eligibility:

2.5.2.1.1. The Contractor shall provide written notice of eligibility within forty five (45) days from the date eligibility was determined, indicate what services are to be provided and at what frequency, and indicate the beginning and end dates for the individual's period of eligibility.

2.5.2.1.2. If the client is determined not eligible for service(s), the notice of denial shall include:

2.5.2.1.2.1. The reason(s) for denial;

2.5.2.1.2.2. A statement regarding the right of the individual or his/her authorized representative to request an informal resolution or appeal of the eligibility determination decision; and

2.5.2.1.2.3. Contact information for requesting an appeal.

2.5.2.2. Redetermination of Service Eligibility:

2.5.2.2.1. The Contractor shall submit its policies and procedures for client eligibility redetermination for services to the Department for review and approval, within thirty (30) days of the start of each State Fiscal Year.

2.5.2.3. Termination of Services:

2.5.2.3.1. Services shall be terminated when:

2.5.2.3.1.1. The individual or his/her authorized representative requests that the services be terminated;

2.5.2.3.1.2. The individual no longer meets the eligibility requirements for services;

2.5.2.3.1.3. Funding by the State for the service(s) is no longer available;

2.5.2.3.1.4. The individual did not reapply for services as required by program rules;

2.5.2.3.1.5. The individual has been admitted to a nursing home or residential care facility; or

2.5.2.3.1.6. The individual is deceased.

2.5.2.4. Service Authorizations for Title XX Eligible Clients:

2.5.2.4.1. Once the client has been determined eligible to receive Title XX services, the Contractor shall submit a service authorization form to the Department in order to facilitate payment for serving eligible clients.

2.5.2.4.2. The Contractor shall submit a completed Form 3502 "Contract Service Authorization-New Authorization" for each client who has been determined eligible to receive services. More than one service may be included on a Form 3502. The completed Form 3502 shall be submitted to:

Department of Health and Human Services
Data Management Unit
129 Pleasant Street
Concord, NH 03301



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2.6. Client Assessments

- 2.6.1. The Contractor shall assess the individual's needs and develop written service plans, keep written progress notes and monitor and adjust service plans to meet the individual's needs in accordance with NH Administrative Rules He-E 501 and He-E 502.

2.7. Person Centered Provision of Services

- 2.7.1. The Contractor shall incorporate policies and staff-client interactions into its agency's functions, as well as incorporate the following Guiding Principles for Person-Centered Planning Philosophy in the provision of all services in this Agreement:
- 2.7.1.1. Individuals and families are invited, welcomed and supported as full participants in service planning and decision making.
 - 2.7.1.2. Individual's wishes, values and beliefs are considered and respected.
 - 2.7.1.3. Individual is listened to; needs and concerns are addressed.
 - 2.7.1.4. Individual receives the information he/she needs to make informed decisions.
 - 2.7.1.5. Planning is responsive to the individual. His or her preferences drive the planning process although the decision-making process may need to be accelerated to respond to emergencies.
 - 2.7.1.6. Services are designed, scheduled and delivered to best meet the needs and preferences of the individual.
 - 2.7.1.7. The system is committed to excellence and quality improvement.
 - 2.7.1.8. Individual rights are affirmed and protected.
 - 2.7.1.9. Individuals are protected from exploitation, abuse and neglect.
 - 2.7.1.10. The service system is accessible, responsive and accountable to the individual.
 - 2.7.1.11. Person-centered planning may be incorporated into existing service plans or documents already being used by the Contractor.

3. Staffing

- 3.1. The Contractor shall adhere to the following staffing requirements:
- 3.1.1. Maintain a level of staffing necessary to perform and carry out all of the functions, requirements, roles and duties in a timely fashion for the number of clients and geographic area as identified in this Agreement.
 - 3.1.2. Verify and document that all staff and volunteers have appropriate training, education, experience and orientation to fulfill the responsibilities of their respective positions. This includes keeping up-to-date personnel and training records and documentation of all individuals requiring licenses and/or certifications.
 - 3.1.3. Develop and submit a Staffing Contingency Plan in writing to the Department within thirty (30) days of approval of the Contract Agreement. The plan shall include but not be limited to:
 - 3.1.3.1. The process for replacement of personnel in the event of loss of key personnel or other personnel during the period of this Agreement;
 - 3.1.3.2. A description of how additional staff resources will be allocated to support this Agreement in the event of inability to meet any performance standard;
 - 3.1.3.3. A description of time frames necessary for obtaining staff replacements;
 - 3.1.3.4. An explanation of the Contractor's capabilities to provide, in a timely manner, staff replacements/additions with comparable experience; and
 - 3.1.3.5. The method of bringing staff replacements/additions up-to-date regarding this Agreement.



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4. Reporting

4.1. Reporting Requirements

- 4.1.1. The Contractor shall complete and submit quarterly reports which will be a pre-defined electronic form supplied by the Department. The report must be submitted by the 15th of the month following the quarter end date. The data will include, but not be limited to the following:
- 4.1.1.1. Expenses by program service provided. Service is defined as Adult Day Program Services.
 - 4.1.1.2. Revenue by program service provided, by funding source;
 - 4.1.1.3. Actual Units served by program service provided, by funding source;
 - 4.1.1.4. Number of unduplicated clients served by service provided, by funding source;
 - 4.1.1.5. Number of Title III and Title XX clients served with non-Department funds;
 - 4.1.1.6. Unmet need/waiting list; and,
 - 4.1.1.7. Lengths of time clients are on a waiting list.

4.2. Service Delivery Verification

- 4.2.1. The Contractor shall submit Service Delivery Verification reports to BEAS Finance for the following required performance measures for each service identified in Section 2.2, Service Descriptions:
- 4.2.1.1. Eligibility:
- 4.2.1.1.1. The number of applications/service requests and the number and percentage of applicants found eligible for each service;
 - 4.2.1.1.2. The number and percentage of applicants found ineligible for each service including the reason(s) applicants were found ineligible.
- 4.2.1.2. Quality and Appropriateness:
- 4.2.1.2.1. Plans of Care:
- 4.2.1.2.1.1. The number and percentage of individuals' plans of care in which the plans contain evidence of person-centered planning;
 - 4.2.1.2.1.2. The number and percentage of individuals who have experienced a safety-related incident or accident which occurs during times of face-to-face contact with the client(s);
 - 4.2.1.2.1.3. The number and percentage of individuals for whom a report to Adult Protective Services was made.
- 4.2.1.3. Experience:
- 4.2.1.3.1. The number and percentage of individuals surveyed (via telephone, mail, e-mail or face-to-face) who report their experiences with their services and providers have been satisfactory or better.
 - 4.2.1.3.2. The Contractor shall indicate the reasons why:
 - 4.2.1.3.2.1. Applicants experienced safety-related incidents which occurs during times of face-to-face contact with the client(s);
 - 4.2.1.3.2.2. Applicants were referred to Adult Protective Services; and
 - 4.2.1.3.2.3. The number and percentage of individuals surveyed who reported their experiences with their services and providers were not satisfactory or better.



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- 4.2.1.3.3. The Contractor shall describe the quality improvement activity(ies) to be initiated to address identified concerns about the quality and appropriateness of care.
- 4.2.1.3.4. The Contractor shall survey a sample of participants for each contracted service and provide their survey methodology, in writing, to the Bureau of Elderly and Adult Services (BEAS).
- 4.2.1.4. Service Delivery:
 - 4.2.1.4.1. The number of open cases at the end of each reporting period and the number and percentage of days individuals did not receive a planned service(s).
 - 4.2.1.4.2. The Contractor shall indicate the reasons applicant(s) did not receive planned services.
 - 4.2.1.4.3. The Contractor shall describe the quality improvement activity(ies) to be initiated to address identified concerns about service delivery.

5. Client Fees and Donations

5.1. Title III Services

- 5.1.1. With the exception of Subsection 5.3.1. of this agreement below, NH Administrative Rule He-E 502.12 allows Title III contractors to ask individuals receiving services for a voluntary donation towards the cost of the service and provides guidance for requesting donations. The donation is to be purely voluntary and no one can be refused services if he/she is unable or unwilling to donate. The Contractor is not permitted to invoice clients or family members.
- 5.1.2. The Contractor shall report the total amount of collected donations on the quarterly report sent to BEAS Finance.

5.2. Title XX Services

The Contractor may charge fees to individuals receiving Title XX services provided that the Contractor establishes a sliding fee schedule and provides this information to individuals seeking services. The Contractor shall comply with the NH Administrative Rule He-E 501 when establishing and charging fees to individuals. Additionally, the Contractor is required to report on the total amount of fees/income received for Title XX Services on the quarterly report sent to BEAS Finance.

- 5.2.1. The Contractor providing Title XX services may charge fees to clients referred by APS staff for which reports of abuse, neglect, self-neglect and/or exploitation has not been founded. The Contractor is required to include the total amount of fees/income received for Title XX services, referred by APS staff, with the total amount of fees/income reported for Title XX Services, listed above, on the quarterly report sent to BEAS Finance.

5.3. Adult Protection Services (APS)

Under RSA 161-F: 42 et seq. (<http://www.gencourt.state.nh.us/rsa/html/XII/161-F/161-F-42.htm>), BEAS provides protective services to incapacitated adults to prevent and/or ameliorate neglect, abuse or exploitation. When BEAS determines that an individual needs protective services as described in NH Administrative Rule He-E 700 (http://www.gencourt.state.nh.us/rules/state_agencies/he-e700.html), the Contractor agrees that the payment received from the Department for the specified services is payment in full for



Exhibit A

those services, and the provider agrees to refrain from making any attempt to secure additional reimbursement of any type from the individual for those services.

- 5.3.1. The Contractor, providing Title III and/or Title XX services, may not charge fees or ask for donations from clients referred by the Department's Adult Protection Services (APS) program as long as these individuals remain active recipients of Adult Protective Services as verified by Adult Protection Services staff.

6. Adult Protection Services (APS)

- 6.1. The Contractor shall report suspected abuse, neglect, self-neglect and/or exploitation of incapacitated adults as required by RSA 161-F: 46 of the Adult Protection law (<http://www.gencourt.state.nh.us/rsa/html/XII/161-F/161-F-46.htm>).
- 6.2. The Contractor shall make a good faith effort to assure the provision of some level of services to those persons who the Department refers to the contracted agency and identifies the client is in need of protective services.
- 6.3. The Contractor shall follow the plan of care established by the APS social worker.
- 6.4. The Contractor shall inform the referring APS staff of any changes in the individual's situation or other concerns, and APS staff is expected to inform the Contractor of any information that may affect service provision.

7. E-Studio Electronic Information System

- 7.1. The Contractor shall be required to use the Department's E-Studio electronic information system. E-Studio is BEAS' primary vehicle for uploading important information concerning time-sensitive announcements, policy releases, administrative rule adoptions and other critical information.
- 7.2. The Contractor shall identify all of the key personnel who will require E-Studio accounts to ensure that information from the Department can be shared with the necessary agency staff. There is no cost to the Contractor for the Department to create an E-Studio account and no limit on the number of staff an agency identifies to have access to E-Studio.
- 7.3. The Contractor shall ensure their E-Studio account(s) are kept current and that the Department is notified when a staff member is no longer working in the program so his/her account can be terminated.

8. Criminal Background and Adult Protection Service Registry Checks

- 8.1. The Contractor's staff members or volunteers, who will be interacting with or providing hands-on care to individuals receiving services, are required to complete a BEAS State Registry check prior to providing services; in accordance with the requirement of RSA 161-F: 49 (<http://gencourt.state.nh.us/rsa/html/XII/161-F/161-F-49.htm>).
- 8.2. The Contractor shall conduct a New Hampshire Criminal Records background check on all agency staff as well as prospective employees or volunteers, funded under this contract that may have client contact.

9. Grievance and Appeals

- 9.1. The Contractor shall maintain a system for tracking, resolving and reporting client complaints regarding its services, processes, procedures and staff.
- 9.2. The Contractor shall develop a grievance process. Any grievances filed are to be available to the Department upon request. At a minimum, the process shall include the following:
 - 9.2.1. Client name,
 - 9.2.2. Type of service,



Exhibit A

- 9.2.3. Date of written grievance,
- 9.2.4. Nature/subject of the grievance,
- 9.2.5. Who in the agency reconsiders agency decisions, and
- 9.2.6. The types of issues that can be addressed in the grievance process and how clients are informed of their right to appeal or file grievances.

10. Culturally and Linguistically Appropriate Standards of Care

- 10.1. The Contractor shall ensure equal access to quality services under this agreement by providing culturally and linguistically appropriate services according to the following guidelines:
 - 10.1.1. Assess the ethnic/cultural needs, resources and assets of their community.
 - 10.1.2. Promote the knowledge and skills necessary for staff to work effectively with clients with respect to their culturally and linguistically diverse environment or to those with disabilities.
 - 10.1.3. When feasible and appropriate, provide clients with minimal English skills with interpretation services.
 - 10.1.4. Offer clients a forum through which they have the opportunity to provide feedback to the Contractor regarding cultural and linguistic issues that may require a response.
 - 10.1.5. When feasible and appropriate, identify communication access needs for clients who may be deaf or hard of hearing, and/or have vision or speech impairment and develop an individual communication plan for clients to receive services.

11. Wait Lists

- 11.1. The Contractor shall provide all services covered under this agreement to the extent that funds, staff and/or resources for this purpose are available.
- 11.2. The Contractor shall maintain a wait list in accordance with NH Administrative Rules He-E 501 and He-E 502 when funding or resources are not available to provide the requested services. The wait list shall include at a minimum:
 - 11.2.1. The individual's full name and date of birth;
 - 11.2.2. The name of the service being requested;
 - 11.2.3. The date upon which the individual applied for services which shall be the date the application was received by the contract agency or the Department;
 - 11.2.4. The target date of implementing the services based on the communication between the individual and the Department/contractor;
 - 11.2.5. The date upon which the individual's name was placed on the wait list shall be the date of the notice of decision in which the individual was determined eligible for Title XX services;
 - 11.2.6. The individual's assigned priority on the wait list, determined in accordance with Sub-section 11.3. below;
 - 11.2.7. A brief description of the individual's circumstances and the services he or she needs.
- 11.3. The Contractor shall prioritize each individual's standing on the list by determining the individual's urgency of need in the following order:
 - 11.3.1. Individual is in an institutional setting or is at risk of being admitted to or discharged from an institutional setting;
 - 11.3.2. Declining mental or physical health of the caregiver;
 - 11.3.3. Declining mental or physical health of the individual;
 - 11.3.4. Individual has no respite services while living with a caregiver; and
 - 11.3.5. Length of time on the wait list.
 - 11.3.6. When 2 or more individuals on the wait list have been assigned the same service priority, the individual served first will be the one with the earliest application date.



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- 11.3.7. Individuals who are being served under protective services RSA 161-F: 42-57 shall be given priority status on the waitlist and in accordance with He-E 501.14 (f) and He-E 502.13.
- 11.3.8. Individuals with adult protective needs in accordance with RSA 161-F: 42-57 shall be exempt from the wait list.

- 11.4. When an individual is placed on the wait list, the Contractor shall notify the individual in writing.
- 11.5. The Contractor shall maintain the wait list for the duration of the contract period and make it available to the Department upon request.

12. Notice of Failure to Meet Service Obligations

- 12.1. In the event that the Contractor for any reason is unable to meet any service obligations prior to the completion date, the Contractor shall provide written notice of such inability at least ninety (90) days prior and shall mail it to:

Bureau Director
Bureau of Elderly and Adult Services
129 Pleasant Street
Concord, NH 03301

- 12.1.1. Examples of failure to meet service obligations may include, but not limited to:
 - 12.1.1.1. Reducing hours of operation
 - 12.1.1.2. Changing a geographic service area
 - 12.1.1.3. Closing or opening a site
- 12.1.2. The written notification shall include the following:
 - 12.1.2.1. Reason(s) for the inability to deliver services;
 - 12.1.2.2. How service recipients and the community will be impacted;
 - 12.1.2.3. How service recipients and the community will be notified; and
 - 12.1.2.4. A plan to transition clients into other services or refer the clients to other agencies.
- 12.1.3. The Contractor shall maintain a plan that addresses the present and future needs of clients receiving services in the event that:
 - 12.1.3.1. Service(s) are terminated or planned to be terminated prior to the termination date of the contract;
 - 12.1.3.2. The contract is terminated or is planned to be terminated prior to the termination date of the contract by the Contractor or the State;
 - 12.1.3.3. The Contractor terminates a service or services for any reason;
 - 12.1.3.4. The Contractor cannot carry out all or a portion of the services terms or conditions outlined in the contract or sub-contracts.

13. Transition Process

- 13.1. The Contractor shall have a transition process for clients in the event that they may be transitioned between the Department's contracted providers.
- 13.2. The Contractor shall submit a written transition process to the Department within thirty (30) days of approval of the Contract Agreement. The process shall ensure:
 - 13.2.1. Uninterrupted delivery of services to clients;
 - 13.2.2. A method of notifying clients and/or the community about the transition. A staff member shall be available to address questions about the transition.



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14. Compliance with Laws and Regulations

- 14.1. The Contractor shall be licensed in accordance with RSA 151:2 (f) (<http://law.justia.com/codes/new-hampshire/2010/titlexi/chapter151/section151-2/>), and as governed by NH Administrative Rule He-P 818 (<http://www.dhhs.nh.gov/oos/bhfa/documents/he-p818.pdf>). Additionally, the Contractor shall provide services in accordance with NH Administrative Rules He-E 501 and He-E 502.
- 14.2. The Contractor shall provide services and administration of the program in accordance with the applicable Federal and State laws, Title III and Title XX rules, policies and regulations adopted by the Department of Health and Human Services currently in effect, and as they may be adopted or amended during the contract period.



Exhibit B

Method and Conditions Precedent to Payment

1. This contract is funded with funds from the Catalog of Federal Domestic Assistance (CFDA) #93.044, Administration on Aging, Special Programs for the aging – Title IIIB and #93.667 US Department of Health and Human Services, Social Services Block Grant – Title XX, in providing services pursuant to Exhibit A, Scope of Services. The contractor agrees to provide the services in Exhibit A, Scope of Services in compliance with funding requirements.
2. The State shall pay the Contractor an amount not to exceed the Price Limitation on Form P-37, Block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
3. Payment for expenses shall be on a cost reimbursement basis only for actual expenditures. Expenditures shall be in accordance with the rate of seven dollars and twenty-five cents (\$7.25) per unit, per client, not to exceed twelve (12) hours per day.
4. Payments for Title III funding shall not exceed sixteen thousand, six hundred (16,600) units.
5. Payments for Title XX funding shall not exceed twenty thousand, four hundred (20,400) units.
6. Payment for services shall be made as follows:
 - 6.1. The Contractor must submit monthly invoices by the 15th of the month in accordance with procedure and instructions established by the Department for reimbursement for services specified in Exhibit A, Scope of Services. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement.
 - 6.2. The invoices must;
 - 6.2.1. Clearly identify the amount requested and the services performed during that period.
 - 6.2.2. Include a detailed account of the services provided to include: individual in receipt of services, number of units and funding source attributable to the services.
 - 6.3. Invoices described in Exhibit B, Method and Conditions Precedent to Payment; Sections 6.1 and 6.2., and reports identified in Exhibit A, Scope of Services; Section 4, Reporting, must be submitted to:

Department of Health and Human Services
Data Management Unit
129 Pleasant Street
PO Box 2000
Concord, NH 03301
7. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A.
8. A final payment request shall be submitted no later than forty (40) days after the Contract ends. Failure to submit the invoice and accompanying documentation could result in nonpayment.
9. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if said services have not been completed in accordance with the terms and conditions of this Agreement.

JK
10/7/16



SPECIAL PROVISIONS

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

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

[Handwritten Signature]
Date 10/7/14



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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Date 10/7/16



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

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

DEFINITIONS

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

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REVISIONS TO GENERAL PROVISIONS

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



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

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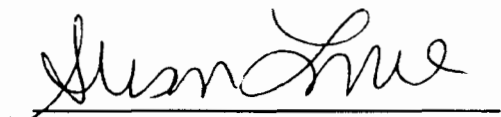
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted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

Place of Performance (street address, city, county, state, zip code) (list each location)
312 Marlboro St., Keene, NH 03431

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

Contractor Name: VNA at HCS, Inc.

10/7/16
Date


Name: Susan Lowe
Title: CFO

Contractor Initials SL
Date 10/7/16



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name: VNA at HCS, Inc.

10/7/10
Date


Name: Susan Lowe
Title: CFO



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

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

INSTRUCTIONS FOR CERTIFICATION

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

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

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

PRIMARY COVERED TRANSACTIONS

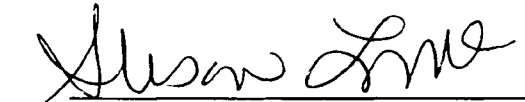
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 -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


LOWER TIER COVERED TRANSACTIONS

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

Contractor Name: VNA at HCS, Inc.

10/7/16
Date


Name: Susan Lowe
Title: CFO


10/7/16



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

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

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

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

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

Exhibit G

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

Contractor Initials

Date

10/7/16

New Hampshire Department of Health and Human Services
Exhibit G



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

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

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

Contractor Name: VNA at HCS, Inc.

10/7/16

Date

Susan Lowe

Name: Susan Lowe
Title: CFO

Exhibit G

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

Contractor Initials

SL

Date

10/7/16



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) **Definitions.**

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

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Date [Signature]



Exhibit I

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

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

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



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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

[Handwritten Signature]

10/7/16



Exhibit I

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

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

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Date

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Exhibit I

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

(4) **Obligations of Covered Entity**

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

(5) **Termination for Cause**

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

(6) **Miscellaneous**

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

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Date 10/7/16



Exhibit I

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

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

The State

Maureen Ryan
Signature of Authorized Representative

Maureen Ryan
Name of Authorized Representative

Director, Office of Human Services
Title of Authorized Representative

10/11/16
Date

VNA at HCS, Inc.
Name of the Contractor

Susan Lowe
Signature of Authorized Representative

Susan Lowe
Name of Authorized Representative

CFO
Title of Authorized Representative

10/7/16
Date

Contractor Initials SL
Date 10/7/16



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

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

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

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

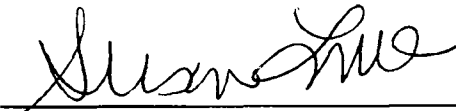
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.


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

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

Contractor Name: VNA at HCS, Inc.

10/7/16
Date


Name: Susan Lowe
Title: CFO

Contractor Initials 
Date 10/7/16



FORM A

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

1. The DUNS number for your entity is: 789867421
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO _____ YES

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

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

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

_____ NO _____ YES

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

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

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

| | |
|-------------|---------------|
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |
| Name: _____ | Amount: _____ |

JJ
10/7/16