



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

Jeffrey A. Meyers  
Commissioner

Katja S. Fox  
Director

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9544 1-800-852-3345 Ext. 9544  
Fax: 603-271-4332 TDD Access: 1-800-735-2964  
www.dhhs.nh.gov

May 23, 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, Division for Behavioral Health, Bureau of Drug and Alcohol Services, to amend **sole source** contracts by exercising a renewal option with the vendors listed below, for the continuation of Regional Access Point Services to assist individuals with substance use disorders to obtain the help they need, by increasing the price limitation by \$588,700 from \$1,609,445 to an amount not to exceed \$2,198,145, and extending the completion date from June 30, 2017 to December 31, 2017, effective upon Governor and Executive Council approval. The sources of funds for this action are as follows: 64% Federal, 16% General, and 20% Other Funds.

The original contracts were approved by Governor and Executive Council as follows: Southwestern Community Services, Inc. on March 9, 2016 (Item #22), National Council on Alcoholism and Drug Dependence/Greater Manchester on April 6, 2016 (Item #9), and Granite Pathways on July 13, 2016 (Item #6C).

Summary of Contract Vendors by Amounts:

| Vendor  | Current Budgeted Amount | Increase (Decrease) Amount | Revised Budget Amount |
|---|-------------------------|----------------------------|-----------------------|
| Granite Pathways  | \$1,200,000             | \$406,700                  | \$1,606,700           |
| National Council on Alcoholism and Drug Dependence/Greater Manchester | \$197,945               | \$132,000                  | \$329,945             |
| Southwestern Community Services, Inc.                                 | \$211,500               | \$50,000                   | \$261,500             |
| Grand Total   | \$1,609,445             | \$588,700                  | \$2,198,145           |

Funds are anticipated to be available in State Fiscal Year 2018 upon the availability and continued appropriation of funds in the future operating budget, with the ability to adjust amounts within the budgets and encumbrances between State Fiscal Years through the Budget Office without Governor and Executive Council approval, if needed and justified.

**Please see attached financial details.**

### EXPLANATION

These three (3) Amendments are **sole source** to allow the Contractors to continue to provide Regional Access Point Services to any individual living, working, or otherwise seeking services in New Hampshire. The Department issued a new Request for Proposals on May 17, 2017. These Amendments extend the completion date of the contract for six (6) months that will allow the Department to have contracts resulting from this new Request for Proposals in place prior to the expiration of this extension.

The original contracts were **sole source** because it was necessary to implement these services as quickly as possible. These Vendors were chosen based on their capacity to implement Regional Access Point Services statewide in a highly efficient manner. As of April 2017, 1,662 of New Hampshire residents have accessed these services and been assisted in identifying and entering clinically appropriate substance use disorders treatment and recovery support services. Feedback from clients indicates that the Regional Access Point Services made the process significantly easier for them and that the support provided to them during the process was invaluable.

Regional Access Point Services include screening clients for substance use disorders, completing evaluations to recommend a level of treatment or recovery support services, referring clients to providers for treatment services or recovery support services, and enrolling clients with third party payers, case management, and crisis support.

This Amendment includes language that provides, notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2017, and the Department shall not be liable for any payments for services provided after June 30, 2017, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2018-2019 biennium.

The attached Contracts include language that reserves the right to renew each contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of contracted services and Governor and Executive Council approval. The Department is exercising six (6) months of the two year renewal.

Should the Governor and Executive Council not approve this request, Regional Access Point Services would not be available to individuals statewide. The inability to access these services will negatively impact an individual's ability to achieve and/or maintain recovery from substance use disorders.

Area served: Statewide.

Source of Funds: 16% General Funds; 64% Federal Funds (CFDA #93.959 FAIN TI010035 U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, Block Grants for Prevention and Treatment of Substance Abuse, Substance Abuse Block Grant SABG) and 20% Other Funds.

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

Respectfully submitted,



Katja S. Fox  
Director

Approved by:



Jeffrey A. Meyers  
Commissioner



**STATE OF NEW HAMPSHIRE**  
**DEPARTMENT OF INFORMATION TECHNOLOGY**  
 27 Hazen Dr., Concord, NH 03301  
 Fax: 603-271-1516 TDD Access: 1-800-735-2964  
 www.nh.gov/doit

**Denis Goulet**  
 Commissioner

May 30, 2017

Jeffrey A. Meyers  
 Commissioner  
 Department of Health and Human Services  
 State of New Hampshire  
 129 Pleasant Street  
 Concord, NH 03301-3857

Dear Commissioner Meyers:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to amend three (3) **sole source** contracts with the vendors listed in the table below and referenced as DoIT No. 2017-095:

| Vendor   | Increased Amount | Total              |
|--|------------------|--------------------|
| Granite Pathways   | \$406,700        | \$1,606,700        |
| National Council on Alcoholism and Drug Dependence /Great Manchester | \$132,000        | \$ 329,945         |
| Southwestern Community Services, Inc                                 | \$ 50,000        | \$ 261,500         |
| <b>Total</b>   | <b>\$588,700</b> | <b>\$2,198,145</b> |

With these amendments, the vendors will continue to provide substance use disorder information, screening, evaluation and referral services to any individual living, working or otherwise seeking services in New Hampshire.

The price limitation for these amendments will increase by \$588,700 from \$1,609,445 to an amount not to exceed \$2,198,145 and the completion date will extend from June 30, 2017 to December 31, 2017, effective upon Governor and Council approval.

A copy of this letter should accompany the Department of Health and Human Services' submission to the Governor and Executive Council for approval.

Sincerely,

Denis Goulet

DG/ik  
 DoIT No. 2017-095

cc: Bruce Smith, IT Manager

Attachment A  
Financial Details

**05-95-49-491510-2989 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, GOVERNOR COMMISSION FUNDS 100% Other Funds**

National Council on Alcoholism & Drug Dependence/Gr Manchester V#177265-R001

PO #1050218

| State Fiscal Year | Class/Account | Title                  | Budget Amount | Increase/ Decrease | Revised Modified Budget |
|-------------------|---------------|------------------------|---------------|--------------------|-------------------------|
| 2016              | 102-500734    | Contracts for Prog Svc | \$32,500      | \$0                | \$32,500                |
| 2017              | 102-500734    | Contracts for Prog Svc | \$130,000     | \$0                | \$130,000               |
| <b>Sub-total</b>  |               |                        | \$162,500     | \$0                | \$162,500               |

Southwestern Community Services, Inc V#177511-P001

PO #1049473

| State Fiscal Year      | Class/Account | Title                  | Budget Amount           | Increase/ Decrease | Revised Modified Budget |
|------------------------|---------------|------------------------|-------------------------|--------------------|-------------------------|
| 2016                   | 102-500734    | Contracts for Prog Svc | \$52,100                | \$0                | \$52,100                |
| 2017                   | 102-500734    | Contracts for Prog Svc | \$125,000               | \$0                | \$125,000               |
| <b>Sub-total</b>       |               |                        | \$177,100               | \$0                | \$177,100               |
| <b>Total Gov. Comm</b> |               |                        | <b><u>\$339,600</u></b> | <b><u>\$0</u></b>  | <b><u>\$339,600</u></b> |

**05-95-49-491510-2990 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, CLINICAL SERVICES 80% Federal Funds, 20% General Funds FAIN TI010035 CFDA 93.959**

Granite Pathways, c/o Fedcap V# 228900-B001

PO #1053366

| State Fiscal Year | Class/Account | Title                  | Budget Amount | Increase/ Decrease | Revised Modified Budget |
|-------------------|---------------|------------------------|---------------|--------------------|-------------------------|
| 2016              | 102-500734    | Contracts for Prog Svc | \$0           | \$0                | \$0                     |
| 2017              | 102-500734    | Contracts for Prog Svc | \$1,200,000   | \$0                | \$1,200,000             |
| <b>Sub-total</b>  |               |                        | \$1,200,000   | \$0                | \$1,200,000             |

National Council on Alcoholism & Drug Dependence/Gr Manchester V#177265-R001

PO #1050218

| State Fiscal Year | Class/Account | Title                  | Budget Amount | Increase/ Decrease | Revised Modified Budget |
|-------------------|---------------|------------------------|---------------|--------------------|-------------------------|
| 2016              | 102-500734    | Contracts for Prog Svc | \$7,095       | \$0                | \$7,095                 |
| 2017              | 102-500734    | Contracts for Prog Svc | \$28,350      | \$0                | \$28,350                |
| <b>Sub-total</b>  |               |                        | \$35,445      | \$0                | \$35,445                |

Attachment A  
Financial Details

Southwestern Community Services, Inc V#177511-P001

PO #1049473

| State Fiscal Year          | Class/Account | Title                  | Budget Amount             | Increase/ Decrease | Revised Modified Budget   |
|----------------------------|---------------|------------------------|---------------------------|--------------------|---------------------------|
| 2016                       | 102-500734    | Contracts for Prog Svc | \$10,100                  | \$0                | \$10,100                  |
| 2017                       | 102-500734    | Contracts for Prog Svc | \$24,300                  | \$0                | \$24,300                  |
| <b>Sub-total</b>           |               |                        | \$34,400                  | \$0                | \$34,400                  |
| <b>Total Clinical Svcs</b> |               |                        | <b><u>\$1,269,845</u></b> | <b><u>\$0</u></b>  | <b><u>\$1,269,845</u></b> |

05-95-92-920510-3382 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, GOVERNOR COMMISSION FUNDS 100% Other Funds

National Council on Alcoholism & Drug Dependence/Gr Manchester V#177265-R001

PO #1050218

| State Fiscal Year | Class/Account | Title                  | Budget Amount | Increase/ Decrease | Revised Modified Budget |
|-------------------|---------------|------------------------|---------------|--------------------|-------------------------|
| 2018              | 102-500734    | Contracts for Prog Svc | \$0           | \$66,980           | \$66,980                |
| <b>Sub-total</b>  |               |                        | \$0           | \$66,980           | \$66,980                |

Southwestern Community Services, Inc V#177511-P001

PO #1049473

| State Fiscal Year      | Class/Account | Title                  | Budget Amount     | Increase/ Decrease     | Revised Modified Budget |
|------------------------|---------------|------------------------|-------------------|------------------------|-------------------------|
| 2018                   | 102-500734    | Contracts for Prog Svc | \$0               | \$24,770               | \$24,770                |
| <b>Sub-total</b>       |               |                        | \$0               | \$24,770               | \$24,770                |
| <b>Total Gov. Comm</b> |               |                        | <b><u>\$0</u></b> | <b><u>\$91,750</u></b> | <b><u>\$91,750</u></b>  |

05-95-92-920510-3384 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, CLINICAL SERVICES 80% Federal Funds, 20% General Funds FAIN TI010035 CFDA 93.959

Granite Pathways, c/o Fedcap V# 228900-B001

PO #1053366

| State Fiscal Year | Class/Account | Title                  | Budget Amount | Increase/ Decrease | Revised Modified Budget |
|-------------------|---------------|------------------------|---------------|--------------------|-------------------------|
| 2018              | 102-500734    | Contracts for Prog Svc | \$0           | \$406,700          | \$406,700               |
| <b>Sub-total</b>  |               |                        | \$0           | \$406,700          | \$406,700               |

National Council on Alcoholism & Drug Dependence/Gr Manchester V#177265-R001

PO #1050218

| State Fiscal Year | Class/Account | Title                  | Budget Amount | Increase/ Decrease | Revised Modified Budget |
|-------------------|---------------|------------------------|---------------|--------------------|-------------------------|
| 2018              | 102-500734    | Contracts for Prog Svc | \$0           | \$65,020           | \$65,020                |
| <b>Sub-total</b>  |               |                        | \$0           | \$65,020           | \$65,020                |

Southwestern Community Services, Inc V#177511-P001

PO #1049473

| State Fiscal Year          | Class/Account | Title                  | Budget Amount             | Increase/ Decrease      | Revised Modified Budget   |
|----------------------------|---------------|------------------------|---------------------------|-------------------------|---------------------------|
| 2018                       | 102-500734    | Contracts for Prog Svc | \$0                       | \$25,230                | \$25,230                  |
| <b>Sub-total</b>           |               |                        | \$0                       | \$25,230                | \$25,230                  |
| <b>Total Clinical Svcs</b> |               |                        | <b><u>\$0</u></b>         | <b><u>\$496,950</u></b> | <b><u>\$496,950</u></b>   |
| <b>Total Contract</b>      |               |                        | <b><u>\$1,609,445</u></b> | <b><u>\$588,700</u></b> | <b><u>\$2,198,145</u></b> |

Attachment A  
Financial Details

| Grand Total by Vendor |   |             |                          |                   |                      |
|-----------------------|---|-------------|--------------------------|-------------------|----------------------|
| PO                    | Vendors   | Vendor #    | Current Price Limitation | Increase/Decrease | New Price Limitation |
| PO #1053366           | Granite Pathways                                    | 228900-B001 | \$1,200,000              | \$406,700         | \$1,606,700          |
| PO #1050218           | National Council on Alcoholism &<br>Drug Dependence | 177265-R001 | \$197,945                | \$132,000         | \$329,945            |
| PO #1049473           | Southwestern Community Svcs                         | 177511-P001 | \$211,500                | \$50,000          | \$261,500            |
|                       | Total   |             | \$1,609,445              | \$588,700         | \$2,198,145          |



**New Hampshire Department of Health and Human Services  
Substance Use Disorder - Regional Access Point Services**

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**State of New Hampshire  
Department of Health and Human Services  
Amendment #1 to the  
Substance Use Disorder - Regional Access Point Services Contract**

This 1<sup>st</sup> Amendment to the Substance Use Disorder - Regional Access Point Services contract (hereinafter referred to as "Amendment 1") dated this 17<sup>th</sup> day of May, 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 Granite Pathways (hereinafter referred to as "the Contractor"), a non-profit corporation with a place of business at c/o Fedcap Rehabilitation Services, Inc., 10 Ferry Street, Concord, NH, 03301.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on July 13, 2016 (Item #6C), 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 Governor and Executive Council approval; and

WHEREAS, the parties agree to extend the completion date of the agreement by six (6) 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 1.6, to add Account Numbers:  
05-095-092-920510-33820000-102-500734  
05-095-092-920510-33840000-102-500734
2. General Provisions (Form P-37), Block 1.7, to read December 31, 2017.
3. General Provisions (Form P-37), Block 1.8, to increase Price Limitation to read: \$1,606,700.
4. General Provisions (Form P-37), Block 1.9, to read Jonathan V. Gallo, Esq., Interim Director of Contracts and Procurement.
5. General Provisions (Form P-37), Block 1.10 to read 603-271-9246.
6. Add to Exhibit A, Section 1.10 to read:
  - 1.10 Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2017, and the Department shall not be liable for any payments for services provided after June 30, 2017, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2018-2019 biennium.

**New Hampshire Department of Health and Human Services  
Substance Use Disorder - Regional Access Point Services**

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7. Add Exhibit A, Scope of Services Section 8 Transition Activities to read:
  8. When the state issues a Request for Proposals combining crisis and regional access point services, in order to ensure continuity of care for clients, the Contractor is required to work with the Department to develop transition plans for the services and clients. The Contractor shall, but not limited to:
    - 8.1.1. Meet with the Department and the Department's new Contractor (resulting from the Request for Proposals) within ten (10) days of the contract effective date of the new contract to develop transition and implementation plans; and
    - 8.1.2. Engage in all activities and meet all completion dates of the Department approved transition and implementation plan.
8. Delete in its entirety Exhibit B Method and Conditions Precedent to Payment and replace with Exhibit B-1 Amendment #1 Method and Conditions Precedent to Payment.
9. Add Exhibit B-2, Budget
10. Delete in its entirety Exhibit C-1 Revision to General Provisions and replace with Exhibit C-1 Amendment #1 Revisions to General Provisions

Remainder of the page left intentionally blank.



**New Hampshire Department of Health and Human Services  
Substance Use Disorder - Regional Access Point 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

5/25/17  
Date

[Signature]  
Katja S. Fox  
Director

Granite Pathways  
[Signature]  
Name: Christine McMahon  
Title:

5/18/17  
Date

**Acknowledgement of Contractor's signature:**

State of New York, County of New York on 5/18/17, 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.

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

RHONDA K. LOWE  
Name and Title of Notary or Justice of the Peace

My Commission Expires: July 6, 2018

**RHONDA K. LOWE**  
Notary Public - State of New York  
No. 02-LO6224427  
Qualified in New York County  
My Commission Expires July 6, 2018  
2018

**New Hampshire Department of Health and Human Services  
Substance Use Disorder - Regional Access Point Services**



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

OFFICE OF THE ATTORNEY GENERAL

6/15/17  
Date

*Thomas Broderick*  
Name: Tom Broderick  
Title: Assistant 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**

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**Method and Conditions Precedent to Payment**

1. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. This contract is funded with general and federal funds. Department access to supporting funding for this project is dependent upon the criteria set forth in the Catalog of Federal Domestic Assistance (CFDA) (<https://www.cfda.gov>) #93.959 U.S. Department of Health and Human Services; Substance Abuse and Mental Health Services Administration; Block Grants for Prevention and Treatment of Substance Abuse; Substance Abuse Block Grant (SABG).
3. The Contractor shall use and apply all contract funds for authorized direct and indirect costs to provide services in Exhibit A, Scope of Services, in accordance with Exhibit B-1, Budget and Exhibit B-2, Budget.
4. Payment for services provided in accordance with Exhibit A, Scope of Services, shall be made as follows:
  - 4.1. Payments shall be made on cost reimbursement basis only, for allowable costs, expenses and fees in accordance with Exhibits B-1, Budget and Exhibit B-2, Budget.
  - 4.2. Allowable costs and expenses shall include those expenses detailed in Exhibit B-1, Budget and Exhibit B-2, Budget
  - 4.3. The Contractor shall submit monthly invoices using invoice forms provided by the Department.
  - 4.4. The Contractor shall submit supporting documentation and required reports in Exhibit A, Scope of Services, Section 3, Data and Reporting Requirements, that support evidence of actual expenditures, in accordance with Exhibit B-1, Budget and Exhibit B-2, Budget for the previous month by the tenth (10th) working day of the current month.
  - 4.5. The Contractor shall submit invoices for services outlined in Exhibit A, Scope of Services in accordance with budget line items in Exhibit B-1, Budget and Exhibit B-2, Budget preferably by e-mail on Department approved invoices to:

Finance Manager  
Division of Behavioral Health  
Department of Health and Human Services  
105 Pleasant Street,  
Concord, NH 03301  
[laurie.heath@dhhs.nh.gov](mailto:laurie.heath@dhhs.nh.gov)

*Am*

5/18/17



**Exhibit B Amendment #1**

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5. 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. A final payment request shall be submitted no later than forty (40) days from the Form P37, General Provisions, Contract Completion Date, Block 1.7.
7. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
8. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget in Exhibit B-1 and Exhibit B-2, and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.
9. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.

*Cm*

5/18/17

**EXHIBIT B-2 Budget**

**New Hampshire Department of Health and Human Services**

Bidder Name: Granite Pathways

Budget Request for: Substance Use Disorder - Regional Access Point Services

Budget Period: July 1, 2017 through December 31, 2017

|                                  |                      |                     |                      |
|----------------------------------|----------------------|---------------------|----------------------|
| 1. Total Salary/Wages            | \$ 222,053.10        | \$ 26,646.37        | \$ 248,699.47        |
| 2. Employee Benefits             | \$ 66,615.93         | \$ 7,993.91         | \$ 74,609.84         |
| 3. Consultants                   |                      | \$ -                | \$ -                 |
| 4. Equipment:                    |                      | \$ -                | \$ -                 |
| Rental                           |                      | \$ -                | \$ -                 |
| Repair and Maintenance           |                      | \$ -                | \$ -                 |
| Purchase/Depreciation            |                      | \$ -                | \$ -                 |
| 5. Supplies:                     |                      | \$ -                | \$ -                 |
| Educational                      |                      | \$ -                | \$ -                 |
| Lab                              |                      | \$ -                | \$ -                 |
| Pharmacy                         |                      | \$ -                | \$ -                 |
| Medical                          |                      | \$ -                | \$ -                 |
| Office                           | \$ 18,000.00         | \$ 2,160.00         | \$ 20,160.00         |
| 6. Travel                        | \$ 6,000.00          | \$ 720.00           | \$ 6,720.00          |
| 7. Occupancy                     |                      | \$ -                | \$ -                 |
| 8. Current Expenses              |                      | \$ -                | \$ -                 |
| Telephone                        |                      | \$ -                | \$ -                 |
| Postage                          |                      | \$ -                | \$ -                 |
| Subscriptions                    |                      | \$ -                | \$ -                 |
| Audit and Legal                  |                      | \$ -                | \$ -                 |
| Insurance                        |                      | \$ -                | \$ -                 |
| Board Expenses                   |                      | \$ -                | \$ -                 |
| 9. Software                      |                      | \$ -                | \$ -                 |
| 10. Marketing/Technology         | \$ 19,900.00         | \$ 2,388.00         | \$ 22,288.00         |
| 11. Staff Education and Training |                      | \$ -                | \$ -                 |
| 12. Subcontracts/Agreements      | \$ 30,561.28         | \$ 3,667.35         | \$ 34,228.63         |
| 13. Other                        |                      | \$ -                | \$ -                 |
| Professional Fees                |                      | \$ -                | \$ -                 |
|                                  |                      | \$ -                | \$ -                 |
|                                  |                      | \$ -                | \$ (5.95)            |
| <b>TOTAL</b>                     | <b>\$ 363,130.31</b> | <b>\$ 43,575.64</b> | <b>\$ 406,700.00</b> |

Indirect As A Percent of Direct

12.0%



**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, 60 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, work with the Department as directed by it to develop a Transition Plan for services and clients being served 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. The Contractor shall submit an initial Transition Plan for Department approval within a timeframe defined by the Department. Any changes requested by the Department to the Transition Plan shall be completed within three (3) days of the change request.
  - 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 (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.

Exhibit C-1 – Amendment #1  
Revisions to General Provisions

Contractor Initials

Handwritten signature of the contractor, appearing to be 'AM'.

Date 5/18/17

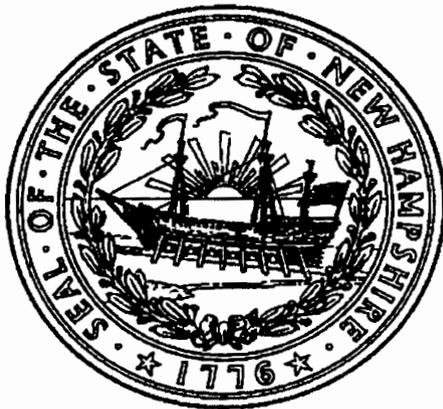
# State of New Hampshire

## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that GRANITE PATHWAYS is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 08, 2009. 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: 613581



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 18th day of May A.D. 2017.

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

William M. Gardner  
Secretary of State

# CERTIFICATE OF VOTE

I, Matthew Boyle, do hereby certify that:

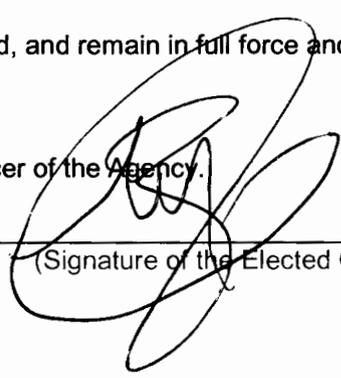
1. I am a duly elected Officer of Granite Pathways, Inc.
2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of the Agency duly held on February 26, 2016:

**RESOLVED:** That the Chief Executive Officer

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 10<sup>th</sup> day of May, 2017.

4. Christine McMahon is the duly elected Chief Executive Officer of the Agency.

  
\_\_\_\_\_  
(Signature of the Elected Officer)

STATE OF N.H

County of Hillsborough

The forgoing instrument was acknowledged before me this 18<sup>th</sup> day of May, 2017, by Matthew Boyle

  
\_\_\_\_\_  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: 9-7-21

**DONNA KEEFE**  
Notary Public - New Hampshire  
My Commission Expires September 7, 2021

**RESOLUTIONS**  
**OF THE**  
**OF THE BOARD OF DIRECTORS**  
**OF**  
**GRANITE PATHWAYS, INC.**

*Duly Adopted at a Meeting of the Board of Directors held via conference call on February 26,  
2016*

**WHEREAS**, Granite Pathways, Inc. (the "Corporation") has previously authorized the execution of a combination agreement (the "Agreement") with Fedcap Rehabilitation Services Inc. ("Fedcap") whereby Fedcap will become the sole member of the Corporation upon the effective date of the combination (the "Combination Date");

**WHEREAS**, the Board of Directors of the Corporation (the "Board") has identified March 1<sup>st</sup> as the Combination Date;

**WHEREAS**, as a condition of the Agreement the Board must: (1) appoint Christine McMahon as President and CEO of the Corporation as of the Combination Date; (2) approve the ratification of the bylaws attached to this resolution as Attachment I; and (3) authorize the submission of an amendment to the Articles of Incorporation for the Corporation, in a form substantially similar to that as attached as Attachment II; and

**WHEREAS**, the Board has determined that it is in the best interests of the Corporation to effect the Combination with Fedcap;

**RESOLVED**, that the Board hereby ratifies that the Combination Date shall be 12:01 a.m. March 1, 2016.

**FURTHER RESOLVED**, that as of the Combination Date the Christine McMahon shall be the President & Chief Executive Officer of the Corporation and that the bylaws detailed in Attachment I are ratified and effective as the bylaws of the Corporation.

**FURTHER RESOLVED**, the Corporation authorizes the filing of the Amendment to the Articles of Incorporation in a form substantially similar to Attachment II to be effective on the Combination Date.

*[Certification page follows]*

[Certification page follows]

The undersigned, Matthew P. Boyle (Board President) of Fedcap Rehabilitation Services, Inc., hereby certifies that the foregoing resolution were duly adopted by the Board of Directors of Granite Pathways, Inc. on the 29th day of January, 2016, and that the documents attached thereto are the true copies of the documents referenced in those resolutions

Corporate Seal

By 

Title

Matthew P. Boyle  
Chair of the Board of Directors.

Date

2. 29. 2016.





### Mission Statement

Granite Pathways works to empower and support individuals and families effected by mental health issues and substance use disorders. Through a peer based recovery framework, we provide services and create community culture to help individuals and families pursue their goals for improved health and wellness, social connectedness, meaningful work, and opportunities for volunteerism, employment, and education.

Consolidated Financial Statements Together with  
Report of Independent Certified Public Accountants

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

September 30, 2016 and 2015

# FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of  
**FEDCAP Rehabilitation Services, Inc.:**

We have audited the accompanying consolidated financial statements of FEDCAP Rehabilitation Services, Inc. and Subsidiaries (collectively, "FEDCAP"), which comprise the consolidated statements of financial position as of September 30, 2016 and 2015, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### Management's responsibility for the financial statements

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

### 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 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 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 FEDCAP'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 FEDCAP'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 FEDCAP Rehabilitation Services, Inc. and Subsidiaries as of September 30, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other matters**

**Supplementary information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling the 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 supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*Grant Thornton LLP*

New York, New York  
March 6, 2017

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidated Statements of Financial Position**  
**As of September 30, 2016 and 2015**

| ASSETS  | <u>2016</u>           | <u>2015</u>           |
|---|-----------------------|-----------------------|
| <b>CURRENT ASSETS</b>   |                       |                       |
| Cash and cash equivalents   | \$ 10,969,236         | \$ 12,211,556         |
| Accounts receivable (net of allowance for doubtful accounts of approximately (\$2,080,000 in 2016 and \$2,619,000 in 2015)) | 33,441,617            | 29,746,474            |
| Contributions receivable (net of allowance for uncollectible contributions of approximately \$115,000 in 2016 and 2015)     | 1,041,133             | 2,333,225             |
| Inventories, net  | 414,939               | 673,818               |
| Prepaid expenses and other assets   | <u>2,826,486</u>      | <u>2,322,433</u>      |
| Total current assets  | <u>48,693,411</u>     | <u>47,287,506</u>     |
| <b>LONG-TERM ASSETS</b>   |                       |                       |
| Investments   | 17,345,073            | 16,926,806            |
| Fixed assets, net   | 75,855,170            | 76,998,952            |
| Art objects   | 21,750                | 21,750                |
| Beneficial interest in remainder trusts   | 575,912               | 693,049               |
| Other assets  | <u>575,020</u>        | <u>540,033</u>        |
| Total assets  | <u>\$ 143,066,336</u> | <u>\$ 142,468,096</u> |
| <b>LIABILITIES AND NET ASSETS</b>   |                       |                       |
| <b>CURRENT LIABILITIES</b>  |                       |                       |
| Accounts payable and accrued liabilities  | \$ 26,530,000         | \$ 27,978,124         |
| Deferred revenues   | 1,156,919             | 1,082,588             |
| Advance from government agency  | -                     | 1,800,000             |
| Current portion of long-term debt   | <u>754,995</u>        | <u>837,289</u>        |
| Total current liabilities   | 28,441,914            | 31,698,001            |
| <b>LONG-TERM LIABILITIES</b>  |                       |                       |
| Obligations under capital leases  | 36,672,420            | 36,802,491            |
| Long-term debt, net of current portion  | 23,943,320            | 24,599,343            |
| Revolving loans   | 16,486,698            | 12,466,630            |
| Other liabilities   | <u>2,191,849</u>      | <u>1,970,348</u>      |
| Total liabilities   | <u>107,736,201</u>    | <u>107,536,813</u>    |
| Commitments and contingencies   |                       |                       |
| <b>NET ASSETS</b>   |                       |                       |
| Unrestricted  | 33,176,435            | 32,171,763            |
| Temporarily restricted  | 1,569,272             | 2,175,092             |
| Permanently restricted  | <u>584,428</u>        | <u>584,428</u>        |
| Total net assets  | <u>35,330,135</u>     | <u>34,931,283</u>     |
| Total liabilities and net assets  | <u>\$ 143,066,336</u> | <u>\$ 142,468,096</u> |

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

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidated Statements of Activities**  
**For the years ended September 30, 2016 and 2015**

|  | 2016                 |                        |                        |                      | 2015                 |                        |                        |                      |
|--|----------------------|------------------------|------------------------|----------------------|----------------------|------------------------|------------------------|----------------------|
|  | Unrestricted         | Temporarily Restricted | Permanently Restricted | Total                | Unrestricted         | Temporarily Restricted | Permanently Restricted | Total                |
| <b>REVENUES</b>                        |                      |                        |                        |                      |                      |                        |                        |                      |
| Contract services and products         | \$ 102,312,128       | \$ -                   | \$ -                   | \$ 102,312,128       | \$ 102,251,831       | \$ -                   | \$ -                   | \$ 102,251,831       |
| Rehabilitation and vocational programs | 120,436,118          | -                      | -                      | 120,436,118          | 67,251,287           | -                      | -                      | 67,251,287           |
| Contributions and Grants               | 3,416,316            | 140,000                | -                      | 3,556,316            | 1,610,917            | 1,755,688              | -                      | 3,366,605            |
| Inherent contribution                  | 202,380              | -                      | -                      | 202,380              | (273,740)            | 235,360                | 501,660                | 463,280              |
| Interest income                        | 124,717              | -                      | -                      | 124,717              | 34,523               | -                      | -                      | 34,523               |
| Miscellaneous revenue                  | 1,797,383            | -                      | -                      | 1,797,383            | 519,312              | -                      | -                      | 519,312              |
| Net assets released from restrictions  | <u>745,820</u>       | <u>(745,820)</u>       | <u>-</u>               | <u>-</u>             | <u>572,503</u>       | <u>(572,503)</u>       | <u>-</u>               | <u>-</u>             |
| Total revenues                         | <u>229,034,862</u>   | <u>(605,820)</u>       | <u>-</u>               | <u>228,429,042</u>   | <u>171,966,633</u>   | <u>1,418,545</u>       | <u>501,660</u>         | <u>173,886,838</u>   |
| <b>EXPENSES</b>                        |                      |                        |                        |                      |                      |                        |                        |                      |
| <b>Program services:</b>               |                      |                        |                        |                      |                      |                        |                        |                      |
| Contract services and products         | 90,986,554           | -                      | -                      | 90,986,554           | 88,034,038           | -                      | -                      | 88,034,038           |
| Rehabilitation and vocational programs | 105,862,539          | -                      | -                      | 105,862,539          | 63,470,318           | -                      | -                      | 63,470,318           |
|  | <u>196,849,093</u>   | <u>-</u>               | <u>-</u>               | <u>196,849,093</u>   | <u>151,504,356</u>   | <u>-</u>               | <u>-</u>               | <u>151,504,356</u>   |
| <b>Supporting services:</b>            |                      |                        |                        |                      |                      |                        |                        |                      |
| Management and general                 | 29,504,519           | -                      | -                      | 29,504,519           | 21,428,446           | -                      | -                      | 21,428,446           |
| Development                            | <u>1,676,578</u>     | <u>-</u>               | <u>-</u>               | <u>1,676,578</u>     | <u>774,795</u>       | <u>-</u>               | <u>-</u>               | <u>774,795</u>       |
|  | <u>31,181,097</u>    | <u>-</u>               | <u>-</u>               | <u>31,181,097</u>    | <u>22,203,241</u>    | <u>-</u>               | <u>-</u>               | <u>22,203,241</u>    |
| Total expenses                         | <u>228,030,190</u>   | <u>-</u>               | <u>-</u>               | <u>228,030,190</u>   | <u>173,707,597</u>   | <u>-</u>               | <u>-</u>               | <u>173,707,597</u>   |
| Change in net assets                   | 1,004,672            | (605,820)              | -                      | 398,852              | (1,740,964)          | 1,418,545              | 501,660                | 179,241              |
| Net assets at beginning of year        | <u>32,171,763</u>    | <u>2,175,092</u>       | <u>584,428</u>         | <u>34,931,283</u>    | <u>33,912,727</u>    | <u>756,547</u>         | <u>82,768</u>          | <u>34,752,042</u>    |
| Net assets at end of year              | <u>\$ 33,176,435</u> | <u>\$ 1,569,272</u>    | <u>\$ 584,428</u>      | <u>\$ 35,330,135</u> | <u>\$ 32,171,763</u> | <u>\$ 2,175,092</u>    | <u>\$ 584,428</u>      | <u>\$ 34,931,283</u> |

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

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**For the years ended September 30, 2016 and 2015**

|   | <u>2016</u>          | <u>2015</u>          |
|---|----------------------|----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                      |                      |
| Change in net assets  | \$ 398,852           | \$ 179,241           |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: |                      |                      |
| Depreciation and amortization   | 3,918,260            | 3,318,960            |
| Bad debt provision (recovery)   | 1,046,376            | (206,665)            |
| Accrued interest on capital lease obligations   | -                    | 176,345              |
| Inherent contribution   | (202,380)            | (463,280)            |
| Unrealized gain on investments  | (129,415)            | -                    |
| Changes in assets and liabilities:  |                      |                      |
| Accounts receivable   | (4,741,245)          | (8,316,615)          |
| Contribution receivable   | 1,292,092            | (1,286,010)          |
| Inventories   | 258,879              | (623,472)            |
| Prepaid expenses and other assets   | (527,750)            | (1,106,043)          |
| Beneficial interest in remainder trust  | 152,897              | (3,377)              |
| Accounts payable and accrued liabilities  | (1,455,478)          | 12,638,424           |
| Deferred revenue  | 74,331               | 106,364              |
| Other liabilities   | 221,501              | 669,034              |
| Net cash provided by operating activities   | <u>306,920</u>       | <u>5,082,906</u>     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |                      |                      |
| Proceeds from sale of investments   | 6,000,000            | -                    |
| Purchase of investments   | (6,283,333)          | (34,009)             |
| Cash received in acquisition  | 10,202               | 812,974              |
| Capital expenditures  | <u>(2,627,789)</u>   | <u>(5,004,549)</u>   |
| Net cash used in investing activities   | <u>(2,900,920)</u>   | <u>(4,225,584)</u>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |                      |                      |
| Decrease in advance from government agency  | (1,800,000)          | (829,782)            |
| Change in revolving loans   | 4,020,068            | 5,111,844            |
| Repayment of long-term debt   | (738,317)            | (382,453)            |
| Repayment of capital lease obligations  | <u>(130,071)</u>     | <u>(5,976)</u>       |
| Net cash provided by financing activities   | <u>1,351,680</u>     | <u>3,893,633</u>     |
| <br>  |                      |                      |
| (Decrease) increase in cash and cash equivalents  | (1,242,320)          | 4,750,955            |
| <b>CASH AND CASH EQUIVALENTS</b>  |                      |                      |
| Beginning of year   | <u>12,211,556</u>    | <u>7,460,601</u>     |
| End of year   | <u>\$ 10,969,236</u> | <u>\$ 12,211,556</u> |
| <b>Supplemental disclosure of cash flow information:</b>                                    |                      |                      |
| Cash interest paid during the year  | <u>\$ 1,079,151</u>  | <u>\$ 1,078,854</u>  |
| Fixed assets acquired with capital leases   | <u>\$ -</u>          | <u>\$ 66,092</u>     |

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

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**  
**September 30, 2016 and 2015**

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**1. ORGANIZATION AND NATURE OF ACTIVITIES**

Fedcap Rehabilitation Services, Inc. (“FRS”) is a private, nonprofit organization incorporated under the laws of New York State. FRS is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

FRS was founded to provide a comprehensive range of vocational and related services to individuals with disabilities and other work-related disadvantages who face significant barriers to employment. FRS’s goal is to help each person achieve independence, integration into the community and full participation in the economic mainstream.

FRS provides contract services and products within custodial, homecare, office services, and industrial divisions of FRS. The primary customers in these divisions are Federal, and New York State and City agencies and certified home health agencies, that contract with FRS for services.

As part of FRS’s rehabilitation and vocation programs, FRS provides vocational evaluations, training, and employment services and other government-funded employment and job search programs. Evaluations combine aptitude tests, computerized assessments, and vocational counseling. After evaluation, FRS offers training in mail clerk/messenger services, building/custodial services, culinary arts/food services, data entry, office skills, document imaging, hospitality operations, and security operations. FRS then seeks to employ individuals who have successfully completed FRS’s rehabilitation and vocational programs. FRS also offers the Chelton Loft, a voluntary clubhouse program for people with a history of serious mental illness. FRS also has a vocational education program and a licensed mental health program.

On July 1, 2011, FRS acquired and became the sole member of Wildcat Services Corporation (“Wildcat”), a nonprofit entity located in New York City that provides employment training, jobs placement and “supportive employment” opportunities for individuals with barriers to employment.

On October 1, 2012, FRS acquired and became the sole member of ReServe Elder Service, Inc. (“ReServe”), a nonprofit entity located in New York City that matches continuing professionals age 55+ with organizations that need their expertise. ReServe provides direct services, administrative support, and capacity-building expertise in schools, social service agencies, cultural institutions, and public agencies.

On October 1, 2013, FRS acquired and became the sole member of Community Workshops, Inc. (d/b/a Community Work Services) (“CWS”), a nonprofit corporation located in Boston, Massachusetts, whose mission is to help people who have barriers to work obtain employment and achieve greater self-sufficiency through job training, placement, and support services.

On September 1, 2015, FRS acquired and became the sole member of Easter Seals New York, Inc. (“ESNY”), a nonprofit entity whose purpose is to provide program and services for people with disabilities, assistance to people with disabilities and their families, assistance to communities in developing necessary and appropriate resources for residents, and a climate of acceptance for people with disabilities which will enable them to contribute to the well-being of the community.

On May 1, 2016, ESNY received a contribution in the form of a Red Mango franchise, incorporated as 1184 Deer Park Ave., Inc. (“1184”). 1184 is currently managed as a for profit corporation, and operates as a social enterprise which includes a training center and employment opportunities for veterans.

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**  
**September 30, 2016 and 2015**

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On May 1, 2016, FRS acquired and became the sole member of Granite Pathways, Inc. ("GP"), a nonprofit entity whose mission is to provide services to empower and support adults with mental illness to pursue their personal goals through education, employment, stable housing, and meaningful relationships.

On September 1, 2016, FRS acquired and became the sole member of Easter Seals Rhode Island, Inc. ("ESRI"), a nonprofit entity whose purpose is to provide 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.

Collectively, FRS, Wildcat, ReServe, CWS, ESNY, 1184, GP and ESRI are referred to as "FEDCAP."

## **2. SUMMARY OF ACCOUNTING POLICIES**

### **Basis of Presentation**

The accompanying consolidated financial statements of FEDCAP have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") using the accrual basis of accounting. All intercompany accounts and transactions have been eliminated in the accompanying consolidated financial statements.

Accordingly, FEDCAP's consolidated financial statements distinguish between unrestricted, temporarily restricted and permanently restricted net assets and changes in net assets as follows:

Unrestricted Net Assets - consist of all funds which are expendable, at the discretion of FEDCAP's management and Board of Directors, for carrying on daily operations. These funds have neither been restricted by donors nor set aside for any specific purpose.

Temporarily Restricted Net Assets - net assets that have been limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by the actions of FEDCAP pursuant to those stipulations.

Permanently Restricted Net Assets - net assets subject to donor-imposed stipulations that require resources to be maintained as funds of a permanent duration.

### **Cash Equivalents**

FEDCAP considers all highly liquid debt instruments with a maturity of three months or less at the date of purchase, including investments in short-term certificates of deposit and certain money market funds, to be cash equivalents.

### **Contribution and Grant Revenue**

FEDCAP records contributions of cash and other assets when an unconditional promise to give such assets is received from a donor. Contributions are recorded at the fair value of the assets received and contributions with donor stipulations that limit the use of donated assets are classified as either permanently restricted if FEDCAP is required to maintain the contribution permanently or temporarily restricted if the stipulation limits the use of the contribution to specific purposes or a time period. Donor restrictions that are received and met in the same fiscal year are recorded as unrestricted contributions. Otherwise, once stipulated time restrictions end or purpose restrictions are accomplished, temporarily restricted net assets

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**  
**September 30, 2016 and 2015**

---

are reclassified to unrestricted net assets as “net assets released from restrictions” in the accompanying consolidated statements of activities.

Revenue from grants and contracts is recognized when earned, that is, generally as related costs are incurred or the milestone is achieved under the grant or contract.

**Revenue Recognition and Deferred Revenue**

FEDCAP’s revenue primarily relates to contract services and products, and rehabilitation and vocational programs. FEDCAP recognizes such revenue ratably over a contract’s term for those with fixed rates. For performance-based contracts, revenues are recognized in the period when expenditures have been incurred or services have been performed in compliance with the respective contracts. FEDCAP also generates revenue from the sale of related products, which is recognized at the time of shipment.

Deferred revenue represents cash received in advance of services and will be recognized as the services are performed. Deferred revenue amounted to \$1,156,919 and \$1,082,588 as of September 30, 2016 and 2015, respectively.

**Allowance for Doubtful Accounts**

The carrying value of contributions and accounts receivable are reduced by an appropriate allowance for uncollectible accounts, and therefore approximates net realizable value. FEDCAP determines its allowance by considering a number of factors, including the length of time receivables are past due, FEDCAP’s previous loss history, the donor’s current ability to pay its obligation, and the condition of the general economy and the industry as a whole. Receivables outstanding longer than the payment terms are considered past due. FEDCAP writes off accounts receivables when they become uncollectible, and payments subsequently received on such receivables are recorded as income in the period received.

**Inventories**

Inventories, mainly consisting of distress marker light products and related components, are valued at the lower of cost or market. Cost is determined principally by the first-in, first-out method.

**Fixed Assets**

Fixed assets purchased for a value greater than \$1,000 and with depreciable lives greater than one year are carried at cost, net of accumulated depreciation. Depreciation is provided over the estimated useful life of the respective asset and ranges from 3 to 40 years. Significant additions or improvements extending asset lives are capitalized; normal maintenance and repair costs are expensed as incurred. Leasehold improvements are amortized based on the lesser of the estimated useful life or remaining lease term.

**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. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Commissions**

FEDCAP pays commissions to an unrelated not-for-profit entity and a New York State entity to provide information on government contracts that need competitive bids for services. The contracts provide

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for commissions to be paid to these organizations in the range of 0.85% to 4% of the contract amount. Commissions paid relating to these contracts amounted to \$1,728,663 and \$1,797,201 for the years ended September 30, 2016 and 2015, respectively, and is included within contract services and products expense in the accompanying consolidated statements of activities.

**Use of Estimates**

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. These estimates and assumptions relate to estimates of collectability of accounts receivable, accruals, useful life of property, plant, and equipment, and impairment of long-lived assets. Actual results could differ from those estimates.

**Fair Value of Financial Instruments**

The fair value of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and other liabilities approximates their carrying value due to their short-term maturities. The fair value of long-term debt approximates carrying value based on current interest rates for similar instruments.

**Fair Value Measurements**

FEDCAP follows guidance for fair value measurements that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the inputs used to measure fair value and enhances disclosure requirements for fair value measurements. It maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The hierarchy is broken down into three levels based on the transparency of inputs as follows:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the measurement date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2 - Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date. The nature of these securities include investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.

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Level 3 - Securities that have little to no pricing observability as of the measurement date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the entity. FEDCAP considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to FEDCAP's perceived risk of that instrument.

**Beneficial Interest in Remainder Trusts**

Donors have established and funded trusts held by third parties under which specified distributions are to be made to a designated beneficiary or beneficiaries over the trusts' term. Upon termination of the trusts, FEDCAP will receive the assets remaining in the trusts. Trusts are recorded as increases to net assets at the fair value of trust assets, less the present value of the estimated future payments to be made under the specific terms of the trusts. At September 30, 2016 and 2015, FEDCAP's interest in these trusts is reflected at fair value in the accompanying consolidated statements of financial position and is classified as Level 3 within the fair value hierarchy.

**Impairment of Long-lived Assets**

FEDCAP reviews the carrying values of its long-lived assets, including property and equipment and other assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. Recoverability of long-lived assets is assessed by a comparison of the carrying amount of the asset to the estimated future net cash flows expected to be generated by the asset. If estimated future net cash flows are less than the carrying amount of the asset, the asset is considered impaired and an expense is recorded in an amount to reduce the carrying amount of the asset to its fair value.

**Tax-Exempt Status**

FRS, Wildcat, ReServe, CWS, ESNY, 1184, GP, and ESRI and follow guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

FRS, Wildcat, ReServe, CWS, ESNY, GP and ESRI are exempt from federal income tax under IRC section 501(c)(3), though they are subject to tax on income unrelated to their respective exempt purpose, unless that income is otherwise excluded by the Code. These organizations have processes presently in

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place to ensure the maintenance of their tax-exempt status; to identify and report unrelated income; to determine their filing and tax obligations in jurisdictions for which they have nexus; and to identify and evaluate other matters that may be considered tax positions. FRS, Wildcat ReServe, CWS, ESNY, GP and ESRI have determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

1184, a for-profit corporation, commenced business operations in May of 2016; the organization has not calculated a tax provision as the projected tax liability is immaterial from a financial statement perspective. In addition, 1184 has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

**Reclassifications**

Certain reclassifications were made to the 2015 consolidated financial statements to conform to the 2016 presentation. Such reclassifications did not change total assets, liabilities, revenues, expenses or changes in net assets as previously reflected in the 2015 consolidated financial statements.

**3. CONTRIBUTIONS RECEIVABLE**

At September 30, 2016 and 2015, contributions receivable, net of the allowance for doubtful accounts, consisted of the following:

|   | <u>2016</u>         | <u>2015</u>         |
|---|---------------------|---------------------|
| Amounts due within one year                   | \$ 656,133          | \$ 1,418,225        |
| Amounts due in one to five years              | <u>500,000</u>      | <u>1,030,000</u>    |
|   | 1,156,133           | 2,448,225           |
| Less: allowance for uncollectible receivables | <u>(115,000)</u>    | <u>(115,000)</u>    |
|   | <u>\$ 1,041,133</u> | <u>\$ 2,333,225</u> |

Approximately 89% and 65% of the contributions receivable (gross) are due from one donor at September 30, 2016 and 2015, respectively.

**4. INVESTMENTS**

Investments, at fair value, consisted of the following at September 30:

|                    | <u>2016</u>          | <u>2015</u>          |
|--------------------|----------------------|----------------------|
| Money market funds | \$ 10,492,741        | \$ 16,219,963        |
| Mutual funds       | <u>6,852,332</u>     | <u>706,843</u>       |
|                    | <u>\$ 17,345,073</u> | <u>\$ 16,926,806</u> |

FEDCAP's mutual fund investments are classified as Level 1 within the fair value hierarchy. FEDCAP's money market fund investments do not meet the definition of a security under US GAAP, and as such, the disclosure requirements for fair value measurements are not applicable.

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**5. INVENTORIES**

Inventories consisted of the following at September 30:

|                                    | <u>2016</u>       | <u>2015</u>       |
|------------------------------------|-------------------|-------------------|
| Inventories:                       |                   |                   |
| Raw materials                      | \$ 382,137        | \$ 647,633        |
| Work-in-process and finished goods | 122,802           | 116,185           |
| Reserve                            | (90,000)          | (90,000)          |
|                                    | <u>\$ 414,939</u> | <u>\$ 673,818</u> |

**6. FIXED ASSETS, NET**

Fixed assets, net, consisted of the following at September 30:

|  | <u>2016</u>          | <u>2015</u>          |
|--|----------------------|----------------------|
| Fixed assets:                            |                      |                      |
| Land                                     | \$ 1,017,809         | \$ 1,229,105         |
| Building improvements                    | 498,951              | 787,308              |
| Buildings                                | 33,280,420           | 32,612,541           |
| Capital lease - building                 | 35,918,547           | 35,918,547           |
| Furniture, fixtures and computer systems | 9,023,535            | 7,206,700            |
| Leasehold improvements                   | <u>6,357,782</u>     | <u>5,804,171</u>     |
|  | 86,097,044           | 83,558,372           |
| Less: accumulated depreciation           | <u>(10,241,874)</u>  | <u>(6,559,420)</u>   |
|  | <u>\$ 75,855,170</u> | <u>\$ 76,998,952</u> |

Depreciation and amortization expense for the years ended September 30, 2016 and 2015 was \$3,918,260 and \$3,318,960, respectively.

**7. CAPITAL LEASES**

In May of 2014, FRS entered into a condominium leasehold agreement in a building located at 205 East 42nd Street in New York City for 64,303 square feet of space consisting of the entire second and third floor and a portion of the ground floor. FRS began occupying the space in December 2014 and the agreement expires in fiscal 2043. The interest rate is fixed at 4.20%.

FRS accounted for this agreement as a capital lease, and as such, the related cost of \$35,918,547, representing the present value of the total future minimum lease payments due at the inception of the agreement, is included within "Fixed assets, net" in the accompanying consolidated statements of financial position at September 30, 2016 and 2015. FRS occupied the condominium in December 2014 and recorded depreciation expense of \$1,238,571 and \$1,032,142 for fiscal 2016 and 2015, respectively. The outstanding principal balance on the lease as of September 30, 2016 and 2015, is \$36,564,980 and \$36,664,281, respectively.

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During fiscal 2015, FRS obtained financing pursuant to a capital lease to finance vehicles in the amount of \$22,074, principal and interest are paid monthly. As of September 30, 2016 and 2015, accumulated depreciation associated with this lease agreement is \$6,662 and \$2,207, respectively. The outstanding principal balance on the lease as of September 30, 2016 and 2015, is \$15,452 and \$19,866, respectively. The maturity date is March 31, 2020 and the interest rate is fixed at 6.73%.

During fiscal 2015, CWS obtained financing pursuant to a capital lease to finance vehicles in the amount of \$44,018, principal and interest are paid monthly. As of September 30, 2016 and 2015, accumulated depreciation associated with this lease agreement is \$12,893 and \$2,749, respectively. The outstanding principal balance on the lease as of September 30, 2016 and 2015, is \$31,125 and \$40,019, respectively. The maturity date is March 31, 2020 and the interest rate is fixed at 6.73%.

During fiscal 2015, ESNY obtained financing pursuant to a capital lease to finance vehicles in the amount of \$80,785, principal and interest are paid monthly. As of September 30, 2016 and 2015, the accumulated depreciation balance was \$19,922 and \$2,749, respectively. The outstanding principal balance on the lease as of September 30, 2016 and 2015, was \$60,863 and \$78,325, respectively. The maturity date is June 30, 2020 and the interest rate is fixed at 6.97%.

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of September 30, 2016:

| <b>Year Ending September 30,</b>            |                      |
|---|----------------------|
| 2017  | \$ 1,663,775         |
| 2018  | 1,663,775            |
| 2019  | 1,663,775            |
| 2020  | 1,892,045            |
| 2021  | 1,937,699            |
| Thereafter                                  | <u>56,479,274</u>    |
| Total minimum lease payments                | 65,300,343           |
| Less: Amount representing interest          | <u>(28,627,923)</u>  |
| Present value of net minimum lease payments | <u>\$ 36,672,420</u> |

**8. REVOLVING LOANS**

**Israel Discount Bank of New York**

FRS entered into a revolving loan agreement with Israel Discount Bank of New York ("IDB") to finance working capital needs with an aggregate principal amount not to exceed \$15,000,000. The line was collateralized by FRS's accounts receivable and matured on December 10, 2014. On December 10, 2014, FRS renewed the revolving loan agreement. On April 21, 2016, the revolving loan agreement was amended to mature on April 21, 2018. The interest rate for the revolving loan agreement is the Prime Rate. As of September 30, 2016 and 2015, FEDCAP had borrowings on this line of credit of \$13,453,272 and \$9,953,273, respectively, at an interest rate of 3.50% and 3.25%, respectively.

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**RBS Citizens Bank, N.A.**

On September 1, 2015, ESNY replaced its line of credit with RBS Citizens Bank, N.A with a \$3,500,000 revolving line of credit with FRS as the co-borrower after the transfer of sole membership to FRS (refer to Note 16). The line of credit's original maturity date of February 28, 2016 was extended on December 15, 2016 to mature on December 15, 2018 and the line was decreased to \$3,000,000. As part of the line of credit agreement between ESNY and RBS, FEDCAP must maintain a minimum balance with RBS of \$500,000, which is included within cash and cash equivalents in the accompanying consolidated statements of financial position at September 30, 2016 and 2015. As of September 30, 2016 and 2015, ESNY had borrowings on this line of credit of \$3,033,426 and \$2,513,357 at an interest rate of 2.77% and 2.45%, respectively.

**9. LONG-TERM DEBT**

**Notes Payable**

In conjunction with leasing space for a program operated in the Bronx, New York, FRS borrowed \$220,000 during fiscal 2012 from the landlord, LMKW L.P., for the costs to build out the space. This loan is being repaid over a period of six years at an interest rate of 5%. As of September 30, 2016 and 2015, the principal balance outstanding was \$55,544 and \$67,070, respectively.

On January 1, 2013, CWS borrowed \$219,181 from the Georgianna Goddard Eaton Memorial Fund ("Eaton Fund"), a related party, to fund leasehold improvements. Under the terms of the note, payments, including interest at a rate of 3%, are due on a monthly basis commencing on April 1, 2013 and ending on January 1, 2017. At September 30, 2016 and 2015, the principal balance outstanding was \$28,989 and \$85,419, respectively.

On September 15, 2014, ESNY entered into a \$63,045 note payable to finance the purchase of computers. The interest rate charged on the outstanding borrowings is fixed at a rate equal to 3.15%. Monthly principal and interest payments of \$1,841 commenced November 2014 and in October 2017 all remaining outstanding principal and interest are due. The note is secured by the computers. At September 30, 2016 and 2015, the principal balance outstanding was \$21,475 and \$44,219, respectively.

On December 5, 2014, ESNY entered into a \$1,980,000 mortgage note payable to finance the acquisition of certain property located in Valhalla, New York. The note was secured by the property and, after the transfer of sole membership from Easter Seals New Hampshire, is guaranteed by FRS. The interest rate is 3.66% for the first 60 months then, as of the first day of the sixty-first month, the interest rate will reset to 1.75% in excess of the then bank's five-year Cost of Funds. In no event shall the reset rate be less than 3.66%. Principal and interest of \$9,153 is payable monthly through the maturity date of January 1, 2025. At September 30, 2016 and 2015, the outstanding principal balance was \$1,914,257 and \$1,955,422, respectively.

**Bonds Payable**

In December 2013, FRS entered into a Loan Agreement with Build NYC Resource Corporation ("Build NYC"), a local development corporation, for Build NYC to issue bonds to finance the purchase of the sixth floor of a building located at 633 Third Avenue in New York City and related expenses. Build NYC issued \$18,450,000 of tax-exempt revenue bonds ("Series 2013A"). Monthly payments of interest commenced in June 2014. The Series 2013A bonds have a coupon rate of 4.2% with a maturity date of December 1, 2033.

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The Series A bonds were placed with IDB and, as part of the bond purchase and continuing covenant agreement between FRS and IDB, FRS must maintain a minimum balance with IDB of \$4,000,000, which is included within investments in the accompanying consolidated statements of financial position at September 30, 2016 and 2015. At September 30, 2016 and 2015, the outstanding principal balance of the Series 2013A bonds was \$17,995,000 and \$18,450,000, respectively.

In December 2010, ESNY in connection with the Monroe County Industrial Development Corporation and RBS Citizens Bank, N.A. issued \$5,250,000 in Series 2010 tax-exempt Revenue Bonds ("Series 2010"). The Series 2010 bonds were used to finance the acquisition of certain property located in Irondequoit, New York and to refinance certain ESNY debt. The Series 2010 bonds are secured by a mortgage on all properties and improvements financed by the bond and, after the transfer of sole membership of ESNY from Easter Seals New Hampshire, are guaranteed by FRS. ESNY may elect to prepay some portion or all of the outstanding bonds subject to a prepayment fee as defined in the agreement. The agreement also requires bank approval prior to ESNY incurring additional indebtedness. The Series 2010 bonds are subject to tender for mandatory purchase at the election of the bondholder beginning June 1, 2016 and thereafter every five years through June 1, 2036. At September 30, 2016 and 2015, the outstanding principal balance of the Series 2010 bonds was \$4,683,050 and \$4,834,502, respectively.

On February 23, 2011, ESNY entered into an interest rate swap agreement with a bank in connection with the Series 2010 Bonds. The swap agreement had an outstanding notional amount of \$4,929,360 and \$4,792,110 at September 30, 2016 and 2015, respectively. The outstanding notional amount decreases, in conjunction with bond principal reductions, until the agreement terminates in January 2031. ESNY remits interest at fixed rate of 2.99% and receives interest at a variable rate ((68% of the sum of the monthly LIBOR rate plus 2.65% (1.93% and 1.92% at September 30, 2016 and 2015, respectively)). The fair value of the interest rate swap agreement as of September 30, 2016 and 2015 reflected a liability of \$977,731 and \$816,322, respectively. The swap is included within other liabilities in the accompanying consolidated statement of financial position, and is classified as Level 2 within the fair value hierarchy.

The following is a summary of minimum principal payments due on the notes and bonds at September 30, 2016:

|  | <u>Notes Payable</u> | <u>Bonds Payable</u> | <u>Total</u>         |
|--|----------------------|----------------------|----------------------|
| <b>Year Ending September 30,</b>       |                      |                      |                      |
| 2017                                   | \$ 145,475           | \$ 609,520           | \$ 754,995           |
| 2018                                   | 40,950               | 633,450              | 674,400              |
| 2019                                   | 42,496               | 657,500              | 699,996              |
| 2020                                   | 43,916               | 681,670              | 725,586              |
| 2021                                   | 45,765               | 731,050              | 776,815              |
| Thereafter                             | <u>1,701,663</u>     | <u>19,364,860</u>    | <u>21,066,523</u>    |
| Total                                  | <u>\$ 2,020,265</u>  | <u>\$ 22,678,050</u> | <u>24,698,315</u>    |
| Less current portion                   |                      |                      | <u>754,995</u>       |
| Long-term debt, net of current portion |                      |                      | <u>\$ 23,943,320</u> |

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**10. ADVANCE FROM GOVERNMENT AGENCY**

On August 1, 2012, FRS entered in a contract with New York City Human Resources Agency (“HRA”) to operate HRA’s WeCare program in the Boroughs of Brooklyn and Queens. Under the terms of the contract, HRA made an advance of \$4,689,872 to FRS, for working capital purposes. This advance is non-interest bearing and will be recouped during the course of the contract in accordance with HRA policy, but no later than the last year of the contract (i.e., July 31, 2015). At September 30, 2014, the advance from government agency was \$2,629,782, and in accordance with the agreement terms, the remaining balance was paid in fiscal 2015. The contract was renewed for an addition 2-year period, and on July 13, 2015, HRA made another advance of \$1,800,000 for working capital purposes. This advance was non-interest bearing and was be recouped during the course of the contract in accordance with HRA policy beginning January 2016, but no later than July of 2016. At September 30, 2016 and September 30, 2015, the advance from government agency was \$0 and \$1,800,000 respectively.

**11. COMMITMENTS AND CONTINGENCIES**

FEDCAP has leases for offices, program related facilities, and equipment expiring at various dates through 2032. The approximate future minimum lease commitments under existing operating leases are as follows:

| <b>Year Ending September 30,</b> |                      |
|----------------------------------|----------------------|
| 2017                             | \$ 8,830,079         |
| 2018                             | 7,620,584            |
| 2019                             | 3,184,716            |
| 2020                             | 1,111,473            |
| 2021                             | 821,935              |
| Thereafter                       | <u>4,483,020</u>     |
| Total                            | <u>\$ 26,051,807</u> |

Certain office leases contain renewal and escalation clauses. For leases with escalation clauses, FEDCAP recognized rent expense on a straight-line basis and recognized a deferred rent liability of \$1,161,996 and \$870,055 at September 30, 2016 and 2015, respectively, which is included in other liabilities in the accompanying consolidated statements of financial position. In addition to the base rents, FEDCAP is obligated to pay additional amounts for increased operating costs.

Rent expense was \$10,118,415 and \$7,893,410 for the years ended September 30, 2016 and 2015, respectively.

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CWS sublets a portion of its facilities to tenants under operating leases that expire between April 2017 and May 2020. For the years ended September 30, 2016 and 2015, rental income from these subleases was \$324,857 and \$285,957, respectively. The future minimum sublease rental payments to be received are as follows:

| <b>Year Ending September 30,</b> |                   |
|----------------------------------|-------------------|
| 2017                             | \$ 236,756        |
| 2018                             | 160,000           |
| 2019                             | 170,000           |
| 2020                             | <u>43,125</u>     |
| Total                            | <u>\$ 609,881</u> |

FEDCAP is engaged in various lawsuits incidental to its operations. In the opinion of management, the ultimate outcome of pending litigation will not have a material adverse effect on the consolidated financial position and results of operations of FEDCAP.

FEDCAP participates in a number of federal and state programs. These programs require that FEDCAP comply with certain requirements of laws, regulations, contracts, and agreements applicable to the programs in which it participates. All funds expended in connection with government grants and contracts are subject to audit by government agencies. While the ultimate liability, if any, from such audits of government contracts by government agencies is presently not determinable, it should not, in the opinion of management, have a material effect on FEDCAP's financial position or change in net assets. Accordingly, no provision for any such liability that may result has been made in the accompanying consolidated financial statements.

**12. TUITION REVENUE**

FRS receives funding for the Career Design School from the New York State Education Department, administered by the Bureau of Proprietary School Supervision. Gross tuition income, which equaled net tuition income, was \$1,158,080 and \$1,049,705 for the years ended September 30, 2016 and 2015, respectively, and has been included within rehabilitation and vocational programs in the accompanying consolidated statements of activities.

**13. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets were restricted for the following purposes as of September 30, 2016 and 2015:

|                                    | <u>2016</u>         | <u>2015</u>         |
|------------------------------------|---------------------|---------------------|
| For use in future periods for:     |                     |                     |
| Employment and job search programs | \$ 413,139          | \$ 693,049          |
| Time restricted                    | <u>1,156,133</u>    | <u>1,482,043</u>    |
| Total                              | <u>\$ 1,569,272</u> | <u>\$ 2,175,092</u> |

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Net assets released from restrictions during the years ended September 30, 2016 and 2015 were as follows:

|                                    | <u>2016</u> | <u>2015</u> |
|------------------------------------|-------------|-------------|
| Employment and job search programs | \$ 745,820  | \$ 572,503  |

**14. RELATED PARTY TRANSACTIONS**

Members of the Board of Directors of FEDCAP are associated with a law firm that has provided legal services to FEDCAP with fees of \$285,776 and \$176,548 during the years ended September 30, 2016 and 2015, respectively.

A CWS Board member is a trustee of the Eaton Fund, the holder of the CWS promissory note (refer to Note 9). CWS also leases its facilities from the Eaton Fund. Rent paid to Eaton Fund for the years ended September 30, 2016 and 2015 was \$129,996.

**15. EMPLOYEE BENEFIT PLANS**

Effective January 1, 1991, FEDCAP established a Tax Deferred Annuity Retirement Plan under Section 403(b) of the Internal Revenue Code for employee voluntary salary reduction contributions. Employees are eligible to participate in the plan as of their employment date.

Effective October 1, 1991, FEDCAP established a Tax Deferred Annuity Retirement Plan under Section 403(b) of the Internal Revenue Code for employees working on government contracts with a defined contribution pension plan based on a contractual formula. Employees are eligible to participate in the plan upon satisfactory completion of a three-month probationary period.

Effective October 1, 1994, FEDCAP established a Defined Contribution Plan under Section 403(b) of the Internal Revenue Code for qualified participants, primarily employees who do not work on contracts. In November 1, 2010, the Defined Contribution Plan was amended to allow all employees to participate in the plan immediately upon hire. FEDCAP matches employee contributions up to 3% of their salaries. Employer matching contributions fully vest after three years of employment.

Plan contributions are invested in one or more of the funding vehicles available to participants under the plans. Each participant is fully and immediately vested in employee contributions. Employer contributions to the plan amounted to \$6,492,132 and \$5,491,104 for the years ended September 30, 2016 and 2015, respectively.

**16. ACQUISITION**

Effective September 1, 2015, FEDCAP acquired and became the sole member of ESNY. The determination to acquire ESNY was predicated on the similarities in mission. ESNY's mission is to provide 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. This acquisition was effected without the transfer of consideration, and as such an inherent contribution of \$463,280 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

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The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of acquisition:

|                                       |                    |
|---------------------------------------|--------------------|
| Cash and cash equivalents             | \$ 812,974         |
| Investments                           | 738,949            |
| Accounts receivable, net              | 2,385,468          |
| Contributions receivable              | 906,326            |
| Prepaid expenses and other assets     | 171,582            |
| Inventory                             | 8,803              |
| Beneficial interest in trust          | 501,660            |
| Other assets                          | 166,330            |
| Fixed assets                          | 7,966,157          |
| Accounts payable and accrued expenses | (1,885,181)        |
| Deferred revenue                      | (590,136)          |
| Current portion of long term- debt    | (44,219)           |
| Revolving loan                        | (3,101,513)        |
| Other liabilities                     | (737,503)          |
| Capital lease obligation              | (78,235)           |
| Long term notes and mortgage payable  | <u>(6,758,182)</u> |
|                                       | <u>\$ 463,280</u>  |

Effective September 1, 2016, FEDCAP acquired and became the sole member of ESRI. The determination to acquire ESRI was predicated on the similarities in mission. ESRI's mission is to provide 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. This acquisition was effected without the transfer of consideration, and as such an inherent contribution of \$68,889 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of acquisition:

|                                       |                  |
|---------------------------------------|------------------|
| Cash and cash equivalents             | \$ 500           |
| Investments                           | 5,520            |
| Prepaid expenses and other assets     | 11,290           |
| Beneficial interest in trust          | 35,760           |
| Fixed assets                          | 23,038           |
| Accounts payable and accrued expenses | <u>(7,219)</u>   |
|                                       | <u>\$ 68,889</u> |

Effective May 1, 2016, FEDCAP acquired and became the sole member of Granite Pathways. The determination to acquire Granite Pathways was predicated on the similarities in mission. Granite Pathways' mission is to provide services to empower and support adults with mental illness to pursue their personal goals through education, employment, stable housing, and meaningful relationships. This acquisition

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**  
**September 30, 2016 and 2015**

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was effected without the transfer of consideration, and as such an inherent contribution of \$9,841 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of acquisition:

|                                       |                 |
|---------------------------------------|-----------------|
| Cash and cash equivalents             | \$ 9,702        |
| Accounts receivable, net              | 274             |
| Accounts payable and accrued expenses | <u>(135)</u>    |
|                                       | <u>\$ 9,841</u> |

On May 1, 2016, a Red Mango franchise was donated to ESNY, incorporated as 1184 Deer Park Ave., Inc. ("1184"). The entity is currently managed as a for-profit corporation, but may be repurposed as a social enterprise to include a training center and employment opportunities for Veterans.

This acquisition was effected without the transfer of consideration and as such an inherent contribution of \$123,650 was recognized, which represented the acquisition date fair values of the identifiable assets acquired, there was no assumption of liabilities. Identifiable assets acquired comprised solely of equipment.

**17. CONCENTRATIONS**

FEDCAP provides building services for federal buildings, which comprised 21% and 28% of total revenues during the years ended September 30, 2016 and 2015, respectively. FEDCAP provides offsite data entry personnel, custodial and other services to various branches of the state and city government through one New York State organization, which comprised 10% and 12% of total revenues during the years ended September 30, 2016 and 2015, respectively. FEDCAP provides homecare services to one customer comprising 2% of total revenues during the years ended September 30, 2016 and 2015, respectively.

Financial instruments that potentially subject FEDCAP to concentrations of credit and market risk consist principally of cash and cash equivalents on deposit with financial institutions, which from time to time may exceed the Federal Deposit Insurance Corporation ("FDIC") limit. Management does not believe that a significant risk of loss exists due to the failure of a financial institution.

**18. SUBSEQUENT EVENTS**

FEDCAP evaluated its September 30, 2016 consolidated financial statements for subsequent events through March 6, 2017, the date the consolidated financial statements were available for issuance. Except as discussed in Note 8, above, and the subsequent paragraphs, FEDCAP is unaware of any events which would require recognition or disclosure in the accompanying consolidated financial statements.

On November 1, 2016, GP entered into a combination agreement with Seacoast Pathways, Inc to become its sole member. The determination to acquire Seacoast Pathways, Inc. was predicated on the similarities in mission and a geographic expansion of services in the New England Region. The mission of Seacoast Pathways is to support adults living with mental illness on their paths to recovery through the work-ordered day.

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**  
**September 30, 2016 and 2015**

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On February 1, 2017, FRS entered into a combination agreement with Single Stop USA, Inc to become its sole member. The determination to acquire Single Stop USA, Inc. was predicated on the similarities in mission. Single Stop provides coordinated services to holistically connect people to the resources they need to attain higher education, obtain good jobs, and achieve financial self-sufficiency.

**SUPPLEMENTARY INFORMATION**

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidating Schedule of Financial Position**  
**As of September 30, 2016**

|   | Fedcap<br>Rehabilitation<br>Services, Inc. | Wildcat<br>Services<br>Corporation | ReServe             | Community<br>Work Service | Easter<br>Seals NY   | Granite Pathways  | Red Mango         | Easter Seals RI   | Eliminations          | Consolidated          |
|---|--|------------------------------------|---------------------|---------------------------|----------------------|-------------------|-------------------|-------------------|-----------------------|-----------------------|
| <b>ASSETS</b>   |  |                                    |                     |                           |                      |                   |                   |                   |                       |                       |
| <b>CURRENT ASSETS</b>   |  |                                    |                     |                           |                      |                   |                   |                   |                       |                       |
| Cash and cash equivalents   | \$ 9,526,202                               | \$ 186,544                         | \$ 47,666           | \$ 571,871                | \$ 667,776           | \$ 19,110         | \$ 149,567        | \$ 500            | \$ -                  | \$ 10,969,256         |
| Accounts receivable (net of allowance for doubtful accounts of approximately \$2,080,000 in 2016 and \$2,619,000 in 2015) | 24,657,100                                 | 2,674,155                          | 913,626             | 469,510                   | 4,545,174            | 128,971           | -                 | 53,081            | -                     | 33,441,617            |
| Intercompany accounts receivable  | 8,463,752                                  | -                                  | -                   | -                         | -                    | -                 | -                 | -                 | (8,463,752)           | -                     |
| Contributions receivable (net of allowance for uncollectible contributions of approximately \$115,000 in 2016 and 2015)   | 1,018,882                                  | -                                  | 750                 | 350                       | 21,151               | -                 | -                 | -                 | -                     | 1,041,133             |
| Inventories, net  | 395,096                                    | -                                  | -                   | 11,851                    | 7,992                | -                 | -                 | -                 | -                     | 414,939               |
| Prepaid expenses and other assets   | 2,252,565                                  | 14,916                             | 855                 | 3,438                     | 562,353              | 1,750             | -                 | 10,609            | -                     | 2,826,486             |
| <b>Total current assets</b>   | <b>46,093,597</b>                          | <b>2,875,615</b>                   | <b>962,897</b>      | <b>1,057,020</b>          | <b>5,804,446</b>     | <b>149,831</b>    | <b>149,567</b>    | <b>64,190</b>     | <b>(8,463,752)</b>    | <b>48,693,411</b>     |
| Investments   | 16,378,155                                 | -                                  | 230,695             | -                         | 730,702              | -                 | -                 | 5,521             | -                     | 17,345,073            |
| Fixed assets, net   | 67,345,274                                 | 10,265                             | 34,274              | 478,771                   | 7,703,118            | 137,333           | 123,650           | 22,485            | -                     | 75,855,170            |
| Art objects   | 21,750                                     | -                                  | -                   | -                         | -                    | -                 | -                 | -                 | -                     | 21,750                |
| Beneficial interest in remainder trust  | 37,811                                     | -                                  | -                   | -                         | 501,660              | -                 | -                 | 36,441            | -                     | 573,912               |
| Other assets  | 572,920                                    | -                                  | -                   | -                         | 2,100                | -                 | -                 | -                 | -                     | 575,020               |
| <b>Total assets</b>   | <b>\$ 150,449,507</b>                      | <b>\$ 2,885,880</b>                | <b>\$ 1,227,866</b> | <b>\$ 1,555,791</b>       | <b>\$ 14,742,026</b> | <b>\$ 287,164</b> | <b>\$ 273,217</b> | <b>\$ 128,637</b> | <b>\$ (8,463,752)</b> | <b>\$ 143,066,336</b> |
| <b>LIABILITIES AND NET ASSETS</b>   |  |                                    |                     |                           |                      |                   |                   |                   |                       |                       |
| <b>CURRENT LIABILITIES</b>  |  |                                    |                     |                           |                      |                   |                   |                   |                       |                       |
| Account receivable and accrued liabilities  | \$ 24,733,414                              | \$ 239,517                         | \$ 2,907            | \$ 293,189                | \$ 1,238,455         | \$ 15,299         | \$ -              | \$ 7,219          | \$ -                  | \$ 26,530,000         |
| Intercompany payable  | -  | 3,567,141                          | 1,589,662           | 917,475                   | 1,971,283            | 171,849           | 156,665           | 89,677            | (8,463,752)           | -                     |
| Deferred revenues   | 382,442                                    | 38,240                             | 23,660              | 8,676                     | 703,901              | -                 | -                 | -                 | -                     | 1,156,919             |
| Advance from government agency  | -  | -                                  | -                   | -                         | -                    | -                 | -                 | -                 | -                     | -                     |
| Current portion of long term debt   | 530,544                                    | -                                  | -                   | 28,989                    | 195,462              | -                 | -                 | -                 | -                     | 754,995               |
| <b>Total current liabilities</b>  | <b>25,646,400</b>                          | <b>3,844,898</b>                   | <b>1,616,229</b>    | <b>1,248,329</b>          | <b>4,109,101</b>     | <b>187,148</b>    | <b>156,665</b>    | <b>96,896</b>     | <b>(8,463,752)</b>    | <b>28,441,914</b>     |
| <b>LONG-TERM LIABILITIES</b>  |  |                                    |                     |                           |                      |                   |                   |                   |                       |                       |
| Obligations under capital leases  | 36,580,451                                 | -                                  | -                   | 31,125                    | 60,864               | -                 | -                 | -                 | -                     | 36,672,420            |
| Long-term debt, net of current portion  | 17,520,000                                 | -                                  | -                   | -                         | 6,423,320            | -                 | -                 | -                 | -                     | 23,943,320            |
| Revolving loans   | 15,453,272                                 | -                                  | -                   | -                         | 3,033,426            | -                 | -                 | -                 | -                     | 16,486,698            |
| Other liabilities   | 1,173,827                                  | -                                  | -                   | 20,833                    | 997,189              | -                 | -                 | -                 | -                     | 2,191,849             |
| <b>Total liabilities</b>  | <b>94,373,950</b>                          | <b>3,844,898</b>                   | <b>1,616,229</b>    | <b>1,300,287</b>          | <b>14,625,900</b>    | <b>187,148</b>    | <b>156,665</b>    | <b>96,896</b>     | <b>(8,463,752)</b>    | <b>107,736,201</b>    |
| <b>NET ASSETS</b>   |  |                                    |                     |                           |                      |                   |                   |                   |                       |                       |
| Unrestricted  | 34,768,272                                 | (959,018)                          | (505,442)           | 227,756                   | (603,422)            | 100,016           | 116,552           | 31,741            | -                     | 33,176,455            |
| Temporarily restricted  | 1,307,305                                  | -                                  | 42,079              | -                         | 219,888              | -                 | -                 | -                 | -                     | 1,569,272             |
| Permanently restricted  | -  | -                                  | 75,000              | 7,768                     | 501,660              | -                 | -                 | -                 | -                     | 584,428               |
| <b>Total net assets</b>   | <b>36,075,577</b>                          | <b>(959,018)</b>                   | <b>(388,363)</b>    | <b>235,504</b>            | <b>118,126</b>       | <b>100,016</b>    | <b>116,552</b>    | <b>31,741</b>     | <b>-</b>              | <b>35,330,155</b>     |
| <b>Total liabilities and net assets</b>   | <b>\$ 150,449,507</b>                      | <b>\$ 2,885,880</b>                | <b>\$ 1,227,866</b> | <b>\$ 1,555,791</b>       | <b>\$ 14,742,026</b> | <b>\$ 287,164</b> | <b>\$ 273,217</b> | <b>\$ 128,637</b> | <b>\$ (8,463,752)</b> | <b>\$ 143,066,336</b> |

*This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.*

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidating Schedule of Activities**  
**For the year ended September 30, 2016**

|  | Unrestricted                        |                              |              |                         |                       |                  |            |                           | Consolidated   |
|--|-------------------------------------|------------------------------|--------------|-------------------------|-----------------------|------------------|------------|---------------------------|----------------|
|  | Fedcap Rehabilitation Services Inc. | Wildcat Services Corporation | ReServe      | Community Work Services | Easter Seals New York | Granite Pathways | Red Mango  | Easter Seals Rhode Island |                |
| <b>REVENUES</b>  |                                     |                              |              |                         |                       |                  |            |                           |                |
| Contract services and products                           | \$ 93,664,468                       | \$ 7,418,081                 | \$ -         | \$ 1,060,009            | \$ -                  | \$ -             | \$ 169,570 | \$ -                      | \$ 102,312,128 |
| Rehabilitation and vocational programs                   | 81,670,495                          | 1,758,623                    | 4,280,802    | 3,808,639               | 28,685,196            | 179,279          | -          | 53,084                    | 120,436,118    |
| Contributions and grants                                 | 944,257                             | -                            | 154,932      | 708,267                 | 1,451,596             | 153,118          | -          | 4,146                     | 3,416,316      |
| Inherent Contribution                                    | -                                   | -                            | -            | -                       | -                     | 9,841            | 123,650    | 68,889                    | 202,380        |
| Interest Income  | 122,888                             | -                            | 590          | 339                     | 900                   | -                | -          | -                         | 124,717        |
| Miscellaneous revenue                                    | 1,672,579                           | -                            | -            | -                       | 124,804               | -                | -          | -                         | 1,797,383      |
| Net assets released from restrictions                    | 540,563                             | -                            | 79,691       | 60,094                  | 65,472                | -                | -          | -                         | 745,820        |
| Total revenues   | 178,615,250                         | 9,176,704                    | 4,516,015    | 5,637,348               | 30,327,968            | 342,238          | 295,220    | 126,119                   | 229,034,862    |
| <b>EXPENSES</b>  |                                     |                              |              |                         |                       |                  |            |                           |                |
| Program services   |                                     |                              |              |                         |                       |                  |            |                           |                |
| Contract services and products                           | 83,569,700                          | 5,979,051                    | -            | 1,248,252               | 12,883                | -                | 176,668    | -                         | 90,986,554     |
| Rehabilitation and vocational programs                   | 69,969,660                          | 1,789,578                    | 4,087,098    | 3,023,512               | 26,675,295            | 242,222          | -          | 75,774                    | 105,862,539    |
| Supporting services:                                     | 153,538,760                         | 7,768,629                    | 4,087,098    | 4,271,764               | 26,688,178            | 242,222          | 176,668    | 75,774                    | 196,849,093    |
| Management and general Development                       | 23,873,234                          | 1,106,637                    | 758,753      | 1,367,821               | 2,398,047             | -                | -          | 27                        | 29,504,519     |
| Development  | 407,466                             | -                            | -            | 57,730                  | 1,192,805             | -                | -          | 18,577                    | 1,676,578      |
| Total expenses   | 24,280,700                          | 1,106,637                    | 758,753      | 1,425,551               | 3,590,852             | -                | -          | 18,604                    | 31,181,097     |
| 177,819,460  | 8,875,266                           | 4,845,851                    | 5,697,315    | 30,279,030              | 242,222               | 176,668          | 94,378     | 228,030,190               |                |
| Change in net assets - Unrestricted                      | 795,796                             | 301,438                      | (329,836)    | (59,967)                | 48,938                | 100,016          | 116,552    | 31,741                    | 1,004,672      |
| Net assets at beginning of year - Unrestricted           | 33,972,482                          | (1,260,456)                  | (175,606)    | 287,703                 | (652,360)             | -                | -          | -                         | 32,171,763     |
| Net assets at end of year - Unrestricted                 | \$ 34,768,272                       | \$ (959,018)                 | \$ (505,442) | \$ 227,736              | \$ (603,422)          | \$ 100,016       | \$ 116,552 | \$ 31,741                 | \$ 33,176,435  |
|  | Temporarily Restricted              |                              |              |                         |                       |                  |            |                           |                |
|  | Fedcap Rehabilitation Services Inc. | Wildcat Services Corporation | ReServe      | Community Work Services | Easter Seals New York | Granite Pathways | Red Mango  | Easter Seals Rhode Island | Consolidated   |
| <b>REVENUES</b>  |                                     |                              |              |                         |                       |                  |            |                           |                |
| Contributions and grants                                 | \$ -                                | \$ -                         | \$ 90,000    | \$ -                    | \$ 50,000             | \$ -             | \$ -       | \$ -                      | \$ 140,000     |
| Net assets released from restrictions                    | (540,563)                           | -                            | (79,691)     | (60,094)                | (65,472)              | -                | -          | -                         | (745,820)      |
| Total revenues   | (540,563)                           | -                            | 10,309       | (60,094)                | (15,472)              | -                | -          | -                         | (605,820)      |
| Change in net assets - Temporarily Restricted            | (540,563)                           | -                            | 10,309       | (60,094)                | (15,472)              | -                | -          | -                         | (605,820)      |
| Net assets at beginning of year - Temporarily Restricted | 1,847,868                           | -                            | 31,770       | 60,094                  | 235,360               | -                | -          | -                         | 2,175,092      |
| Net assets at end of year - Temporarily Restricted       | \$ 1,307,305                        | \$ -                         | \$ 42,079    | \$ -                    | \$ 219,888            | \$ -             | \$ -       | \$ -                      | \$ 1,569,272   |

*This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.*

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidated Schedule of Functional Expenses**  
**For the year ended September 30, 2016 (with comparative totals for the year ended September 30, 2015)**

|   | Program Services               |  |                | Supporting Services    |              |               | 2015           |                |
|---|--------------------------------|--|----------------|------------------------|--------------|---------------|----------------|----------------|
|   | Contract Services and Products | Rehabilitation and Vocational Programs | Total          | Management and General | Development  | Total         | Total Expenses | Total Expenses |
|   |                                |  |                |                        |              |               |                |                |
| Salaries and related expenses                       | \$ 62,472,043                  | \$ 64,699,672                          | \$ 127,171,715 | \$ 13,305,571          | \$ 548,937   | \$ 13,854,508 | \$ 141,026,223 | \$ 98,596,857  |
| Professional fees                                   | 88,039                         | 3,172,244                              | 3,260,283      | 2,730,162              | 118,227      | 2,848,389     | 6,108,672      | 2,946,116      |
| Professional development and evaluation             | 31,287                         | 497,833                                | 529,120        | 66,370                 | 17,509       | 83,879        | 612,999        | 354,221        |
| Materials and supplies                              | 4,818,219                      | 1,345,536                              | 6,163,755      | 271,163                | 69,825       | 340,988       | 6,504,743      | 5,561,003      |
| Commissions   | 2,550,631                      | -                                      | 2,550,631      | -                      | -            | -             | 2,550,631      | 2,851,156      |
| Telephone   | 157,465                        | 551,903                                | 689,366        | 571,165                | 13,905       | 585,070       | 1,274,436      | 532,692        |
| Postage and shipping                                | 867,968                        | 174,743                                | 1,042,711      | 152,700                | 4,083        | 156,783       | 1,199,494      | 1,167,836      |
| Insurance   | 1,165,185                      | 770,839                                | 1,936,024      | 675,994                | 2,486        | 678,480       | 2,614,504      | 1,481,855      |
| Occupancy costs                                     | 293,812                        | 12,457,302                             | 12,751,114     | 840,604                | 51,048       | 891,652       | 13,642,766     | 11,597,130     |
| Equipment rental and maintenance                    | 361,995                        | 290,220                                | 652,215        | 233,338                | 4,434        | 237,772       | 889,987        | 908,295        |
| Equipment purchases                                 | 245,883                        | 64,505                                 | 310,388        | 19,769                 | 400          | 20,169        | 330,557        | 916,906        |
| Client transportation and travel                    | 211,300                        | 3,817,503                              | 4,028,803      | 581,664                | 21,773       | 603,437       | 4,632,240      | 3,297,476      |
| Subscription and printing                           | 61,725                         | 36,171                                 | 97,896         | 118,184                | 38,866       | 157,050       | 254,946        | 143,066        |
| Technology  | 121,860                        | 725,665                                | 847,525        | 1,587,013              | 16,738       | 1,603,751     | 2,451,276      | 2,668,360      |
| Interest expense and bank charges                   | 138                            | 32,062                                 | 32,200         | 3,444,176              | 114          | 3,444,290     | 3,476,490      | 2,716,860      |
| Bad debt provision (recovery)                       | -                              | 102,377                                | 102,377        | 943,999                | -            | 943,999       | 1,046,376      | (206,665)      |
| Subcontractor expense                               | 16,967,218                     | 10,184,819                             | 27,152,037     | 39,767                 | -            | 39,767        | 27,191,804     | 28,438,117     |
| Stipends  | 138                            | 4,336,265                              | 4,336,403      | 85,598                 | 6,845        | 92,443        | 4,428,846      | 4,309,753      |
| Security guard expense                              | 2,376                          | 684,255                                | 686,629        | 63,729                 | -            | 63,729        | 750,358        | 447,368        |
| Other   | 433,246                        | 1,177,447                              | 1,610,693      | 755,463                | 758,426      | 1,513,889     | 3,124,582      | 1,660,235      |
| Total expenses before depreciation and amortization | 90,830,526                     | 105,121,359                            | 195,951,885    | 26,486,429             | 1,673,616    | 28,160,045    | 224,111,930    | 170,388,637    |
| Depreciation and amortization                       | 156,028                        | 741,180                                | 897,208        | 3,018,090              | 2,962        | 3,021,052     | 3,918,260      | 3,318,960      |
| Total expenses                                      | \$ 90,986,554                  | \$ 105,862,539                         | \$ 196,849,093 | \$ 29,504,519          | \$ 1,676,578 | \$ 31,181,097 | \$ 228,030,190 | \$ 173,707,597 |

*This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.*



Powered by **FEDCAP**

## GRANITE PATHWAYS BOARD MEMBERS

May, 18, 2017

**Matthew Boyle – Board Chair**

[REDACTED]

**Christine McMahon**

[REDACTED]

**Andrea Mitsch**

[REDACTED]

**Pamela Brown**

[REDACTED]

**Lynne Westaway**

[REDACTED]  
[REDACTED]  
( [REDACTED]  
[REDACTED]

**Jacqueline Ellis**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Dulcinea Kaufman**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Debora Jameson**

[REDACTED]  
[REDACTED]  
( [REDACTED]  
[REDACTED]

**Frances DeCinto**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Geri Foucher**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Ellen Malloy**

70  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

**William Rider**

18  
[Redacted]  
[Redacted]  
1600  
[Redacted]

**Sue Taylor**

25  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

**Julie Van Ryen**

[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

**Sara Treacy**

18  
[Redacted]  
[Redacted]  
1600  
[Redacted]

**Sharon Musselman**

170  
[Redacted]  
[Redacted]  
[Redacted]

**Doreen Shockley**

**Summary of Skills and Qualifications**

- Well organized, innovative and intensely motivated with ability to set priorities and allocate limited resources
- Skilled at managing communications and complex relationships with multiple stakeholders who have varying priorities and professional competencies
- Proficient in conducting gaps analyses and identify opportunities for capacity building

**Professional Experience**

GRANITE PATHWAYS – *Concord, NH*

**Director of Programs and Services:** February 2017 - Present

Responsible for overseeing program implementation, overall performance evaluation, and program budgets. Manage and organize documentation and reporting for any procurement processes, program compliance reports, and program metrics.

- Oversee a range of programs ensuring strong program implementation from a higher level of planning, execution, performance evaluation, and strategic growth management
- Ensure targeted program goals and outcome measures are being met by
- Ensure all staff executes requirements consistently with contract/policy
- Build partnerships, develop and ensure Memorandums of Understanding are executed with appropriate organizations across the state
- Participate in maintaining an up to date staffing plan including any recruitment, hiring, or on-boarding of new staff.
- Direct liaison to the State Bureau of Drug and Alcohol Services; Continuum of Care Network, and other assigned statewide stakeholder groups
- From a high level, analyze performance metrics and steer strategy and operations towards innovation for seamless care, targeted outcomes, and long-term sustainability
- Regular monitoring and identification of national, state, and local grant opportunities

HARBOR HOMES, INC. – *Nashua, NH*

**Project Director:** Peer Recovery Support Services (PRSS) facilitating organization (FO) contract  
June 2016 – April 2017

Responsible for completion of an environmental scan in the state of New Hampshire to identify the readiness of PRSS for accreditation by the Council on Accreditation of Peer Recovery Services (CAPRSS) in Recovery Community Organizations (RCO).

Upon completion of the readiness scan, responsible for:

- Subcontracting with at least 5 organizations that are the “most ready” for CAPRSS accreditation
- Assist each organization with the CAPRSS accreditation process
- Provide technical assistance to contracted RCOs to enroll in Medicaid upon the establishment of a Peer Recovery Program provider type by the New Hampshire

**Doreen Shockley**

Medicaid Program based on Federal Center for Medicaid and Medicare Services (CMS) and other federal and state requirements

- Determine the RCOs ability to establish a recovery center
- Develop individual RCO training, technical assistance and back office functional support
- Provide ongoing back office functions as needed (HR, financial, billing, etc.)
- Encourage communication and cooperation among RCOs through a “community of practice”
- Assist RCOs to engage with Regional Public Health Network continuum of care development work

UNIVERSITY OF SOUTH FLORIDA – *Tampa, FL (2000-2016)*

*USF Health Morsani College of Medicine Department of Psychiatry and Behavioral Neurosciences*

**Departmental Administrator**

June 2014 – June 2016

Serve as the primary administrative liaison between the College of Medicine Department of Psychiatry and all other affiliations within and outside of the University. Responsibilities include developing and recommending priorities and alternative strategies for the department Chair to attain clinical, educational and research objectives. Evaluate the departmental financial, human resources, facility, equipment and administrative capabilities in compliance with Federal, State, University, University Medical Services Association (UMSA) and Medical Services Support Corporation (MSSC) rules and regulations.

- Coordinate all financial activities within the department,
- Prepare and present the departmental all source budget (over \$10 million) to Dean’s Office,
- Monitor and safeguard compliance of each cost center within the department,
- Manage the recruitment of faculty and staff,
- Responsible for personnel management of department staff including recruiting, interviewing, hiring, training, evaluating, counseling, disciplining and terminating employees (20+ faculty and 40+ staff ),
- Assist faculty in finding, applying, obtaining and administering sponsored research awards (federal, state and privately sponsored),
- Identify inefficiencies to streamline and improve business processes while reducing overall costs,
- Meet regularly with faculty and non-faculty clinical providers to review financial status; provide encouraging feedback for positive financial contribution and recommend techniques to improve negative financial contribution to overall department,
- Develop and implement communication to all faculty and staff to confirm all are informed,
- Monitor procedural billing codes and compare to local, state and national benchmarks,
- Develop practice support guidelines to facilitate improved efficiency, patient care and customer satisfaction, and
- Monitor scheduling, missed appointments, gross slots available, used/vacant slots, clinical changes/cancellations, payer mix, charge capture, timely charge entry and other parameters to maximize utilization and reimbursements.

**Doreen Shockley**

[REDACTED]

[REDACTED]

[REDACTED]@email.com

***University of South Florida Health Morsani College of Medicine Business Office***

**Assistant Director**

September 2012 – June 2014

Responsibilities included providing the USF Health College of Medicine nineteen departments support with all financial questions for all funding sources.

- Responsible for all compliance matters for USF Health related to procurement and other audit related issues for all funding sources,
- Completed the annual financial accreditation report for the USF College of Medicine Liaison Committee on Medical Education (LCME) for FY 2012 requiring coordination and collaboration with nineteen departments within the College of Medicine
- Worked very closely with departments on all research related matters including the administration of clinical trials,
- Cooperated with central offices at USF, UMSA/MSSC, Research Foundation and USF Foundation on financial matters that crossed entities,
- Served on the USF Expenditure Policy Committee as the USF Health Representative overseeing financial matters and USF business processes that relate to purchasing, accounts payable, PCard and Property matters for all funding sources.

***Research Financial Management***

August 2000 – September 2012

**University Assistant Controller/Accounting Manager**

October 2011 to September 2012/September 2007 – October 2011

Responsibilities expanded to include:

- Training and managing a team of three lead grant financial administrators and eleven grant financial administrators,
- Responsible for the financial set up in USF system of record and administration of all sponsored awards at the university,
- Assisting with the preparation of site visits as well as being available during site visits,
- Oversaw all aspects of the daily financial administration to ensure compliance with federal, state, sponsor and USF guidelines, regulations and policies,
- Developed and implemented business processes to ensure consistency, accuracy and efficiency while safeguarding all stakeholders were made aware.

**Lead Grant Financial Administrator**

January 2006 September 2007

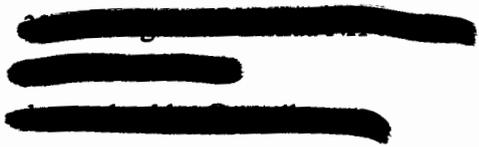
Responsibilities expanded to include:

- Training and mentoring two Grant Financial Administrators for Health Science Center,
- Responsible for assisting in the creation of a standard, consistent training program within the Department,
- Other duties include but are not limited to those as a Grant Financial Administrator and training others to complete the same responsibilities.

**Grant Financial Administrator**

April 2003 - January 2006

## **Doreen Shockley**



- Responsible for budget and expenditure reconciliation, financial reporting and invoicing for research contracts and grants for over 6 Campus Departments/Colleges including Moffitt Cancer Center Hospital,
- Responsible for financial reporting and invoicing to sponsors, approving and processing budget transfers, payroll and non-payroll expenditure transfers,
- Communicate effectively with Departments' staff including Principal Investigators,
- Reviewed federally required effort certification (PERT) as it related to contracts and grants to certify compliance and commitments,
- Reconciled and closed sponsored contracts and grants,
- Super user in FAST assigned to the FAST Team for the PeopleSoft 8.9 upgrade (FAST is USFs financial system of record)

### **Senior Accountant**

August 2000 – April 2003

- Responsible for processing paperwork including revenue analysis, cash flow report, wire transfers to and from local accounts and clearing account, and audit of paperwork,
- Responsible for researching Federal contracts and grants as they related to OMB Circular A-21, OMB 133 and OMB 110,
- Interviewed Principal Investigators and staff to ensure compliance with federal regulations for Cost Accounting Standards,
- Researched pertinent CFR regulations as well as state regulations on education projects,
- Made recommendations for compliance and responsible for seminars to educate staff on compliance with federal regulations,
- Assisted with implementation of Accounts Receivable system in Post Award Services using QuickBooks Pro software,
- Temporary Senior Accountant responsible for financial management for over 200 research contracts and grants including reporting, invoicing, cost sharing, cost accounting standards and other various responsibilities mainly with Education grants

### **Education**

- University of South Florida, Master of Arts, *Rehabilitation and Mental Health Counseling*, in progress
- University of South Florida, Master of Arts, *Gerontology*, 2015
- University of South Florida, Bachelors of Arts, *Gerontology*, 2011

### **Technical Knowledge**

MS Office Suite including, Excel, PowerPoint, Word

Adobe

Social media platforms

QuickBooks accounting software

Proficient at rapidly learning system specific databases and software. (Historical knowledge with University of South Florida databases including PeopleSoft/Oracle, Finance Mart, CODA, Budgets +, FAIR/FAR, PERT and USF Foundation Financial Data Bases).

### **Committees/Awards:**

USF Expenditure Policy Committee 2012-2014

**Doreen Shockley**

[REDACTED]  
[REDACTED]  
[REDACTED]

Presenter at National Council of University Administrators (NCURA) March 2011  
USF PeopleSoft Super User 2004-2010  
USF The Research Administration Improvement Network (TRAIN) Award 2009  
USF Departmental Business Standardized Process Group 2008-2009  
USF Outstanding Staff of the Year Award 2007  
USF Quiet Quality Award 2005  
USF Core Lead for financial PeopleSoft transition in July 2003 (2000-2004)

**References:**

Carol Furlong, Vice President of Operations, Harbor Homes, Inc. 45 High Street, Nashua, NH 03060, (603) 459-9587, [c.furlong@nhpartnership.org](mailto:c.furlong@nhpartnership.org)

Jennifer Condon, Controller and Assistant Vice President for Business and Finance, University of South Florida, 4202 East Fowler Avenue, ALN147, Tampa, Florida 33620 (813)974-6066, [jcondon@usf.edu](mailto:jcondon@usf.edu).

Glenn Currier, MD, MPH, Professor and Chair Psychiatry and Behavioral Neurosciences, University of South Florida, 3515 E. Fletcher Avenue, MDC14, Tampa, Florida 33620 (813)974-4657, [gcurrier@health.usf.edu](mailto:gcurrier@health.usf.edu).

Kailie Shaw, MD, Emeritus Professor, Psychiatry and Behavioral Neurosciences, University of South Florida, 3515 E. Fletcher Avenue, MDC14, Tampa, Florida 33620 (813)974-2805, [kshaw@health.usf.edu](mailto:kshaw@health.usf.edu).

Annalisa Heig, Manager – Fiscal & Business, Psychiatry and Behavioral Neurosciences, University of South Florida, 3515 E. Fletcher Avenue, MDC14, Tampa, Florida 33620 (813)974-4798, [aheig@health.usf.edu](mailto:aheig@health.usf.edu).

Christine Borelli, Program Supervisor, Moffitt Cancer Center, 12902 USF Magnolia Drive Tampa, FL 33612 (813)745-6874, [Christine.Borelli@moffitt.org](mailto:Christine.Borelli@moffitt.org).

# Karen S. Morton-Clark

Residence: Exeter, NH

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**Substance Misuse Prevention Coordinator ~ Certified Recovery Coach  
Program Manager ~ Event Manager ~ Administrative Coordinator  
Certified Mediator ~ Resilience Trainer ~ Community Builder  
Passionate Insightful Leader ~ Difference Maker**

*I am known for building strong, trusting and lasting professional and collaborative relationships that lead to positive change with stakeholders in the community, corporate, government, and non-profit arenas.*

## Career Highlights and Professional Experience

**New Hampshire Air National Guard - Contractor (IIF Data Solutions)                      2013 - Present**  
**Air Wing Integrator (Confidential Security Clearance)**  
**NHANG – 157<sup>th</sup> Air Refueling Wing**  
**Pease Air National Guard Base**

### ➤ ***Yellow Ribbon Reintegration Program Manager - NH***

- Planned, managed and executed regular events for Air National Guardsmen and Families, connecting them to valuable information and support resources in all phases of the deployment cycle
- Provided assistance to NH National Guard, Airmen and Family Readiness Program Managers and military units with events and activities focused on resilience
- Serve as State subject matter expert for the Air National Guard on pre deployment requirements and resources, as well as post deployment reunion, reintegration and wellbeing, including substance abuse and suicide prevention
- Vetted venues, caterers, vendors, presenters and keynote speakers specific to the target audience
- Data collection, tracking, evaluation and reporting of trends
- Responding to high intensity situations with effective problem solving

**Dare Mighty Things  
Portsmouth, NH  
National Guard Youth ChalleNGe Program (NGYCP)  
STARBASE – 2.0 Department of Defense (DoD)**

**2008 – 2013**

➤ ***National Events Manager and Contract Negotiator***

- Orchestrated over 100 conferences and training events
- Served 34 locations nationwide
- Managed budgets of up to \$1M per event
- Successfully managed large staff, volunteers, sub-contractors, presenters and keynote speakers, including celebrities
- Conducted post-event analysis, budget recaps and participant surveys
- Substantially increased ROI by negotiating discounts up to 35% below standard costs while maintaining event caliber
- Prepared RFP's, conducted site inspections, and managed contracting process with all venues, vendors and services
- Managed all requirements for event agendas, hotel rooms and conference space, food and beverage, invoicing, registration, training materials, A/V, travel, on-site support and VIP's

➤ ***Training and Development Consultant***

- Adjunct faculty member responsible for training adult staff members representing 34 NGYCP programs nationwide
- Needs assessment lead for both NGYCP and Department of Defense STARBASE/2.0 programs
- Benchmarking lead for capturing promising practices and facilitating problem solving with program leadership and staff
- Facilitated team building and experiential learning exercises
- E-learning and webinar development, management and execution
- Data Analysis culminating in White Paper

**Dover NH Police Department**

**2002 - 2006**

➤ ***Substance Abuse Prevention Coalition Director and Outreach Coordinator***

- Provided oversight for substance abuse prevention and health education initiatives
- Conducted policy review and survey analysis
- Provided quality assurance for consistency in messaging and branding
- Delivered presentations to community members, the business community, civic organizations, law enforcement and fire service personnel, parents, high risk youth, grade 5-12 students, and teachers
- Assisted in all federal and state grant writing efforts, including grant award for "Project Promise" at Dover High School
- Brought community partners and resources together to improve the quality of life for youth and families, including use of Ropes Course

➤ **Event Manager**

- Managed annual signature Dover-National Night Out community event
- Managed all logistical aspects and content, including talent, vendors, demonstrations, entertainment, musical performances, health tent, children's games, awards, and fireworks
- Increased attendance from 300 up to 10,000 attendees over 5 years, thus increasing prevention awareness, sponsorships and financial contributions

**High Velocity Events**

**2007- 2013**

➤ **Owner and Event Manager**

- Event Coordinator for first Annual UNH Sales Club Competition, Peter T. Paul College of Business and Economics
- Concert Event Manager for live and worldwide broadcast of Tenley Westbrook's Christmas for the Troops
- Event Manager for "Be the Star They Wish Upon", a fund raising gala to benefit the Child Advocacy Center of Rockingham County
- Event Manager for An Evening by the Sea, a gala cocktail party to raise funds to support breast cancer patients in the Seacoast area of NH
- Fund Raising and Event Consultant for Racing for Recovery, a national 501 (c) 3 Foundation to prevent substance abuse
- Event Coordinator for Greatness Group, Corporate Team Building Events

**Howard Johnson Hotel and Sheraton Harborside**

**1990's**

- **Hotel Manager**
- **Sales Manager**

**VOLUNTEER WORK**

- **Safe Harbor Recovery Center Volunteer**
- **Military Awareness and Education Sub Committee Member for NH Legislative Commission on PTSD and TBI**
- **CCAR Nationally Certified Independent Recovery Coach**
- **NH Military and Civilian Alcohol and Drug Committee**
- **Military Culture Training NH**
- **New Futures Advocate**

**ACADEMIC HISTORY**

- **BA, Communications** University of Southern Maine
- **AS, Retail Management** New England/Westbrook College
- **Certified Mediator** University of Southern Maine

# Kimberly A. Hyslop

## EDUCATION & CERTIFICATION

|   |                            |
|---|----------------------------|
| Certified Recovery Support Worker,<br><i>NH Board of Licensing for Alcohol and Other Drug Use Professionals</i> | July 2016 to June 2018     |
| Granite State College<br><i>Human Services, Bachelor's Degree</i>   | Currently enrolled         |
| Lakes Region Community College<br><i>Human Services, Associates Degree</i>                                      | September 2012 to May 2015 |
| Lakes Region Community College<br><i>Associate in Science, Restaurant Management</i>                            | September 2000 to May 2014 |
| Serve-Safe Certificate  | September 2001             |
| On24 Webinar Academy Webinar Pro Certificate  | September 2013             |

## VOLUNTEER WORK

|   |                               |
|---|-------------------------------|
| NAMI-NH Volunteer and Practicum<br>Lakes Region Community College<br><i>President, Student Senate</i> | September 2014- December 2014 |
| <i>President, C.A.R.E Society</i>   | May 2013- May 2014            |
| <i>Member, Student Senate</i>   | May 2012- May 2013            |
| <i>President, Hospitality Club</i>  | May 2012- May 2013            |
|   | May 2002- May 2003            |

## WORK HISTORY

|  |                    |
|--|--------------------|
| Accenture Federal Services<br>New Hampshire National Guard<br>Substance Abuse Prevention Coordinator | 11/2015 to Present |
|--|--------------------|

Responsibilities Include:

- *Facilitates annual training with National Guard service members to meet substance abuse Army requirements.*
- *Facilitates Unit Risk Inventory surveys with service members. Uses data to create a risk mitigation plan to share with Commanders and works with the Commanders to target their Units specific prevention needs.*
- *Case management. Assists service members struggling with Alcohol and drugs. Reports case updates to commanders weekly or monthly.*
- *Creates and spreads prevention messaging specific to military service members.*
- *Completes numerous annual online trainings such as DOD Information Assurance Awareness, DOD IWatch Antiterrorism, Ethics & Compliance, HIPAA/Privacy Act Clinical Training, Operations Security Awareness, Alcohol & Drug, Army culture and more (certificates furnished upon request).*
- *Represents AFS and the National Guard at numerous community meetings, including, but not limited to, Suicide Prevention Council, Family Member Support Suicide Prevention, Training Advisory Committee, Coordination of Services for Military/Veterans Sub-Committee, NH*

*Community Health promotion/Resilience, Risk & Reduction, Governors Commission on Alcohol & Drug Abuse, Prevention, Intervention and Treatment and more.*

- *Records prevention education and submits reports to the Army National Guard and Accenture Federal Services databases on a regular basis.*

**New Hampshire Training Institute on Addictive Disorders and the  
New Hampshire Alcohol and Drug Abuse Counselors Association  
Training Coordinator**

**2/2008 to 11/2015**

**Responsibilities Include:**

- *Performed multiple functions needed to implement regularly scheduled substance abuse treatment, recovery and prevention training events. Assisted in choosing topics, contacting presenters, preparing materials, participant registration, equipment set up, room setup and presenter support.*
- *Served as a resource for addiction professionals, mental health professionals and the general public.*
- *Completed Continuing Education Unit (CEU) applications for scheduled events, monitored CEU information and served as the agencies contact person.*
- *Responsible for being the key support person for presenters including but not limited to Scheduling the event, securing accommodations, collecting handouts, presenter assistance and more.*
- *Summarized evaluation data for quality assurance, as well as tracked statistics, feedback and report preparation.*
- *Was responsible for marketing a clearinghouse of NH professional development resources.*
- *Applied creative photography and desktop publishing skills in the production of various documents/applications.*
- *Created and maintained several extensive databases for training events.*
- *Tracked payment of registration fees as well as invoiced participants and/or agencies for payment. Tracked and monitored credit card applications, online payments and registration fees.*
- *Performed general clerical duties to include but not limited to: directing phone calls, mass emailing/marketing, photocopying, faxing, mailing and filing.*
- *Created and maintained social networking through Facebook as well as updating and maintaining the website [www.nhadaca.org](http://www.nhadaca.org).*
- *Attended numerous training events that are drug and alcohol related*
- *Coordinated, managed and recorded webinar trainings.*
- *Proficient in Adobe Connect, Adobe In Design, Adobe Photoshop, PowerPoint, Microsoft Excel, Outlook, Publisher, Access and Word.*

**Horizons Counseling Center  
Administrative Assistant**

**7/2008 to 12/2012**

**Responsibilities included:**

- *Maintaining and implementing monthly client and insurance billing. Extensive knowledge in billing programs such as Medicaid EDS and Therapist Pro.*
- *Assisted in the coordination of counselor schedules using the Therapist Pro database program.*
- *Receptionist duties such as greeting clients and visitor, answering and directing phone calls, data entry, word processing, photocopying, faxing, mailing and filing.*
- *Screened clients in person and by telephone.*
- *Created and managed marketing documents using Microsoft Publisher.*

- *Maintained ethical practices and client confidentiality.*
- *Managed QuickBooks and other clerical duties.*

**Hyslop & Associates**

**8/2006 to 2/2008**

**Administrative Assistant**

**Responsibilities included:**

- *Answering and directing phone calls and emails.*
- *Taking registrations via email, phone and walk-ins.*
- *Printing class booklets and brochures.*
- *Managed multiple databases*

**References**

**Jessica Blais, Alcohol & Drug Control Officer**

**603-227-1571**

**Accenture Federal Services**

**(Please don't contact Jessica prior to a position being negotiated)**

**SFC Edward Clements, Substance Abuse Program Coordinator**

**603-227-1579**

**Army National Guard**

**(Please don't contact SFC Clements prior to a position being negotiated)**

**Dianne Pepin, Executive Director**

**603-724-7520**

**New Hampshire Alcohol & Drug Abuse Counselors Association**

**Shannon Quinn,**

**603-227-5889**

**Bureau of Drug and Alcohol Services**

**Ginger Ross**

**CRSW Supervisor, FedCap**

**603-918-6510**

Craig A. Barnaby

[REDACTED]

[REDACTED]

[REDACTED] 603-220-0567

[REDACTED]

**Objective:**

To obtain a position in the field of Addiction Recovery, working in service to others, their families, and our community.

**Qualifications:**

Trained Recovery Coach, Recovery House Manager, Sponsor and mentor with nine years clean and sober. Proven ability to motivate others while affectly managing and building strong relationships.

Ability to work independently within established policies and procedures under limited supervision of management team.

**Key Accomplishments:** Recognized as Salesman of the Month numerous times while employed with Nestles Water Company. As Territory Sales Rep, I was able to increase customer base which resulted in the direct ability to add new territories. After relocating to Maine, I started a flooring business, CB Flooring, which I built and managed successfully for seven years. While working as the Overnight Manager for Hannaford, I led my team to accomplish our store's first ever million dollar week in sales in it's 17 year history. As a Retail Sales Manager with Kellogg's, continually exceeded goals and expectations on a yearly basis.

**Relevant Experience:**

|                  |  |
|------------------|--|
| Kellogg's        | 6/4/2009 to present<br>RSM Boston Zone |
| Friendship House | 5/2008 to 3/2009<br>House Manager      |
| Floor Installer  | 4/2007 to 5/2008                       |
| Hannaford        | 3/2006 to 3/2007<br>Overnight Manager  |
| Floor Installer  | 3/2005 to 3/2006                       |
| MRNA             | 11/2001 to 3/2005                      |

**Ryan C. Fowler**

- Trained, certified recovery coach. Working towards CRSW
- Motivated, organized and committed to helping people with substance use disorder
- Natural leader with experience educating people
- Dependable and dedicated; willing and eager to do what it takes to succeed
- Well-spoken and articulate- experienced speaking in public forums
- Currently employed at Helping Hands Safe Station Respite Care in Manchester NH

**Experience**

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September 2015 – March  
2016

Stamp Stampede

Manchester, NH

**Field Organizer**

- Grassroots political activism dealing with money in politics and corruption
- Daily spreadsheets and data entry
- Point person for contacts throughout New Hampshire
- Setting up stamping stations inside businesses throughout NH, maintaining stations, and sales.
- Organizing events and volunteers.
- Making phone calls and sending emails for outreach, volunteers, and organizing.

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Summer 2008-Autumn 2015  
(seasonal)

Rockingham Fireworks

Seabrook, NH

**Sales/Inventory**

- Customer service, operating cash register, orchestrating sales and fireworks shows.
- Inventory control and product placement.
- Overseeing grounds, maintenance, employees, and advertising.

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March 2015 – September  
2015

Kimi Nichols Center

Plaistow, NH

**Direct Support Provider for Adults with Developmental Disabilities**

- Provide emotional and social support for disabled adults
- Provide transportation for clients.
- Work as a shadow while clients work their retail job
- Received certification to work disabled people through Relias training.

**Education & Skills**

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High School Diploma  
Winnacunnet High School  
Hampton NH

*Skills:* Typing , leadership,  
customer service, sales,  
political organizing, math,  
data entry, motivational  
interviewing, problem  
solving, critical thinking

CPR Certified

New Leaders Council  
Fellowship

Certified Recovery Coach  
-CCAR

Working towards CRSW

Relias Online Training  
-Direct Support

## **References**

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John Murphy (Program Manager Helping Hands Safe Station Respite) (603)-820-5723

Sandi Coyle (603)-454-4623

Elizabeth Miller (Safe Harbor Recovery) (617)-365-9941

Angela Whiting (603)-748-8119

John Iudice - (603) -591-3707

Shannon Obey McMichael (Rockingham Fireworks) (603) 491 8379

Virginia (Ginger) A. Ross

[REDACTED]

[REDACTED]

[REDACTED]

## RESUME

### CREDENTIALS

- Recovery Coach Trainer, March 2015, CCAR Model ~ NH Training Institute on Addictive Disorders
- Facilitated and co-facilitated six Recovery Coach Academies in recent eight months

### TRAINING – NH Training Institute on Addictive Disorders. 6CEs each

- Substance Abuse Counseling Skills and Core Functions, March, 2015
- Peer to Peer Recovery Support Services, May, 2015
- Treating Anxiety and Depression with Cognitive Behavioral Therapy, June, 2015
- Ethical Issues for Recovery Support Workers, Expected June, 2015
- Addressing the Legacy of Trauma with both School-Age Children & Adults with Claudia Black, PhD., Sept., 2015

### EDUCATION

Bachelor of Psychology, Forensic studies, Southern New Hampshire University, Manchester – Portsmouth, Expected completion May, 2017

### EMPLOYMENT HISTORY

#### NH Alcohol & Drug Abuse Counselors Association, Concord, NH, Project Manager Jan., 2015

- Recovery Key Stakeholder Meetings including NH Governor's Commission Recovery Task Force, NH Governor's Commission Prevention Task Force
- Fundraising Committee
- Strategic Planning Committee
- Website Redesign and Management
- Public Relations
- Advocacy

#### The Beach Plum, North Hampton, NH, Manager

2012-2014

- Supervise and manage 35 staff members in a fast pace, high volume seasonal establishment.
- Front- & Back-of-House Operations
- Teambuilding/Training/Supervision
- Safety/Sanitation/Quality Controls
- Vendor/Inventory Management

Ideal Ideas Inc. – NH Wedding Magazine, Hampton, NH

1998-2007

- Founder and developer of NH Wedding Magazine
- Manage complete operations, staff hiring, training, schedules, evaluations.
- Coordinate all Bridal Expo productions, including timely scheduling, set up, sales, advertising & promotions, food & beverage and print literature
- Wrote, produced, published and marketed NH Wedding Magazine in its entirety
- Designed, developed and produced NHWeddingMagazine.com
- Etiquette Column “Ask Ginger”

Marriott Corp., - Nashua, NH and Newport, RI

1989-1995

Banquet Maitre’ D, Beverage Control Manager, Restaurant Manager, Catering Sales Manager

- Manage entire banquet department including staff hiring, training, evaluations, work schedules, food service, guest satisfaction, inventory levels, budgeting
- Restaurant Supervisor – Staffing, training, scheduling, guest satisfaction
- Quality assurance
- Conducted daily and monthly wine, and beverage, training
- Conducted monthly district wine and beverage, training
- Managed hotel beverage ordering, inventory and budgeting
- Established promotional events, motivated staff and tracked increased sales

US Army, Ft. Lewis, Washington; Kirchgoens, Germany

1980-1984

# **Amanda Dubois**

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## **CERTIFICATIONS**

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### **Certified Recovery Support Worker (CRSW)**

NH Alcohol and Drug Abuse Counselors Association, Approved May 2016 – Valid until May 2018.

## **EDUCATION**

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**Keene State College- Keene, NH - 2006-2009**

**Bachelor of Science: Psychology**

**Associate of Science: Chemical Dependency**

**Central High School - Manchester, NH – Class of 2004**

## **SKILLS**

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- Complex problem solving
- Client service focused
- Highly personable
- Work well in crisis situations
- Exceptional oral and written communication

## **WORK HISTORY**

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### **Case Manager and Recovery Support Worker; 09/2015 to Current**

**Chrysalis Recovery Center IDCMP- Concord NH**

- Handle case management for 300+ monthly clients, twice monthly phone or in person contacts.
- Provide counseling to self-referred clients for recovery support counseling individual sessions.
- Work as a collaborative team to run the counseling and IDCMP office. Provide support staff coverage during the weekend overnight education programs in Northwood location.

### **Residential Support Specialist, 05/2015 to 09/2015**

**Riverbend- Concord NH**

- Provide Medication and Service to clients in their home and community

### **Psychiatric Adolescent Residential Instructor, 09/2014 to 02/2015**

**Easter Seals - Manchester, NH**

- Provided social and living skill-development training to increase individual independence

### **Assistant Teacher, 04/2013 to 09/2014**

**Main Street Kids Connection - Goffstown, NH**

- Created structure using child development skills necessary for growth

### **Substitute Teacher, 03/2011 to 10/2013**

**Manchester School District - Manchester, NH**

- Worked closely with children affected by autism, asperger's and behavioral issues

### **Parent Aide, 06/2011 to 09/2013**

**Child and Family Services - Manchester, NH**

- Worked with biological parents and their children on addiction support counseling, behavior management, family based counseling, nutrition education, household management, community resource and support, health care management and child development education

### **Intern, 06/2009 to 09/2009**

**Serenity Detox Center- Manchester, NH**

- Performed intake and discharge on clients who were detoxing from addiction.

03/07/2017

**Allen Irwin**  


**Employment:**

**Skip's Marine 04/2004 – 08/2008**

**Position:** Technician – Service Manager

**Duties:** Include but not Limited to: Managing all operations, Office Duties, Customer Service, Mechanical Repair, Cosmetic/FiberGlass Repair, and Detailing

**Andrew's Marine Service 05/2008 – 08/2008**

**Position:** Technician Fill in for Head Technician

**Duties:** Mechanical Repair

**M & J Certified Marine Services 04/2009 - 05/2010**

**Position:** Service Technician

**Duties:** Mechanical Repair

**Professional Car Care of NE 04/2011 - 06/2013**

**Position:** Shop Manager

**Duties:** Managing Operations within Dealership and Professional Detailing

**Mr. Do It ALL 06/2013 - 06/2015**

**Position:** Owner

**Duties:** Painting, Handyman Services, General Home Repair

**Mr. Cues Billiards 07/2015 - Present**

**Position:** Installer

**Duties:** Installation, Relocation, and Repairs of Pool tables

**Ruby Tuesday 12/2016 - Present**

**Position:** Waiter

03/07/2017

**Education:**

**High School: Nashua High School North      Graduated: 06/2006**

**Continued Education:**

**Lakes Region Community Technical College Graduated: 05/2008**

- Focused on Marine Gas Propulsion ( I/O & Outboards )

**The Landing School of Boatbuilding and Design Graduated: 06/2009**

- Focused on Any and All Systems onboard a Yacht up to 40'

**Recovery Related Background**

**Recovery Coach Certification Acquired: 07/2016**

**Process Center OP House Manager: 05/2016 - Present**

**NHHA Board Member: Since 10/2016**

**Heroin Anonymous H & I Subcommittee Chair: Since 04/2016**

- Creating, Building, and Organizing Committee from the ground up
- Overseeing all commitments going into Treatment Centers and Institutions across State
- Organizing Subcommittee and creating By-Laws that govern our committee

**Sobriety - Sober Since 12/2015**

**References:**

**Brian Carroll - NHHA President - 603 - 759 - 6220**

**Justin Etling - Process Center CEO - 781 - 389 - 5579**

**Michelle Vanagel - Process Center Employee - 603 - 513 - 3431**

# Ashley Hurteau

## RECOVERY ADVOCACY EXPERIENCE

Speaker at NH Legislative Press Conference 08/2016  
Concord, NH

- Spoke to public about the importance of Medicaid Expansion in NH
- Answered questions from major statewide news outlets on recovery

Recovery Coaching Academy 07/2016  
Nashua, NH

- Attended a vigorous CCRA week long training
- Became a certified Recovery Coach in the state of New Hampshire

## PROFESSIONAL EXPERIENCE

Poco's Restaurant 07/2016 - Present  
*High End Mexican Cantina*  
Server  
Portsmouth, NH

- Continue to execute exceptional service to patrons
- Enhance interpersonal communication skills daily with teammates, managers and customers

Aroma Joes May-July 2016  
*Iconic New England Coffee Shop*  
Barista  
Somersworth, NH

- Enhanced customer service skills while creating lasting relationships with clientele

Weathervane Seafoods April 2009-December 2014  
*Seafood Restaurant*  
Server  
Kittery, ME

- Provided five star service to patrons

## SKILLS AND EXPERTISE

Public Speaking  
Event Planning  
Customer Service

Critical Thinking  
Time Management  
Social Media Maintenance

Problem Solving  
Microsoft Word  
Multi-Tasking

## EDUCATION

Michaels School of Hair Design September 2002-June 2004  
Obtained Cosmetology License after 1500 hours  
Manchester, NH

Somersworth High School 08/1999-06/2002  
Achieved a diploma in advance in general studies  
Somersworth, NH

**Dana James Lemire**

**Objective:** Professional eager to utilize leadership, management, and business skills combined with recovery coaching, a medical background, and Substance Use Disorder experience to become an immediate asset to the organization. Enthusiastic to execute directives while able to reference lived experience with addiction. The desire to exceed expectations, while simultaneously achieving team goals and reaching overall organizational objectives.

**Employment:**

- 08/2016-Present **The Recovery Well, Dumbarton, New Hampshire**  
Co-Founder of The Recovery Well  
Responsible for Business Plan and execution of the plan for the organization  
Responsible for all financials, strategic planning, memorandums of understanding in the community  
Responsible for day to day operations of recovery homes  
Responsible for recovery coaching to all home recoverees and partners  
Responsible for education and awareness program growth
- 09/2015-08/2016 **Hope for NH Recovery, Manchester, New Hampshire**  
Business Development Vice President-Leadership team member responsible for all revenue with workplace initiative program reported directly to President.  
Operations Manager-responsible for day to day operations of Manchester, NH Recovery Community Center  
Volunteer responsible for
- 01/2013-11/2013 **Business Development, Portland Winnelson, Portland, Maine**  
Responsible for organic start up of Manchester Winwholesale. Report directly to President.  
Created Business Plan for Manchester, NH market  
Responsible for site location of Manchester Winwholesale  
Responsible for monthly financials  
Responsible for Sales and Inventory budgets  
Responsible for assembling the team for new start up  
Responsible for Business Development and Strategic Growth of Manchester Winwholesale  
Responsible for initial capitalization and equity ownership of Winwholesale
- 01/2010-2012 **Purchasing Manager, Emerson-Swan, Randolph, Massachusetts**  
Responsible for Purchasing and Managing of Inventory assets. Report directly to Chief Operating Officer.  
Created and managed annual Inventory Budget which varied between 11M-13M  
Purchased and Managed 2 direct reports in Purchasing Department which purchased approximately 85M-90M annually from 60 manufacturers locally, regionally, nationally and internationally.  
Created reports and financials for Senior Management and Ownership daily, monthly and annually.  
Worked closely with each manufacturer to create systems and processes to reduce costs in the supply chain, increase fill rates and to reduce non-moving, returned, or dead inventory exceeding industry benchmarks.  
Attended monthly Manufacturers meetings and provided unit information for forecasting and budgeting. Reports for the current fiscal year and future manufacturing output required to meet Purchasing Forecasts to meet demand and to maximize rebates.
- 12/2006-2009 **Manufacturer's Representative, Emerson-Swan, Randolph, Massachusetts**  
Responsible for contributing to 20M regional sales budget. Report directly to Regional Manager.  
Responsible for the design, sale and performance of radiant and hydronic heating systems.  
Manage wholesale and contractor level purchase orders through delivery process.  
Provide product knowledge training for engineers, builders, wholesalers, and contractors.  
Work closely with each manufacturer represented to achieve sales goals.  
Create and submit yearly business plan to regional manager to assist in company objectives.

- 02/2006-12/06 **Sales Manager, Wilkins Mechanical Services, Manchester, New Hampshire**  
 Responsible for 5.5M company sales budget. Report directly to General Manager.  
 Manage four outside Sales Comfort Advisors  
 Devise and execute new lead generation tactics  
 Assist in marketing strategies for company  
 Provide or arrange training for sales, service, maintenance, and plumbing departments  
 Responsible for hiring and attrition of personnel in sales department  
 Provide product knowledge training for NH Home Depot stores in Water Heater and HVAC programs.  
 Implemented entire new sales strategy for company to go to market  
 Improved overall company benefits through effective vendor negotiations
- 06/2005-02/2006 **Salesman, The Portland Group, Manchester, New Hampshire**  
 Responsible for generating sales leads, prospecting and qualifying new customers, and growing current customer base in commercial, HVAC, new construction and service markets. Reported directly to Director of Sales and accountable for 2.9M sales territory. Sales territory grew from 2.9M annual revenue fiscal year 2004, to 3.5M annual revenue fiscal year 2005.
- 01/2005-06/2005 **Sales Manager, Lowe's Corporation, Worcester, Massachusetts**  
 Responsible for 48M store sales budget for FORTUNE 12 home improvement company. Reported directly to Store Manager.  
 Managed three core sales revenue streams: Commercial, installation and special order.  
 Accountable for maintaining merchandising standards and accurate inventory levels.  
 Hired and trained sales specialists (20 currently); responsible for their execution of the company's sales plan.  
 Opened and closed facility. Performed cash office audits. Performed daily safety reviews.  
 Resolved customer care situations.  
 Successfully completed 11-week management training program consisting of learning the corporation's goals, objectives and methods to achieve such. Program involved training in various aspects of management, leadership, financials, inventory control, loss prevention, human resources, problem-solving and analytical thinking. Training also consisted of practical applications in an operating facility.
- 12/2003-07/2004 **Sales Manager, Thompson-Durkee, Inc., Allston, Massachusetts**  
 Responsible for 17M company sales budget for multi-branch regional operation. Responsibilities included managing both inside and outside sales staff. Reported directly to owner of company.  
 Assigned territories to 6 outside sales personnel. Validated customer types and price matrices  
 Established 15% annual sales increase goal for 2004. Instituted commission reward for sales personnel. Implemented company sales trip promotion.  
 Focused efforts to maintain and expand mechanical contractor customer base for state of New Hampshire. As sole commercial salesman for New Hampshire market, annual NH commercial sales revenues increased 67% (2002-2003).  
 Responsible for quotation and buy out of commercial bid specification work and custom design.  
 Established, organized, and coordinated routine multi-branch in-house training opportunities.  
 Established, organized, and coordinated companywide monthly direct-mail flyers.
- 06/2002-12/2003 **Salesman, Thompson-Durkee-NOW, Inc., Manchester, New Hampshire**  
 Responsible for 2.4M store sales budget. Responsibilities included managing New Hampshire sales and marketing strategies for regionally based Plumbing and Heating Supply Company, including lead generation, prospecting, generating new customers as well as maintaining existing customer base which was established prior to acquisition.
- 01/1996-06/2002 **President/Owner/Manager, NOW Wholesalers, Inc., Hooksett, New Hampshire**  
 Purchased company. Responsible for 1.8M company sales budget, management, marketing, accounting, finance, and corporate development for 6-person Plumbing and Heating Supply Company.  
 Company experienced approximately 300% sales growth during employment tenure.  
 As sole outside Salesman, revenues increased 110% (1997-2001).  
 Responsible for development of vendor, manufacturer, and customer relationships.  
 Successfully negotiated acquisition and sale of company.
- 05/1994-12/1995 **Salesman/Generalist, NOW Wholesalers, Hooksett, New Hampshire**  
 Responsibilities included inside and outside sales, purchasing, accounting, shipping & receiving, warehouse coordination and deliveries for family-owned Plumbing and Heating Supply Company.

**Education:**

2004-present

Southern New Hampshire University

Courses completed within Master of Business Administration program:

Macro-economics, Micro-economics and Business, Government and the Environment.

Johnson and Wales College, Providence, Rhode Island

Bachelor of Science, Food Service Management

Associate in Occupational Science, Culinary Arts

**Military Service:**

02/1992-02/1994 Corpsman, 1st Battalion, 4th Marines, Camp Pendleton, CA  
 05/1991-01/1992 Basic Underwater Demolition School (BUDS), Coronado, CA  
 02/1991-04/1991 Sick Call Duty, Naval Hospital, San Diego, CA  
 09/1990-01/1991 Hospital Corpsman School, Great Lakes, IL  
 06/1990-09/1990 Navy Boot Camp, Orlando, FL

**Professional Development/Lectures:**

12/2016 Substance Use Recovery Supports for Individuals with Intellectual and Developmental Disabilities  
 10/2016 National Affiliation Recovery Residences Conference  
 10/2016 Suicide Prevention Course  
 01/2016 Universal Approach to Recovery-Oriented and Trauma-Informed Care  
 12/2015 Hiv Trends & Treatment  
 12/2015 Brass Tacs Recovery Peer Specialist Class  
 09/2015 Recovery Language Messaging Seminar, Rivier College  
 06/2015 Relapse Prevention Certificate, NHSP Concord NH, completed 12 week course  
 07/2014 Phoenix House, Keene, NH completed 28 day residential program  
 04/2013 Plymouth House, Plymouth, NH completed 14 day residential program  
 07/2009 Plymouth House, Plymouth, NH completed 28 day residential program  
 12/2008 Taco, Inc. product training  
 09/2008 The Brooks Group Impact Sales training  
 05/2008 Modine, Inc. product training  
 05/2007 Watts Radiant, Inc. product training  
 11/2006 How To Exposition: "How to make your home more efficient" (1 hr. presentation) (Manchester, NH)  
 10/2006 International Service Leadership Conference (Toronto, Canada)  
 10/2006 International Service Leadership Business Management (Toronto, Canada)  
 08/2006 A. O. Smith Water Products Company product training (Ashland, Tennessee)  
 07/2006 Burnham Boiler Corporation product training (Lancaster, PA)  
 05/2006 "Meet the Expert" WGIR FM radio show (Co-host, 2 hrs.) (Manchester, NH)  
 04/2006 International Service Leadership Encouragement Sales (Toronto, Canada)  
 12/2005 Bow Manufacturing product training (Granby, Canada)  
 10/2005 Noveon Flowguard Gold University product training (Cleveland, OH)  
 10/2005 I=B=R Hydronics training (Marlborough, MA)  
 08/2005 Crown Boiler Corporation product training (Philadelphia, PA)  
 08/2005 Nordyne Integrity Selling for the 21st Century (Cleveland, OH)  
 08/2004 Microsoft Excel XP level 1 certification (Comp USA, Nashua, NH)  
 06/2003 Burnham Boiler Corporation product training (Lancaster, PA)  
 1994-present Participant in annual trade shows hosted by P.M.C.C. in New Hampshire and Massachusetts

References available upon request

[Click here to download the resume \(Microsoft Word format\)](#)

Olivia Dupell, CRSW

□ □ □

Olivia Dupell, CRSW

### Objective

I am committed to providing support services and advocacy to those most keenly affected by Substance Use Disorders as they navigate the Continuum of Care in the state of New Hampshire.

### Education & Credentials

**Southern New Hampshire University**

***Bachelors of Science, May 2012***

- Graduated with Honors
- Concentration in Marketing and Management

**NH Board of Licensing for Alcohol and Other Drug Use Professionals**

***Certified Recovery Support Worker (CRSW), March 2017***

- Completed in 14 months' time with over 500 hours of direct service and supervision provided by a MLADC

### Professional Development

- CCAR Recovery Coach Academy – January 2016
- Recovery Measures Software Training – June 2016
- Trauma Informed Care Training – June 2016
- Ethical Considerations for Recovery Support Workers – August 2016
- Certified Recovery Support Worker (CRSW) – March 2017
- Suicide Prevention Training – December 2016
- Community Engagement Academy – April 2017

### Experience

**Granite Pathways Regional Access Point Services Program (RAPS)**

**10 Ferry Street Suite 319, Concord, NH, 03301**

**RAPS Specialist (*September 2016 – Present*)**

- Fielding calls from the NH Statewide Addiction Crisis Line
- Conduct an initial enrollment and screenings
- Assist clients with Insurance Enrollment and access to Treatment and Recovery Services
- Provide Continuous Recovery Monitoring services to clients
- Serve as a liaison between RAPS and the Capital and Greater Sullivan Public Health Networks
- Participate in Region 2 and Region 4 Integrated Delivery Networks
- Design and Manage all Outreach Materials
- Conduct Community Engagement in 11 Public Health Networks around the state of NH

**Safe Harbor Recovery Center**

**| 865 Islington Street, Portsmouth, NH 03801**

**Volunteer and Recovery Coach (*March 2016 -September 2016*)**

- Crisis Intervention and Family Support
- Assisted individuals with access to Detox and Treatment Services

- Assisted Recoverees with the execution of their Personal Wellness Plans
- Scheduled and Managed a monthly calendar of yoga and meditation classes, 12 step fellowship meetings, SMART Recovery meetings, surf and stand up paddleboard lessons, family support groups, and professional development trainings.
- Organized Community Engagement including fundraisers and sober events

**Madeleine's Daughter**

| 775 Lafayette Road, Portsmouth, NH 03801

**Senior Bridal Stylist (July 2013 – July 2015)**

- Record sales of over \$500,000 per year
- Account management
- Marketing and consulting for promotional events and outreach
- Attended Bridal Market and assisted with semi-annual buying trips
- Event consulting
- Client relations and conflict resolution

[Click here to download the resume \(Microsoft Word format\)](#)

## KEY ADMINISTRATIVE PERSONNEL

### NH Department of Health and Human Services

**Vendor Name:** Granite Pathways

**Name of Program/Service:** Regional Access Point Services

| BUDGET PERIOD  | Annual Salary of Key Administrative Personnel | Percentage of Salary Paid by Contract | Total Salary Amount Paid by Contract |
|--|---|---------------------------------------|--------------------------------------|
| Serena M. Powell, SVP New England Operations/Interim Executive Director Granite Pathways | \$150,000                                     | 0.00%                                 | \$0.00                               |
| Kenneth Kozowicz, Director of New England Finance  | \$110,000                                     | 0.00%                                 | \$0.00                               |
|  | \$0   | 0.00%                                 | \$0.00                               |
|  | \$0   | 0.00%                                 | \$0.00                               |
|  | \$0   | 0.00%                                 | \$0.00                               |
|  | \$0   | 0.00%                                 | \$0.00                               |
|  | \$0   | 0.00%                                 | \$0.00                               |
|  | \$0   | 0.00%                                 | \$0.00                               |
|  | \$0   | 0.00%                                 | \$0.00                               |
|  | \$0   | 0.00%                                 | \$0.00                               |
|  | \$0   | 0.00%                                 | \$0.00                               |
|  | \$0   | 0.00%                                 | \$0.00                               |
|  | \$0   | 0.00%                                 | \$0.00                               |
| <b>TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)</b>  |   |                                       | <b>\$0.00</b>                        |

Key Administrative Personnel are top-level agency leadership (Executive Director, CEO, CFO, etc.). These personnel **MUST** be listed, **even if no salary is paid from the contract**. Provide their name, title, annual salary and percentage of annual salary paid from the agreement.



SECRET

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

Jeffrey A. Meyers  
Commissioner

Katja S. Fox  
Director of the  
Division of  
Behavioral Health

Bureau of Drug and Alcohol Services

105 PLEASANT STREET, CONCORD, NH 03301  
603-271-6738 1-800-804-0909  
Fax: 603-271-6105 TDD Access: 1-800-735-2964  
www.dhhs.nh.gov

June 28, 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 to enter into a **SOLE SOURCE** Agreement with Granite Pathways, c/o Fedcap, 10 Ferry Street, Concord NH 03301 for the provision of Regional Access Point Services to assist individuals with substance use disorders obtain the help they need in an amount not to exceed \$1,200,000 effective upon Governor and Executive Council approval through June 30, 2017. **75% Federal, 25% General**

Funds to support this request are available in the following account in State Fiscal Year 2017, upon the availability and continued appropriation of funds in the operating budget, with the authority to adjust encumbrances between state fiscal years through the Budget Office, if needed and justified, without further approval from the Governor and Executive Council.

**05-95-49-491510-2990 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, CLINICAL SERVICES (25% General 75% Federal)**

| Fiscal Year | Class      | Title                          | Activity Code          | Amount             |
|-------------|------------|--------------------------------|------------------------|--------------------|
| 2017        | 102-500734 | Contracts for Program Services | 49156501               | \$1,200,000        |
|             |            |                                | <b>Contract Total:</b> | <b>\$1,200,000</b> |

**EXPLANATION**

This is a **SOLE SOURCE** Agreement because the Department has determined it is necessary to implement these services as quickly as possible. This vendor was chosen based on their capacity to implement regional access point services statewide in a highly efficient manner.

The purpose of this Agreement is to provide substance use disorder (SUD) information, screening, evaluation, and referral services to any individual living, working, or otherwise seeking services in the North Country, Upper Valley, Central NH, Carroll County, Greater Sullivan County, Winnepesaukee, Capital, Strafford County, Greater Nashua, Greater Derry, and Seacoast Public Health Regions. Regional Access Point provide a wide array of services to assist individuals with accessing substance use disorder treatment and recovery support

services and achieving and sustaining recovery from substance use disorders, including but not limited to: screening, referral, enrollment with third party payers, case management, and crisis support.

This Agreement contains language which allows the Department to extend for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and Governor and Executive Council approval.

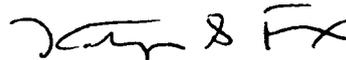
Should the Governor and Executive Council not approve this request, Regional Access Point Services would not be available to individuals in the areas listed. The inability to access these services will negatively impact an individual's ability to achieve and/or maintain recovery from substance use disorders.

If general funds become no longer available, no federal funds will be requested to support this Agreement.

Areas Served: North Country, Upper Valley, Central NH, Carroll County, Greater Sullivan County, Winnepesaukee, Capital, Strafford County, Greater Nashua, Greater Derry, and Seacoast Public Health Regions

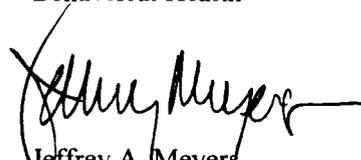
Source of Funds: 25% General Funds; 75% Federal Funds (CFDA #93.959 FAIN TI010035-15 U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, Block Grants for Prevention and Treatment of Substance Abuse, Substance Abuse Block Grant SABG)

Respectfully submitted,



Katja S. Fox  
Director of the Division of  
Behavioral Health

Approved by:



Jeffrey A. Meyers  
Commissioner

Subject: Substance Use Disorder - Statewide Regional Access Point Services (SS-2017-BDAS-01-REGIO-01)

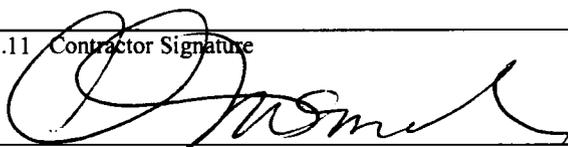
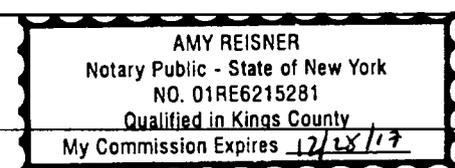
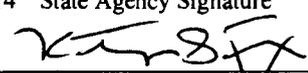
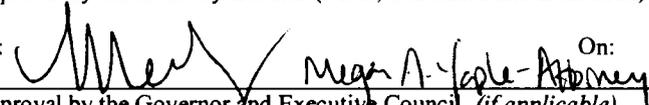
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

|   |  |  |                                      |
|---|--|--|--------------------------------------|
| 1.1 State Agency Name<br>Department of Health and Human Services<br>Division of Behavioral Health/Bureau of Drug and Alcohol Services   |  | 1.2 State Agency Address<br>129 Pleasant Street<br>Concord, NH 03301-3857  |                                      |
| 1.3 Contractor Name<br>Granite Pathways.  |  | 1.4 Contractor Address<br>Granite Pathways<br>c/o Fedcap Rehabilitation Services, Inc.<br>10 Ferry Street, Concord, NH 03301 |                                      |
| 1.5 Contractor Phone Number<br>603-225-9540 ext. 103  | 1.6 Account Number<br>05-95-049-491510-29900000-102-500734 | 1.7 Completion Date<br>6/30/2017   | 1.8 Price Limitation<br>\$1,200,000. |
| 1.9 Contracting Officer for State Agency<br>Eric B. Borrin, Director  |  | 1.10 State Agency Telephone Number<br>603-271-9558   |                                      |
| 1.11 Contractor Signature<br>   |  | 1.12 Name and Title of Contractor Signatory<br>Christine McKeon, President CEO   |                                      |
| 1.13 Acknowledgement: State of <u>New York</u> , County of <u>New York</u><br><br>On <u>June 29, 2016</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<br><br>[Seal]    |  |    |                                      |
| 1.13.2 Name and Title of Notary or Justice of the Peace<br>Amy Reisner, Notary Public   |  |  |                                      |
| 1.14 State Agency Signature<br>  |  | 1.15 Name and Title of State Agency Signatory<br>Katya S. Fox, Director  |                                      |
| 1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)<br><br>By: _____ Director, On: _____  |  |  |                                      |
| 1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable)<br><br>By:  On: <u>7/1/16</u>  |  |  |                                      |
| 1.18 Approval by the Governor and Executive Council (if applicable)<br><br>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 6/29/16



**Exhibit A**

**Scope of Services**

**1. Provisions Applicable to All Services**

- 1.1. 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.
- 1.2. The Contractor shall pursue any and all appropriate public sources of funds that are applicable to the funding of the Services, operations prevention, acquisition, or rehabilitation. Appropriate records shall be maintained by the Contractor to document actual funds received or denials of funding from such public sources of funds.
- 1.3. For the purposes of this contract, any reference to days shall mean calendar days, except where business days are specifically noted. For these purposes, a business day shall generally mean any day from Monday to Friday, except Holiday observed by the government of the State of New Hampshire.
- 1.4. For the purposes of this contract, all data entry, documentation and recording shall be completed using the Web Information Technology System (WITS).
- 1.5. The Contractor shall obtain and maintain one or more service sites, which shall comply with all fire, health, and safety codes which shall include but not be limited to being handicap and wheelchair accessible.
- 1.6. The Contractor shall obtain written approval from the Department prior to entering into any agreement regarding service site relocation.
- 1.7. The Contractor shall comply with the Department's Sentinel Event policy.
- 1.8. The Contractor shall participate in the Regional Public Health Network(s) associated with the towns served by the Regional Access Points (RAP) under this contract, which shall include, but not be limited to:
  - 1.8.1. Working with the Continuum of Care Facilitator(s) in the development of a resiliency and recovery oriented system of care (RROSC) in the region(s).
  - 1.8.2. Participating in the Regional Continuum of Care Workgroup(s).
- 1.9. The Contractor shall engage in quality assurance and management activities, which shall include but not be limited to:
  - 1.9.1. Site reviews by the Department.
  - 1.9.2. Other quality assurance and management activities, as determined by the Department.

**2. Services to be Provided**

- 2.1. The Contractor shall develop Regional Access Points (RAP) for the provision of substance use disorder (SUD) information, screening, and referral services to any individual living, working, or otherwise seeking services in the following public health network areas:

  
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Exhibit A

- 2.1.1. North Country, which includes: Atkinson and Gilmanton Academy Grant, Bath, Beans Grant, Beans Purchase, Benton, Berlin, Bethlehem, Cambridge, Carroll, Chandlers Purchase, Clarksville, Colebrook, Columbia, Crawfords Purchase, Cutts Grant, Dalton, Dixs Grant, Dixville, Dummer, Easton, Errol, Ervings Location, Franconia, Gorham, Greens Grant, Hadleys Purchase, Haverhill, Jefferson, Kilkenney, Lancaster, Landaff, Lisbon, Littleton, Low and Burbank's Grant, Lyman, Martins Location, Milan, Millsfield, Monroe, Northumberland, Odell, Pinkham's Grant, Pittsburg, Randolph, Sargents Purchase, Second College Grant, Shelburne, Stark, Stewartstown, Stratford, Success, Sugar Hill, Thompsons & Meserves Purchase, Wentworths Location, and Whitefield.
- 2.1.2. Upper Valley, which includes: Canaan, Dorchester, Enfield, Grafton, Grantham, Hanover, Lebanon, Lyme, Orange, Orford, Piermont, and Plainfield.
- 2.1.3. Central NH, which includes: Alexandria, Ashland, Bridgewater, Bristol, Campton, Ellsworth, Groton, Hebron, Holderness, Lincoln, Livermore, Plymouth, Rumney, Thornton, Warren, Waterville Valley, Wentworth, and Woodstock.
- 2.1.4. Carroll County, which includes: Albany, Bartlett, Brookfield, Chatham, Conway, Eaton, Effingham, Freedom, Hale's Location, Harts Location, Jackson, Madison, Moultonborough, Ossipee, Sandwich, Tamworth, Tuftonboro, Wakefield, and Wolfeboro.
- 2.1.5. Greater Sullivan, which includes: Acworth, Charlestown, Claremont, Cornish, Croydon, Goshen, Langdon, Lempster, Newbury, New London, Newport, Springfield, Sunapee, Sutton, Unity, and Wilmot.
- 2.1.6. Winnepesaukee, which includes: Alton, Barnstead, Belmont, Center Harbor, Danbury, Franklin, Gilford, Gilmanton, Hill, Laconia, Meredith, New Hampton, Northfield, Sanbornton, and Tilton.
- 2.1.7. Capital, which includes: Allenstown, Andover, Boscawen, Bow, Bradford, Canterbury, Chichester, Concord, Deering, Dunbarton, Epsom, Henniker, Hillsborough, Hopkinton, Loudon, Northwood, Pembroke, Pittsfield, Salisbury, Warner, Washington, Weare, Webster, and Windsor.
- 2.1.8. Strafford County, which includes: Barrington, Dover, Durham, Farmington, Lee, Madbury, Middleton, Milton, New Durham, Rochester, Rollinsford, Somersworth, and Strafford.
- 2.1.9. Greater Nashua, which includes: Amherst, Brookline, Hollis, Hudson, Litchfield, Lyndeborough, Mason, Merrimack, Milford, Mont Vernon, Nashua, Pelham, and Wilton.
- 2.1.10. Greater Derry, which includes: Atkinson, Chester, Danville, Derry, Hampstead, Londonderry, Plaistow, Salem, Sandown, and Windham.
- 2.1.11. Seacoast, which includes: Brentwood, East Kingston, Epping, Exeter, Fremont, Greenland, Hampton, Hampton Falls, Kensington, Kingston, New Castle, Newfields, Newington, Newmarket, Newton, North Hampton,

A handwritten signature in black ink, appearing to be 'CJ'.

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**Exhibit A**

- Nottingham, Portsmouth, Raymond, Rye, Seabrook, South Hampton, and Stratham.
- 2.2. The Contractor shall provide Regional Access Point (RAP) services to assist up to 7,000 individuals annually who have substance use disorders, who are:
    - 2.2.1. Individuals with substance use disorders who are age 12 or older or under age 12 with the consent of a parent or other legal guardian; and
    - 2.2.2. Residents of or homeless in New Hampshire.
  - 2.3. The Contractor shall conduct outreach activities to promote and market Regional Access Point (RAP) services, statewide, to individuals, health and social service agencies, businesses and community members. The Contractor shall ensure outreach activities include, but are not limited to:
    - 2.3.1. Developing printed materials using customized versions of 'Anyone Anytime NH,' for broad distribution, which may include, but is not limited to:
      - 2.3.1.1. Brochures
      - 2.3.1.2. Flyers
      - 2.3.1.3. Display posters
      - 2.3.1.4. Pens
      - 2.3.1.5. Magnets
      - 2.3.1.6. Other marketing tools
    - 2.3.2. Publicizing telephone numbers, web addresses and other contact information associated with the information channels described in Section 2.4.
    - 2.3.3. Establishing and actively monitoring social media sites, which may include Facebook and Twitter.
    - 2.3.4. Ensuring outreach activities target core community sectors that include, but are not limited to:
      - 2.3.4.1. Health and medical
      - 2.3.4.2. Safety and law enforcement
      - 2.3.4.3. Education
      - 2.3.4.4. Business
      - 2.3.4.5. Government
      - 2.3.4.6. Community and family supports
  - 2.4. The Contractor shall develop multiple information channels by which an individual may request information that shall include, but not be limited to telephone, e-mail, and in-person. The Contractor shall:
    - 2.4.1. Respond to all requests for information within 24 hours of receiving requests for information.



**Exhibit A**

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- 2.4.2. Ensure, at minimum, one information channel is available to the public 24 hours per day, 7 days per week, which may include referral to the statewide crisis hotline during off hours.
- 2.4.3. Ensure information available through all information channels includes, but is not limited to types and locations of services available:
  - 2.4.3.1. For Substance Use Disorder (SUD) treatment
  - 2.4.3.2. For SUD recovery support
  - 2.4.3.3. To support friends, family members and other concerned individuals
- 2.5. The Contractor shall respond to requests for substance use disorders treatment services by scheduling a screening appointment for the client. The Contractor shall:
  - 2.5.1. Ensure the screening appointment is scheduled within 48 hours of the client's initial request for services.
  - 2.5.2. Provide an appointment date that is within ten (10) days of scheduling the appointment.
  - 2.5.3. Ensure the screening appointment:
    - 2.5.3.1. Can be completed by the client in person; by telephone, or face-to-face.
    - 2.5.3.2. Is completed by a Certified Recovery Support Worker (CRSW), who shall, at a minimum:
      - 2.5.3.2.1. Gather client demographic, contact, and emergency contact information;
      - 2.5.3.2.2. Identify payer sources available to the client; and
      - 2.5.3.2.3. Use an evidence-based screening tool, as approved by the Department, to determine the likelihood of a substance use disorder, as defined by the DSM 5.
  - 2.5.4. Document client profile, intake and admission information in WITS within 3 days of completing the screening.
- 2.6. The Contractor shall schedule, through Memorandums of Understanding with SUD treatment providers in the service area, evaluations of clients who screen positive for substance use disorder within 48 hours of the completed screening in Section 2.5, as appropriate. The Contractor shall ensure:
  - 2.6.1. Evaluations are completed within 10 days of scheduling the evaluation.
  - 2.6.2. Evaluations are completed by a Licensed Alcohol and Drug Counselor (LADC), Master Licensed Alcohol and Drug Counselor (MLADC), or licensed mental health professional who has demonstrated competency in the treatment of substance use disorders.
  - 2.6.3. Clients are evaluated in all American Society of Addiction Medicine (ASAM, October 2013) dimensions.



**Exhibit A**

- 2.6.4. Evaluations are completed using one or more evidence-based evaluation tools.
- 2.6.5. Evaluations meet 'Addiction Counseling Competencies, TAP 21' standards (<http://store.samhsa.gov/product/TAP-21-Addiction-Counseling-Competencies/SMA15-4171>).
- 2.6.6. Evaluations include a DSM-5 Substance Use Disorder diagnosis when appropriate.
- 2.6.7. Recommendations are provided to clients diagnosed as having a substance use disorder, as appropriate, which must include, but are not be limited to, recommendations for:
  - 2.6.7.1. An initial ASAM level of care.
  - 2.6.7.2. Recovery support and/or other needed services.
  - 2.6.7.3. Interim services if the indicated ASAM level of care is not immediately available to the client.
- 2.6.8. Diagnosis information is entered into WITS within three (3) business days of completing each evaluation.
- 2.7. The Contractor shall provide referral services to clients in order to meet the recommendations that result from the evaluation in Section 2.6.7. The Contractor shall:
  - 2.7.1. Ensure referral services are provided by a CRSW.
  - 2.7.2. Ensure referral services include, but are not limited to:
    - 2.7.2.1. Identifying provider agencies that can meet the evaluation recommendations in Section 2.6.7.
    - 2.7.2.2. Contacting the provider agency on behalf of the client, as appropriate.
    - 2.7.2.3. Assisting the client with making contact with the provider agency, as appropriate.
    - 2.7.2.4. Supporting the client in meeting the admission/entrance/intake requirements of the provider agency.
  - 2.7.3. Develop and maintain a database of provider agencies by region to meet the needs of clients, which may include, but are not limited to:
    - 2.7.3.1. Substance use disorder treatment and recovery support services
    - 2.7.3.2. Physical health services
    - 2.7.3.3. Behavioral health services
    - 2.7.3.4. Employment and education services
    - 2.7.3.5. Housing services
  - 2.7.4. Ensure Memorandums of Understanding are executed with SUD treatment and peer recovery support services providers in the communities within



Exhibit A

each region served to ensure clients can access interim and other services within 7 days of completed evaluations described in Section 2.6.

- 2.8. The Contractor shall assist clients to enroll with payer services. The Contractor shall:
- 2.8.1. Assess clients for probable eligibility for public or private insurance, such as Medicaid; the New Hampshire Health Protection Program (NHHPP); and Qualified Health Plans available through the Marketplace.
  - 2.8.2. Assist clients with enrollment with the appropriate payer. Assistance shall include, but not be limited to:
    - 2.8.2.1. Providing one-on-one support to clients throughout the enrollment process.
    - 2.8.2.2. Providing clarification on information that needs to be provided to the payer agency to ensure enrollment can be completed by the client.
- 2.9. The Contractor shall provide Continuous Recovery Monitoring services to clients who are not currently receiving Continuous Recovery Monitoring services through a Department-contracted SUD treatment provider. The Contractor shall:
- 2.9.1. Attempt to contact each client a minimum of three (3) times over the course of one week. The Contractor shall:
    - 2.9.1.1. Attempt contact by telephone at a reasonable time when the client would normally be available.
    - 2.9.1.2. Attempt a second contact, as necessary, by telephone at a reasonable time when the client would normally be available no sooner than 2 days and no later than 3 days after the first attempt in Section 2.9.1.1.
    - 2.9.1.3. Attempt a third contact, as necessary, by telephone at a reasonable time when the client would normally be available, no sooner than 2 days and no later than 3 days after the second attempt in Section 2.9.1.2.
    - 2.9.1.4. Not exceed twelve (12) attempts in a thirty (30) day period.
  - 2.9.2. Contact clients as frequently as weekly and no less frequently than:
    - 2.9.2.1. 3 months post-discharge from the last treatment service (60–120 days post discharge).
    - 2.9.2.2. 6 months post-discharge from the last treatment service (150–210 days post discharge).
    - 2.9.2.3. 12 months post-discharge from the last treatment service (330–390 days post discharge).
  - 2.9.3. Inquire on the status of each client's recovery.
  - 2.9.4. Identify any client needs.
  - 2.9.5. Assist the client with addressing the needs identified in Section 2.9.4.



**Exhibit A**

- 2.9.6. Provide early intervention to clients who have relapsed or whose recovery is at risk, as identified in Section 2.9.4, and record the same.
- 2.9.7. Complete the client follow-up in WITS within 3 days of each completed contact identified in Section 2.9.2.
- 2.10. The Contractor shall enter client discharge information into WITS within 3 days of client discharge.

**3. Data and Reporting Requirements**

- 3.1. The Contractor shall provide monthly reports that include, but are not limited to:
  - 3.1.1. Time lapses for services including, but not limited to:
    - 3.1.1.1. Initial client contact to screening
    - 3.1.1.2. Screening to evaluation
    - 3.1.1.3. Evaluation to interim services
    - 3.1.1.4. Evaluation to regular services
  - 3.1.2. Type of payer enrollment assessment and/or assistance provided, as described in Section 2.7.
- 3.2. The Contractor shall provide monthly reports identifying SUD treatment and peer recovery support services providers with whom Memorandums of Understanding have been executed to provide contracted services. Reports shall include, but not be limited to:
  - 3.2.1. Name, location, and contact information of the provider.
  - 3.2.2. Specific services provided by the provider.
- 3.3. The Contractor shall provide monthly reports that identify specific marketing activities conducted as required in Section 2.3. Reports shall include, but are not limited to:
  - 3.3.1. Types of marketing materials developed.
  - 3.3.2. Venues where materials are displayed and/or available for hand out.
  - 3.3.3. Methods of marketing delivery.
  - 3.3.4. A plan for marketing that will be conducted in the following month.
- 3.4. The Contractor shall comply with the reporting requirements listed in Section 3.0 in accordance with the following schedule, with the first report due on the first of the month following 90 days after approval by Governor and Executive Council:
  - 3.4.1. Three (3) month follow-ups completed for all clients with a discharge date prior to March of 2017.
  - 3.4.2. Six (6) month follow-ups completed for all clients with a discharge date prior to January of 2017.
  - 3.4.3. Twelve (12) month follow-ups completed for all clients with a discharge date prior to July of 2016.



## Exhibit A

### 4. Minimum Performance Measures

- 4.1. The Contractor shall comply with Continuous Recovery Monitoring contacts described in Section 2.9, as follows:
  - 4.1.1. Twenty-five percent (25%) of discharged clients shall be contacted three (3) months after discharge.
  - 4.1.2. Ten percent (10%) of discharged clients shall be contacted (6) months after discharge.
  - 4.1.3. Five percent (5%) of discharged clients shall be contacted twelve (12) months after discharge.

### 5. Deliverables

- 5.1. The Contractor shall submit for Department approval, within 30 days from the contract effective date, an outreach activity plan for each region covered, for all activities described in Section 2.3, including time frames.
- 5.2. The Contractor shall provide a sample of all marketing materials to the Department within three (3) days of developing the materials described in Section 2.3.
- 5.3. The Contractor shall submit for Department approval, within 30 days from the effective date of this contract, an information channels plan for each region covered, for all activities described in Section 2.4, including timeframes.
- 5.4. The Contractor shall respond to all requests for information described in Section 2.4 within 24 hours of receiving the requests.
- 5.5. The Contractor shall ensure screening appointments described in Section 2.5 are available within 48 hours of receiving clients' requests for services.
- 5.6. The Contractor shall ensure all client services provided through this contract are documented and/or recorded within three (3) days of providing the service.

### 6. Liquidated Damages

- 6.1. The Contractor and the Department agree that the WITS shall be the source of record with data polls taking place on the tenth (10<sup>th</sup>) day of the month, beginning with August 10, 2016.
- 6.2. The Contractor and the Department agree that it will be extremely impracticable and difficult to determine actual damages that the Department will sustain in the event that the vendor fails to maintain the required performance standards in Section 4, Performance Standards, throughout the life of the contract. Any breach by the Contractor will delay and disrupt the Department's operations and obligations and lead to significant damages. Therefore, the parties agree that the liquidated damages as specified in the sections below are reasonable.
- 6.3. Assessment of liquidated damages shall be in addition to, not in lieu of, such other remedies as may be available to the Department. Except and to the extent expressly provided herein, the Department shall be entitled to recover liquidated damages cumulatively under each section applicable to any given incident as described in Section 6.8.



**Exhibit A**

- 6.4. The Department shall make all assessments of liquidated damages. Should the Department determine that liquidated damages may, or will be assessed; the Department shall notify the Contractor as specified in Section 7, Notifications and Remedies for Liquidated Damages, below.
- 6.5. The Contractor shall submit a written Corrective Action Plan to the Department within five (5) business days of receiving notification as specified in Section 7, Notifications and Remedies for Liquidated Damages, for review and approval prior to implementation of the Corrective Action Plan.
- 6.6. The Contractor agrees that as determined by the Department, failure to provide services that meet the performance standards in Section 4, Performance Standards, shall result in liquidated damages as specified in Section 7, Notifications and Remedies for Liquidated Damages. The Department's decision to assess liquidated damages must be reasonable, based in fact and made in good faith.
- 6.7. The remedies specified in Section 7, Notifications and Remedies for Liquidated Damages, shall apply until the failure is cured or resulting dispute is resolved in the Contractor's favor.
- 6.8. Liquidated damages in the amount of \$500 per month for failure to meet the Minimum Performance Measures identified in Section 4. It is agreed by the parties that damages may only be assessed by the Department related to Section 4 above and that the amount of damages is limited to the amounts delineated in this Section 6.8 and that no other liquidated damages may be assessed.
- 6.9. The amount of liquidated damages assessed by the Department to the Contractor shall not exceed the price limitation in Form P-37, General Provisions, block 1.8, Price Limitation.

**7. Notifications and Remedies for Liquidated Damages.**

- 7.1. Prior to the imposition of liquidated damages or any other remedies under this Contract, including termination for breach, the Department shall issue written notice of remedies that shall include, as applicable:
  - 7.1.1. A citation to the Contract provision violated.
  - 7.1.2. The remedies to be applied and the date the remedies shall be imposed.
  - 7.1.3. The basis for the Department's determination that the remedies shall be imposed.
  - 7.1.4. A request for a Corrective Action Plan.
  - 7.1.5. The timeframe and procedure for the Contractor to dispute the Department's determination. The Contractor's dispute of liquidated damages or remedies shall not stay the effective date of the proposed liquidated damages or remedies.
  - 7.1.6. If the failure is not resolved within the cure period, liquidated damages may be imposed retroactively to the date of failure to perform and continue until the failure is cured or any resulting dispute is resolved in the Contractor's favor.



**Exhibit A**

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- 7.2. In connection with any action taken or decision made by the Department with respect to this Contract, within ninety (90) days following the action or decisions, the Contractor may protest such action or decision by the delivery of a notice of protest to the Department and by which the Contractor may protest said action or decision and/or request an informal hearing with the Director of the Bureau of Drug and Alcohol Services.
- 7.2.1. The Contractor shall provide the Department with an explanation of its position protesting the Department's action or decision.
- 7.2.2. The Director shall determine a time that is mutually agreeable to the parties during which they may present their views on the disputed issues. It is understood that the presentation and discussion of the disputed issues will be informal in nature.
- 7.2.3. The Director shall provide written notice of the time, format and location of the presentation.
- 7.2.4. At the conclusion of the presentations, the Director shall consider all evidence and shall render a written recommendation as soon as practicable, but in no event more than thirty (30) calendar days after the conclusion of the presentation.
- 7.2.5. The Director may appoint a designee to hear and determine the matter.



## Exhibit B

### Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. This contract is funded with general and federal funds. Department access to supporting funding for this project is dependent upon the criteria set forth in the Catalog of Federal Domestic Assistance (CFDA) (<https://www.cfda.gov>) #93.959 U.S. Department of Health and Human Services; Substance Abuse and Mental Health Services Administration; Block Grants for Prevention and Treatment of Substance Abuse; Substance Abuse Block Grant (SABG).
3. The Contractor shall use and apply all contract funds for authorized direct and indirect costs to provide services in Exhibit A, Scope of Services, in accordance with Exhibit B-1, Budget.
4. Payment for services provided in accordance with Exhibit A, Scope of Services, shall be made as follows:
  - 4.1. Payments shall be made on cost reimbursement basis only, for allowable costs, expenses and fees in accordance with Exhibits B-1, Budget.
  - 4.2. Allowable costs and expenses shall include those expenses detailed in Exhibit B-1, Budget.
  - 4.3. The Contractor shall submit monthly invoices using invoice forms provided by the Department.
  - 4.4. The Contractor shall submit supporting documentation and required reports in Exhibit A, Scope of Services, Section 3, Data and Reporting Requirements, that support evidence of actual expenditures, in accordance with Exhibit B-1, Budget for the previous month by the tenth (10th) working day of the current month.
  - 4.5. The Contractor shall submit invoices for services outlined in Exhibit A, Scope of Services in accordance with budget line items in Exhibit B-1, Budget preferably by e-mail on Department approved invoices to:

Finance Manager  
Division of Behavioral Health  
Department of Health and Human Services  
105 Pleasant Street,  
Concord, NH 03301  
[laurie.heath@dhhs.nh.gov](mailto:laurie.heath@dhhs.nh.gov)

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6/29/16



**Exhibit B**

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5. 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. A final payment request shall be submitted no later than forty (40) days from the Form P37, General Provisions, Contract Completion Date, Block 1.7.
7. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
8. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget in Exhibit B-1, and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.
9. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.

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**EXHIBIT B-1**

**New Hampshire Department of Health and Human Services**

Bidder Name: Granite Pathways

Budget Request for: Regional Access Point

Budget Period: SFY17

| Line Item                        | Direct<br>Instrumental | Indirect<br>Funds    | Total                  |
|----------------------------------|------------------------|----------------------|------------------------|
| 1. Total Salary/Wages            | \$ 539,000.00          | \$ 64,680.00         | \$ 603,680.00          |
| 2. Employee Benefits             | \$ 161,700.00          | \$ 19,404.00         | \$ 181,104.00          |
| 3. Consultants                   | \$ -                   | \$ -                 | \$ -                   |
| 4. Equipment:                    | \$ -                   | \$ -                 | \$ -                   |
| Rental                           | \$ -                   | \$ -                 | \$ -                   |
| Repair and Maintenance           | \$ -                   | \$ -                 | \$ -                   |
| Purchase/Depreciation            | \$ -                   | \$ -                 | \$ -                   |
| 5. Supplies:                     | \$ -                   | \$ -                 | \$ -                   |
| Educational                      | \$ -                   | \$ -                 | \$ -                   |
| Lab                              | \$ -                   | \$ -                 | \$ -                   |
| Pharmacy                         | \$ -                   | \$ -                 | \$ -                   |
| Medical                          | \$ -                   | \$ -                 | \$ -                   |
| Office                           | \$ -                   | \$ -                 | \$ -                   |
| 6. Travel                        | \$ 40,229.00           | \$ 4,827.00          | \$ 45,056.00           |
| 7. Occupancy                     | \$ -                   | \$ -                 | \$ -                   |
| 8. Current Expenses              | \$ 100,000.00          | \$ 12,000.00         | \$ 112,000.00          |
| Telephone                        | \$ -                   | \$ -                 | \$ -                   |
| Postage                          | \$ -                   | \$ -                 | \$ -                   |
| Subscriptions                    | \$ -                   | \$ -                 | \$ -                   |
| Audit and Legal                  | \$ -                   | \$ -                 | \$ -                   |
| Insurance                        | \$ -                   | \$ -                 | \$ -                   |
| Board Expenses                   | \$ -                   | \$ -                 | \$ -                   |
| 9. Software                      | \$ -                   | \$ -                 | \$ -                   |
| 10. Marketing/Technology         | \$ 106,000.00          | \$ 12,720.00         | \$ 118,720.00          |
| 11. Staff Education and Training | \$ -                   | \$ -                 | \$ -                   |
| 12. Subcontracts/Agreements      | \$ 76,500.00           | \$ 9,180.00          | \$ 85,680.00           |
| 13. Other                        | \$ -                   | \$ -                 | \$ -                   |
| Professional Fees                | \$ 48,000.00           | \$ 5,760.00          | \$ 53,760.00           |
|                                  | \$ -                   | \$ -                 | \$ -                   |
|                                  | \$ -                   | \$ -                 | \$ -                   |
| <b>TOTAL</b>                     | <b>\$ 1,071,429.00</b> | <b>\$ 128,571.00</b> | <b>\$ 1,200,000.00</b> |

Indirect As A Percent of Direct

12.0%

*CM*  
6-29-16



**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 Contractor's 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]*

6/29/16



- 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 (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

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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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- 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 (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.

*[Handwritten Signature]*  
Date 6/29/16



**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)

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

6/29/16  
Date

Contractor Name: Granite Pathways  
  
Name: Christine McMahon  
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

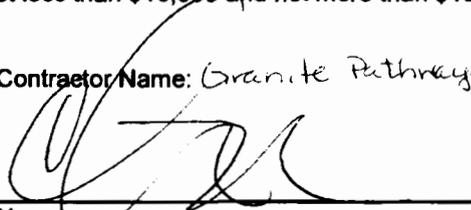
The undersigned certifies, to the best of his or her knowledge and belief, that:

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.

6/29/16  
Date

Contractor Name: Granite Pathways

  
Name: Christine MacMahon  
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

Handwritten initials of the contractor, appearing to be 'R' and 'S'.

6/29/16



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.

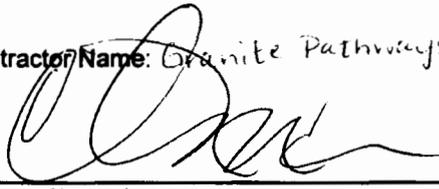
**PRIMARY COVERED TRANSACTIONS**

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 (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.

6/29/16  
Date

Contractor Name: Granite Pathways  
  
Name: Christine McMahon  
Title: President/CEO



**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

*tc*

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

Date

4/29/14

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.

6/29/16  
Date

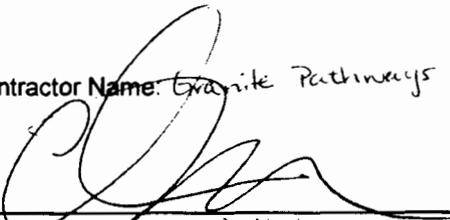
Contractor Name: Granite Pathways  
  
Name: Christine McMahon  
Title: President + CEO

Exhibit G

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

Contractor Initials cm

Date 6/29/16



**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: Granite Pathways

Name: Christine McMahon

Title: President & CEO

Date

6/29/16



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.

Handwritten signature of the contractor.



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

A handwritten signature in black ink, appearing to be "CJ".

6/20/16



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

A handwritten signature in black ink, appearing to be 'A' or similar initials.



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

Jean S Fox  
Signature of Authorized Representative

Katja S Fox  
Name of Authorized Representative

Director  
Title of Authorized Representative

6/30/16  
Date

Granite Pathways  
Name of the Contractor

[Signature]  
Signature of Authorized Representative

Christine McMahon  
Name of Authorized Representative

President + CEO  
Title of Authorized Representative

6/29/16  
Date

Contractor Initials [Signature]

Date 6/29/16



**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: Granite Pathways  
  
Name: Christine McMahon  
Title: President + CEO

6/29/16  
Date

Contractor Initials CM  
Date 6/29/16



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: 019392707.
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: _____ |



**New Hampshire Department of Health and Human Services  
Substance Use Disorder Regional Access Point Services Greater Manchester**

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**State of New Hampshire  
Department of Health and Human Services  
Amendment #1 to the  
Substance Use Disorder Regional Access Point Services Greater Manchester Contract**

This 1<sup>st</sup> Amendment to the Substance Use Disorder Regional Access Point Services Greater Manchester contract (hereinafter referred to as "Amendment 1") dated this 17<sup>th</sup> day of May, 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 National Council on Alcoholism and Drug Dependence/Greater Manchester (hereinafter referred to as "the Contractor"), a non-profit corporation with a place of business at 101 Manchester Street, Manchester, NH, 03101.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on April 6, 2016 (Item #9), 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 Governor and Executive Council approval; and

WHEREAS, the parties agree to extend the completion date of the agreement by six (6) 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 1.6, to add Account Numbers:  
05-095-092-920510-33820000-102-500734  
05-095-092-920510-33840000-102-500734
2. General Provisions (Form P-37), Block 1.7, to read December 31, 2017.
3. General Provisions (Form P-37), Block 1.8, to increase Price Limitation to read: \$329,945.
4. General Provisions (Form P-37), Block 1.9, to read Jonathan V. Gallo, Esq., Interim Director of Contracts and Procurement.
5. General Provisions (Form P-37), Block 1.10 to read 603-271-9246.
6. Add to Exhibit A, Section 1.11 to read:
  - 1.11 Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2017, and the Department shall not be liable for any payments for services provided after June 30, 2017, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2018-2019 biennium.

**New Hampshire Department of Health and Human Services  
Substance Use Disorder Regional Access Point Services Greater Manchester**

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7. Add Exhibit A, Scope of Services Section 8 Transition Activities to read:
  8. When the state issues a Request for Proposals combining crisis and regional access point services, in order to ensure continuity of care for clients, the Contractor is required to work with the Department to develop transition plans for the services and clients. The Contractor shall, but not limited to:
    - i. Meet with the Department and the Department's new Contractor (resulting from the Request for Proposals) within ten (10) days of the contract effective date of the new contract to develop transition and implementation plans; and
    - ii. Engage in all activities and meet all completion dates of the Department approved transition and implementation plan.
8. Delete in its entirety Exhibit B Method and Conditions Precedent to Payment and replace with Exhibit B-1 Amendment #1 Method and Conditions Precedent to Payment.
9. Add Exhibit B-3, Budget
10. Delete in its entirety Exhibit C-1 Revision to General Provisions and replace with Exhibit C-1 Amendment #1 Revisions to General Provisions

Remainder of the page left intentionally blank.

New Hampshire Department of Health and Human Services  
Substance Use Disorder Regional Access Point Services Greater Manchester



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

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

State of New Hampshire  
Department of Health and Human Services

5/25/17  
Date

Katja S. Fox  
Katja S. Fox  
Director

National Council on Alcoholism and Drug Dependence/Greater  
Manchester

5-24-17  
Date

Stephanie Bergeron  
Name: Stephanie Bergeron  
Title: Executive Director

Acknowledgement of Contractor's signature:

State of NH, County of Hillsborough on 24<sup>th</sup> of May 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.

Jamie L Hill  
Signature of Notary Public or Justice of the Peace

Jamie L Hill  
Name and Title of Notary or Justice of the Peace

My Commission Expires: 8-22-2017



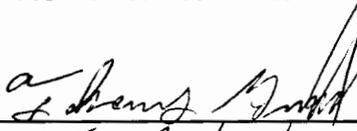
**New Hampshire Department of Health and Human Services  
Substance Use Disorder Regional Access Point Services Greater Manchester**



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

OFFICE OF THE ATTORNEY GENERAL

6/5/17  
Date

  
Name: Tom Broderick  
Title: Assistant 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. Method and Conditions Precedent to Payment Exhibit B Amendment #1 is effective for July 1, 2017.
2. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
3. This contract is funded with general and federal funds. Department access to supporting funding for this project is dependent upon the criteria set forth in the Catalog of Federal Domestic Assistance (CFDA) (<https://www.cfda.gov>) #93.959 U.S. Department of Health and Human Services; Substance Abuse and Mental Health Services Administration; Block Grants for Prevention and Treatment of Substance Abuse; Substance Abuse Block Grant (SABG).
4. The Contractor shall use and apply all contract funds for authorized direct and indirect costs to provide services in Exhibit A, Scope of Services, in accordance with Exhibit B-3, Budget.
5. Payment for services provided in accordance with Exhibit A, Scope of Services, shall be made as follows:
  - 5.1. Payments shall be made on cost reimbursement basis only, for allowable costs, expenses and fees in accordance with Exhibits B-3.
  - 5.2. Allowable costs and expenses shall include those expenses detailed in Exhibit B-3, Budget.
  - 5.3. The Contractor shall submit monthly invoices using invoice forms provided by the Department.
  - 5.4. The Contractor shall submit supporting documentation and required reports in Exhibit A, Scope of Services, Section 3, Data and Reporting Requirements, that support evidence of actual expenditures, in accordance with Exhibit B-3, Budget for the previous month by the tenth (10th) working day of the current month.
  - 5.5. The Contractor shall submit invoices for services outlined in Exhibit A, Scope of Services in accordance with budget line items in Exhibit B-3, Budget preferably by e-mail on Department approved invoices to:

Finance Manager  
Division of Behavioral Health  
Department of Health and Human Services  
105 Pleasant Street,  
Concord, NH 03301  
[laurie.heath@dhhs.nh.gov](mailto:laurie.heath@dhhs.nh.gov)



**Exhibit B Amendment #1**

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6. 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.
7. A final payment request shall be submitted no later than forty (40) days from the Form P37, General Provisions, Contract Completion Date, Block 1.7.
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 the said services have not been completed in accordance with the terms and conditions of this Agreement.
9. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget in Exhibit B-3, Budget and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.
10. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.

**EXHIBIT B-3 Budget**

**New Hampshire Department of Health and Human Services**

**National Council on Alcoholism and Drug Dependence/Greater**

**Bidder Name:** Manchester

**Budget Request for:** Substance Use Disorder - Regional Access Point Services

**Budget Period:** July 1, 2017 through December 31, 2017

| <b>Line Item</b>                 | <b>Direct Incremental</b> | <b>Indirect Fixed</b> | <b>Total</b>         | <b>Allocation Method for Indirect/Fixed Cost</b> |
|----------------------------------|---------------------------|-----------------------|----------------------|--|
| 1. Total Salary/Wages            | \$ 112,067.00             |                       | \$ 112,067.00        |  |
| 2. Employee Benefits             | \$ 19,933.00              |                       | \$ 19,933.00         |  |
| 3. Consultants                   |                           |                       | \$ -                 |  |
| 4. Equipment:                    |                           |                       | \$ -                 |  |
| Rental                           |                           |                       | \$ -                 |  |
| Repair and Maintenance           |                           |                       | \$ -                 |  |
| Purchase/Depreciation            |                           |                       | \$ -                 |  |
| 5. Supplies:                     |                           |                       | \$ -                 |  |
| Educational                      |                           |                       | \$ -                 |  |
| Lab                              |                           |                       | \$ -                 |  |
| Pharmacy                         |                           |                       | \$ -                 |  |
| Medical                          |                           |                       | \$ -                 |  |
| Office                           |                           |                       | \$ -                 |  |
| 6. Travel                        |                           |                       | \$ -                 |  |
| 7. Occupancy                     |                           |                       | \$ -                 |  |
| 8. Current Expenses              |                           |                       | \$ -                 |  |
| Telephone                        |                           |                       | \$ -                 |  |
| Postage                          |                           |                       | \$ -                 |  |
| Subscriptions                    |                           |                       | \$ -                 |  |
| Audit and Legal                  |                           |                       | \$ -                 |  |
| Insurance                        |                           |                       | \$ -                 |  |
| Board Expenses                   |                           |                       | \$ -                 |  |
| 9. Software                      |                           |                       | \$ -                 |  |
| 10. Marketing/Technology         |                           |                       | \$ -                 |  |
| 11. Staff Education and Training |                           |                       | \$ -                 |  |
| 12. Subcontracts/Agreements      |                           |                       | \$ -                 |  |
| 13. Other                        |                           |                       | \$ -                 |  |
| Professional Fees                |                           |                       | \$ -                 |  |
|                                  |                           |                       | \$ -                 |  |
|                                  |                           |                       | \$ -                 |  |
| <b>TOTAL</b>                     | <b>\$ 132,000.00</b>      | <b>\$ -</b>           | <b>\$ 132,000.00</b> |  |

**Indirect As A Percent of Direct**

0.0%

Please provide a budget for the scope of work in the contract and amendment #1 for up to the amount of \$132,000 for the budget period above.



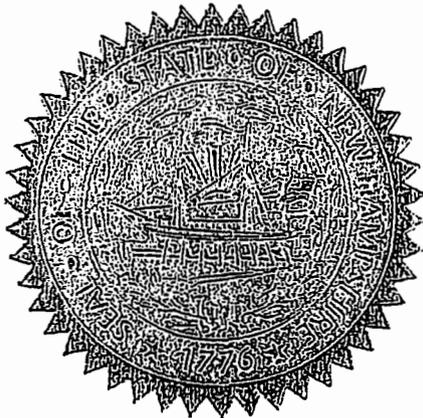
**REVISIONS TO GENERAL PROVISIONS**

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, 60 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, work with the Department as directed by it to develop a Transition Plan for services and clients being served 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. The Contractor shall submit an initial Transition Plan for Department approval within a timeframe defined by the Department. Any changes requested by the Department to the Transition Plan shall be completed within three (3) days of the change request.
  - 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 (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.

# 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 NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE/GREATER MANCHESTER is a New Hampshire nonprofit corporation formed December 7, 1977. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 18<sup>th</sup> day of May A.D. 2016

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

William M. Gardner  
Secretary of State

## Business Information

### Business Details

|  |  |                                    |               |
|--|--|------------------------------------|---------------|
| Business Name:                           | NATIONAL COUNCIL ON<br>ALCOHOLISM AND DRUG<br>DEPENDENCE/GREATER<br>MANCHESTER | Business ID:                       | 63314         |
| Business Type:                           | Domestic Nonprofit<br>Corporation  | Business Status:                   | Good Standing |
| Business Creation<br>Date:               | 12/07/1977   | Name in State of<br>Incorporation: | Not Available |
| Date of Formation in<br>Jurisdiction:    | 12/07/1977   |                                    |               |
| Principal Office<br>Address:             | 93-101 Manchester Street,<br>Manchester, NH, 03101, USA                        | Mailing Address:                   | NONE          |
| Citizenship / State of<br>Incorporation: | Domestic/New Hampshire   |                                    |               |
|  |  | Last Nonprofit<br>Report Year:     | 2015          |
|  |  | Next Report<br>Year:               | 2020          |
| Duration:                                | Perpetual  |                                    |               |
| Business Email:                          | NONE   | Phone #:                           | NONE          |
| Notification Email:                      | NONE   | Fiscal Year End<br>Date:           | NONE          |

### Principal Purpose

| S.No | NAICS Code                        | NAICS Subcode  |
|------|-----------------------------------|--|
| 1    | Health Care and Social Assistance | Outpatient Mental Health and Substance Abuse Centers     |
| 2    | Health Care and Social Assistance | Residential Mental Health and Substance Abuse Facilities |
| 3    | NOT REQUIRED                      |  |

Page 1 of 1, records 1 to 3 of 3

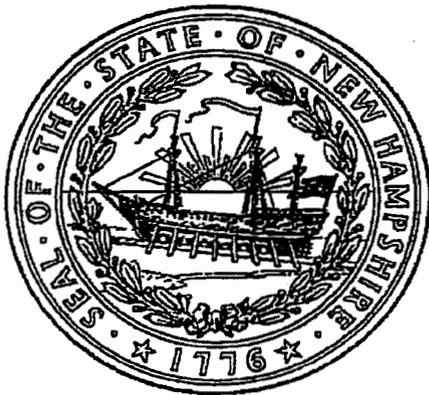
# State of New Hampshire

## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SERENITY PLACE is a New Hampshire Trade Name registered to transact business in New Hampshire on April 07, 2009. 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: 611719



IN TESTIMONY WHEREOF,  
I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 12th day of April A.D. 2017.

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

William M. Gardner  
Secretary of State

## Business Name Search

### Business Details

Business Name: NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE/GREATER MANCHESTER  
 Business Type: Domestic Nonprofit Corporation  
 Business Creation Date: 12/07/1977  
 Principal Business Office Address: 93-101 Manchester Street, Manchester, NH, 03101, USA  
 Citizenship / State of Incorporation: Domestic/New Hampshire Last N  
 Duration: Perpetual

### Principal Purpose

| S.No | NAICS Code                        | NAICS Subcode             |
|------|-----------------------------------|---------------------------|
| 1    | Health Care and Social Assistance | Outpatient Mental Health  |
| 2    | Health Care and Social Assistance | Residential Mental Health |
| 3    | NOT REQUIRED                      |                           |

Page 1 of 1, records 1 to 3 of 3

### Registered Agent Information

Name: NONE  
 Physical Address: NONE  
 Mailing Address: NONE

### Trade Name Information

| Business Name  | Business ID |
|----------------|-------------|
| Serenity Place | 611719      |
| SERENITY PLACE | 308151      |

### Trade Name Owned By

| Name | Title |
|------|-------|
|------|-------|

Back (<https://quickstart.sos.nh.gov/online/BusinessInquire/BusinessInformation?businessID=433684>) [Filing History](#) [Address History](#) [View All Other Addresses](#)

NH Department of State, Corporation Division, State House Annex, 3rd Floor Room 317, 25 Capitol St, Concord, NH 03301 Email: [corporate@sos.nh.gov](mailto:corporate@sos.nh.gov) (<mailto:corporate%40sos.nh.gov>)

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## Business Information

### Business Details

|   |  |
|---|--|
| Business Name: SERENITY PLACE                                     | Business ID: 611719  |
| Business Type: Trade Name   | Business Status: Active  |
| Expiration Date: 4/7/2019   | Last Renewal Date: Not Available                                   |
| Business Creation Date: 04/07/2009                                | Name in State of Formation: Not Available                          |
| Date of Formation in Jurisdiction: 04/07/2009                     |  |
| Principal Office PO Box 1477, Manchester, Address: NH, 03105, USA | Mailing Address: 101 Manchester Street, Manchester, NH, 03101, USA |
| Business Email: NONE  | Phone #: NONE  |
| Notification Email: NONE  | Fiscal Year End Date: NONE   |

### Principal Purpose

| S.No | NAICS Code                               | NAICS Subcode |
|------|--|---------------|
| 1    | OTHER / Drug & alcohol detox & education |               |

Page 1 of 1, records 1 to 1 of 1

### Trade Name Information

| Business Name | Business ID | Business Status |
|---------------|-------------|-----------------|
|---------------|-------------|-----------------|

### Trade Name Owned By

| Name  | Title    | Address       |
|---|----------|---------------|
| NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE/GREATER MANCHESTER (/online/BusinessInquire/TradeNameInformation?businessID=26151) | Business | Good Standing |

# CERTIFICATE OF VOTE

I, Michael O' Shaughnessy, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Serenity Place – NCADD/GM.  
(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 October 6, 2016 :  
(Date)

**RESOLVED:** That the Executive Director  
(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 24th day of May, 2017.  
(Date Contract Signed)

4. Stephanie Bergeron is the duly elected Executive Director  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

M B O Shaughnessy  
(Signature of the Elected Officer)

STATE OF NH

County of Hillsboro

The forgoing instrument was acknowledged before me this 25<sup>th</sup> day of May, 2017.

By Michael O' Shaughnessy  
(Name of Elected Officer of the Agency)

Jamie L Hill  
(Notary Public/Justice of the Peace)



Witnesses: 8.22.2017



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
4/28/2017

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).

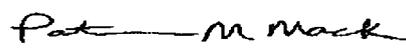
|  |   |                                      |
|--|---|--------------------------------------|
| <b>PRODUCER</b><br>E & S Insurance Services LLC<br>21 Meadowbrook Lane<br>P O Box 7425<br>Gilford NH 03247-7425                                  | <b>CONTACT NAME:</b> Pat Mack<br><b>PHONE (A/C No, Ext):</b> (603) 293-2791<br><b>E-MAIL ADDRESS:</b> pat@esinsurance.com | <b>FAX (A/C, No):</b> (603) 293-7188 |
|  | <b>INSURER(S) AFFORDING COVERAGE</b>  |                                      |
| <b>INSURED</b><br>National Council on Alcoholism & Drug<br>Greater Manchester T/A Serenity Place<br>101 Manchester Street<br>Manchester NH 03101 | <b>INSURER A</b> Markel   |                                      |
|  | <b>INSURER B</b> :  |                                      |
|  | <b>INSURER C</b> :  |                                      |
|  | <b>INSURER D</b> :  |                                      |
|  | <b>INSURER E</b> :  |                                      |
|  | <b>INSURER F</b> :  |                                      |

**COVERAGES**      **CERTIFICATE NUMBER:** 2017 Certificate      **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"/> <b>COMMERCIAL GENERAL LIABILITY</b><br><input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR<br><br>GENL AGGREGATE LIMIT APPLIES PER:<br><input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br>OTHER: |           |          | 8502SS335180-7 | 2/9/2017                | 2/9/2018                | EACH OCCURRENCE \$ 1,000,000<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000<br>MED EXP (Any one person) \$ 10,000<br>PERSONAL & ADV INJURY \$ 1,000,000<br>GENERAL AGGREGATE \$ 3,000,000<br>PRODUCTS - COMP/OP AGG \$ 3,000,000<br>Employee Benefits \$ 1,000,000 |
| A        | <input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b><br><input type="checkbox"/> ANY AUTO<br><input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS<br><input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS  |           |          | 8502SS335180-7 | 2/9/2017                | 2/9/2018                | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$<br>Medical payments \$ 5,000  |
| A        | <input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR<br><input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE<br><input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000   |           |          | 4602SS335181-7 | 2/9/2017                | 2/9/2018                | EACH OCCURRENCE \$ 1,000,000<br>AGGREGATE \$ 1,000,000  |
|          | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below   |           | N/A      |                |                         |                         | <input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER<br>E.L. EACH ACCIDENT \$<br>E.L. DISEASE - EA EMPLOYEE \$<br>E.L. DISEASE - POLICY LIMIT \$  |
| A        | Professional Liability  |           |          | 8502SS335180-7 | 2/9/2017                | 2/9/2018                | \$1,000,000 subj to agg \$3,000,000   |
| A        | Abuse or Molestation  |           |          | 8502SS335180-7 | 2/9/2017                | 2/9/2018                | \$1,000,000 subj to agtg \$2,000,000  |

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

|   |   |
|---|---|
| <b>CERTIFICATE HOLDER</b><br><br>State of New Hampshire<br>Department of Health and Human Services<br>129 Pleasant Sttreet<br>Concord, NH 03301 | <b>CANCELLATION</b><br><br>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<br><br>Pat Mack/PAT    |



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
4/28/2017

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).

|   |  |                                      |
|---|--|--------------------------------------|
| <b>PRODUCER</b><br>CGI Insurance<br>171 Londonderry Turnpike<br><br>Hooksett NH 03106                         | <b>CONTACT NAME:</b> Teri Davis<br><b>PHONE (A/C, No, Ext):</b> (603) 232-9398<br><b>E-MAIL ADDRESS:</b> tdavis@cgibusinessinsurance.com | <b>FAX (A/C, No):</b> (603) 622-4618 |
|   | <b>INSURER(S) AFFORDING COVERAGE</b>   |                                      |
| <b>INSURED</b><br>National Council on Alcoholism and Drug<br>101 Manchester Street<br><br>Manchester NH 03101 | <b>INSURER A:</b> Great Falls Insurance Company  |                                      |
|   | <b>INSURER B:</b>  |                                      |
|   | <b>INSURER C:</b>  |                                      |
|   | <b>INSURER D:</b>  |                                      |
|   | <b>INSURER E:</b>  |                                      |
|   | <b>INSURER F:</b>  |                                      |

**COVERAGES**                      **CERTIFICATE NUMBER:** 17-18 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 INSD | SUBR WVD | POLICY NUMBER                      | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS  |
|----------|--|-----------|----------|------------------------------------|-------------------------|-------------------------|---|
|          | <b>COMMERCIAL GENERAL LIABILITY</b><br><input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br>OTHER: |           |          |                                    |                         |                         | EACH OCCURRENCE \$<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$<br>MED EXP (Any one person) \$<br>PERSONAL & ADV INJURY \$<br>GENERAL AGGREGATE \$<br>PRODUCTS - COMP/OP AGG \$<br>\$                  |
|          | <b>AUTOMOBILE LIABILITY</b><br><input type="checkbox"/> ANY AUTO<br><input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS<br><input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS                           |           |          |                                    |                         |                         | COMBINED SINGLE LIMIT (Ea accident) \$<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$<br>\$   |
|          | <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR<br><b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE<br>DED    RETENTION \$  |           |          |                                    |                         |                         | EACH OCCURRENCE \$<br>AGGREGATE \$<br>\$  |
| <b>A</b> | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below  |           |          | 3A State: NH<br><br>WCD09246700-17 | 5/1/2017                | 5/1/2018                | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER<br>E.L. EACH ACCIDENT \$ 1,000,000<br>E.L. DISEASE - EA EMPLOYEE \$ 1,000,000<br>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)

|   |  |
|---|--|
| <b>CERTIFICATE HOLDER</b><br><br>State of New Hampshire<br>DHHS<br>129 Pleasant St<br>Concord, NH 03301 | <b>CANCELLATION</b><br><br>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.<br><br>AUTHORIZED REPRESENTATIVE<br><br>Mark Harvie/TERI |
|---|--|

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Serenity Place's mission is to provide opportunities for the chemically dependent person to become free of those chemicals, to maintain that freedom, and to return to the community as a contributing member.

**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE**

*Audited Financial Statements*

*For The Fiscal Years Ended*  
*June 30, 2016 and 2015*

**SERENITY PLACE  
NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
**Serenity Place**  
**National Council on Alcoholism and Drug Dependence Affiliate**  
Manchester, New Hampshire

We have audited the accompanying financial statements of Serenity Place, National Council on Alcoholism and Drug Dependence Affiliate (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities and changes in net assets, functional expenses 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 audit. We conducted our audit 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 Serenity Place, National Council on Alcoholism and Drug Dependence Affiliate as of June 30, 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.

*Penchansky & Co. PLLC*

Penchansky & Co., PLLC  
Certified Public Accountants  
Manchester, New Hampshire

January 17, 2017

**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE**  
**Statements of Financial Position**  
**As of June 30,**

**ASSETS**

|                                      | <b><u>Unrestricted</u></b> | <b><u>Temporarily<br/>Restricted</u></b> | <b><u>2016<br/>Totals</u></b> | <b><u>2015<br/>Totals</u></b> |
|--------------------------------------|----------------------------|--|-------------------------------|-------------------------------|
| <b><u>Current Assets:</u></b>        |                            |  |                               |                               |
| Cash and Cash Equivalents            | \$ 53,551                  | \$ 97,487                                | \$ 151,038                    | \$ 93,813                     |
| Accounts Receivable                  | 253,876                    | 0  | 253,876                       | 158,253                       |
| Insurance Claim Receivable           | 0                          | 0  | 0                             | 39,363                        |
| Prepaid Expenses                     | 22,370                     | 0  | 22,370                        | 21,000                        |
| Due from Temporarily Restricted Fund | 16,712                     | 0  | 16,712                        | 0                             |
|                                      | <u>346,509</u>             | <u>97,487</u>                            | <u>443,996</u>                | <u>312,429</u>                |
| <b><u>Fixed Assets:</u></b>          |                            |  |                               |                               |
| Land                                 | 42,371                     | 0  | 42,371                        | 42,371                        |
| Buildings                            | 71,430                     | 0  | 71,430                        | 71,430                        |
| Building Improvements                | 565,578                    | 0  | 565,578                       | 470,198                       |
| Furniture and Fixtures               | 93,525                     | 0  | 93,525                        | 71,241                        |
| Equipment                            | 118,555                    | 0  | 118,555                       | 99,276                        |
| Vehicles                             | 29,950                     | 0  | 29,950                        | 29,950                        |
| Website                              | 1,510                      | 0  | 1,510                         | 0                             |
| Less: Accumulated Depreciation       | (490,612)                  | 0  | (490,612)                     | (452,549)                     |
|                                      | <u>432,307</u>             | <u>0</u>                                 | <u>432,307</u>                | <u>331,917</u>                |
| <b><u>Other Assets:</u></b>          |                            |  |                               |                               |
| Investments at Market Value          | <u>0</u>                   | <u>0</u>                                 | <u>0</u>                      | <u>85,863</u>                 |
| Total Other Assets                   | <u>0</u>                   | <u>0</u>                                 | <u>0</u>                      | <u>85,863</u>                 |
| <b>Total Assets</b>                  | <b><u>\$ 778,816</u></b>   | <b><u>\$ 97,487</u></b>                  | <b><u>\$ 876,303</u></b>      | <b><u>\$ 730,209</u></b>      |

*-Continued on Next Page-*

*See Notes and Independent Auditor's Report*

SERENITY PLACE  
 NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE  
 Statements of Financial Position  
 As of June 30,

**LIABILITIES AND NET ASSETS**

|   | <u>Unrestricted</u>      | <u>Temporarily<br/>Restricted</u> | <u>2016<br/>Totals</u>   | <u>2015<br/>Totals</u>   |
|---|--------------------------|-----------------------------------|--------------------------|--------------------------|
| <b><u>Current Liabilities:</u></b>      |                          |                                   |                          |                          |
| Accounts Payable                        | \$ 127,515               | \$ 0                              | \$ 127,515               | \$ 46,673                |
| Accrued Expenses                        | 74,018                   | 0                                 | 74,018                   | 98,143                   |
| Due to Unrestricted                     | 0                        | 16,712                            | 16,712                   | 0                        |
| Deferred Revenue                        | 32,246                   | 0                                 | 32,246                   | 11,300                   |
| Line of Credit                          | 88,505                   | 0                                 | 88,505                   | 88,505                   |
| Current Portion of Notes Payable        | 5,000                    | 0                                 | 5,000                    | 5,000                    |
|   | <u>327,284</u>           | <u>16,712</u>                     | <u>343,996</u>           | <u>249,621</u>           |
| <b><u>Long Term Liabilities:</u></b>    |                          |                                   |                          |                          |
| Notes Payable, Net of Current Portion   | <u>10,000</u>            | <u>0</u>                          | <u>10,000</u>            | <u>15,000</u>            |
| Total Long Term Liabilities             | <u>10,000</u>            | <u>0</u>                          | <u>10,000</u>            | <u>15,000</u>            |
| Total Liabilities                       | <u>337,284</u>           | <u>16,712</u>                     | <u>353,996</u>           | <u>264,621</u>           |
| <b><u>Net Assets:</u></b>               |                          |                                   |                          |                          |
| Net Assets                              | <u>441,532</u>           | <u>80,775</u>                     | <u>522,307</u>           | <u>465,588</u>           |
| <b>Total Liabilities and Net Assets</b> | <b><u>\$ 778,816</u></b> | <b><u>\$ 97,487</u></b>           | <b><u>\$ 876,303</u></b> | <b><u>\$ 730,209</u></b> |

*See Notes and Independent Auditor's Report*

**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCY AFFILIATE**  
**Statements of Activities and Changes in Net Assets**  
**For The Years Ended June 30,**

|   | <u>Unrestricted</u> | <u>Temporarily<br/>Restricted</u> | <u>2016<br/>Totals</u> | <u>2015<br/>Totals</u> |
|---|---------------------|-----------------------------------|------------------------|------------------------|
| <b><u>Revenue and Support:</u></b>                    |                     |                                   |                        |                        |
| Governmental Agency Revenue                           | \$ 578,421          | \$ 145,380                        | \$ 723,801             | \$ 859,279             |
| Contributions   | 154,087             | 2,401                             | 156,488                | 112,600                |
| Grants  | 16,667              | 25,000                            | 41,667                 | 92,345                 |
| Charges For Services                                  | 915,227             | 0                                 | 915,227                | 403,208                |
| Fundraising   | 1,115               | 0                                 | 1,115                  | 130,217                |
| Other Revenue   | 55,198              | 0                                 | 55,198                 | 1,395                  |
| Net Assets Released from Restrictions:                |                     |                                   |                        |                        |
| Satisfaction of Program Restrictions                  | 113,717             | (113,717)                         | 0                      | 0                      |
| <b>Total Revenue and Support</b>                      | <u>1,834,432</u>    | <u>59,064</u>                     | <u>1,893,496</u>       | <u>1,599,044</u>       |
| <b><u>Expenses:</u></b>                               |                     |                                   |                        |                        |
| Program Services                                      | 1,484,344           | 0                                 | 1,484,344              | 1,307,072              |
| Fundraising   | 83,714              | 0                                 | 83,714                 | 99,271                 |
| General and Administrative                            | 267,056             | 0                                 | 267,056                | 198,644                |
| <b>Total Expenses</b>                                 | <u>1,835,114</u>    | <u>0</u>                          | <u>1,835,114</u>       | <u>1,604,987</u>       |
| Excess (Deficit) of Revenue and Support over Expenses | <u>(682)</u>        | <u>59,064</u>                     | <u>58,382</u>          | <u>(5,943)</u>         |
| <b><u>Other Revenue (Expenses):</u></b>               |                     |                                   |                        |                        |
| Interest and Investment Income                        | 94                  | 0                                 | 94                     | 5,047                  |
| Holding Gain (Loss) on Investments                    | (34,953)            | 0                                 | (34,953)               | (3,329)                |
| Gain (Loss) on Investments Sold                       | 33,196              | 0                                 | 33,196                 | 0                      |
| <b>Total Other Revenue (Expenses)</b>                 | <u>(1,663)</u>      | <u>0</u>                          | <u>(1,663)</u>         | <u>1,718</u>           |
| <b>Income (Loss) Before Unusual Items</b>             | <u>(2,345)</u>      | <u>59,064</u>                     | <u>56,719</u>          | <u>(4,225)</u>         |
| <b><u>Unusual or Infrequent Items:</u></b>            |                     |                                   |                        |                        |
| Loss on Abandonment of Project                        | <u>0</u>            | <u>0</u>                          | <u>0</u>               | <u>(45,446)</u>        |
| <b>Total Unusual or Infrequent Items</b>              | <u>\$ 0</u>         | <u>\$ 0</u>                       | <u>\$ 0</u>            | <u>\$ (45,446)</u>     |

*-Continued on Next Page-*

*See Notes and Independent Auditor's Report*

**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCY AFFILIATE**  
**Statements of Activities and Changes in Net Assets**  
**For The Years Ended June 30,**

|                                       | <u>Unrestricted</u> | <u>Temporarily<br/>Restricted</u> | <u>2016<br/>Totals</u> | <u>2015<br/>Totals</u> |
|---------------------------------------|---------------------|-----------------------------------|------------------------|------------------------|
| Net Increase (Decrease) in Net Assets | \$ (2,345)          | \$ 59,064                         | \$ 56,719              | \$ (49,671)            |
| Net Assets - Beginning of Period      | <u>443,877</u>      | <u>21,711</u>                     | <u>465,588</u>         | <u>515,259</u>         |
| Net Assets - End of Period            | <u>\$ 441,532</u>   | <u>\$ 80,775</u>                  | <u>\$ 522,307</u>      | <u>\$ 465,588</u>      |

*See Notes and Independent Auditor's Report*

**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE**  
**Statements of Functional Expenses**  
**For The Years Ended June 30,**

|                           | <u>Program Services - 2016</u> |                                  |                          |                                      |
|---------------------------|--------------------------------|----------------------------------|--------------------------|--------------------------------------|
|                           | <u>REAP</u>                    | <u>Withdrawal<br/>Management</u> | <u>Tirrell<br/>House</u> | <u>Intensive<br/>Out<br/>Patient</u> |
| <b><u>Expenses:</u></b>   |                                |                                  |                          |                                      |
| Salaries and Wages        | \$ 133,826                     | \$ 165,612                       | \$ 223,970               | \$ 52,612                            |
| Payroll Taxes             | 8,438                          | 15,292                           | 20,363                   | 4,010                                |
| Employee Benefits         | 14,231                         | 6,558                            | 25,391                   | 5,366                                |
| Client Food               | 165                            | 19,336                           | 80,449                   | 1,813                                |
| Professional Fees         | 4,268                          | 426                              | 633                      | 109                                  |
| Depreciation              | 5,648                          | 5,855                            | 7,221                    | 1,354                                |
| Utilities                 | 4,456                          | 5,813                            | 8,624                    | 1,254                                |
| Insurance                 | 3,229                          | 5,150                            | 12,911                   | 2,357                                |
| Educational Materials     | 10,673                         | 0                                | 0                        | 0                                    |
| Occupancy Expenses        | 8,275                          | 0                                | 0                        | 0                                    |
| Supplies                  | 2,589                          | 1,168                            | 6,188                    | 1,148                                |
| Repairs and Maintenance   | 2,383                          | 2,846                            | 5,800                    | 682                                  |
| Fundraising Events        | 0                              | 0                                | 0                        | 0                                    |
| Office Expense            | 2,519                          | 596                              | 139                      | 15                                   |
| Telephone and Internet    | 1,006                          | 1,038                            | 3,637                    | 352                                  |
| Staff Development         | 340                            | 702                              | 1,820                    | 25                                   |
| Equipment Lease           | 3,325                          | 1,017                            | 684                      | 112                                  |
| Bank and Credit Card Fees | 1,678                          | 0                                | 69                       | 0                                    |
| Travel and Entertainment  | 177                            | 243                              | 239                      | 34                                   |
| Advertising               | 0                              | 0                                | 0                        | 0                                    |
| Dues and Subscriptions    | 427                            | 448                              | 657                      | 111                                  |
| Postage                   | 248                            | 235                              | 333                      | 56                                   |
| Licenses and Fees         | 0                              | 200                              | 791                      | 0                                    |
| Interest                  | 0                              | 0                                | 0                        | 0                                    |
| Board Expenses            | 0                              | 0                                | 0                        | 0                                    |
| Client Expense            | 0                              | 12                               | 0                        | 0                                    |
| Printing                  | 655                            | 128                              | 7                        | 0                                    |
| Bad Debt Expense          | 0                              | 0                                | 0                        | 0                                    |
| Contributions             | 0                              | 0                                | 0                        | 0                                    |
| Miscellaneous             | 217                            | 106                              | 0                        | 0                                    |
| <b>Total Expenses</b>     | <b>\$ 208,773</b>              | <b>\$ 232,781</b>                | <b>\$ 399,926</b>        | <b>\$ 71,410</b>                     |

*-Continued on Next Page-*

*See Notes and Independent Auditor's Report*

**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE**  
**Statements of Functional Expenses**  
**For The Years Ended June 30,**

|                           | <u>Program Services - 2016</u> |                         |                         | <u>Total<br/>Program<br/>Services</u> |
|---------------------------|--------------------------------|-------------------------|-------------------------|---------------------------------------|
|                           | <u>Lin's<br/>Place</u>         | <u>Outpatient</u>       | <u>Wrap<br/>Around</u>  |                                       |
| <b><u>Expenses:</u></b>   |                                |                         |                         |                                       |
| Salaries and Wages        | \$ 258,979                     | \$ 73,051               | \$ 40,691               | \$ 948,741                            |
| Payroll Taxes             | 19,084                         | 4,306                   | 2,705                   | 74,198                                |
| Employee Benefits         | 33,749                         | 1,762                   | 3,278                   | 90,335                                |
| Client Food               | 59,793                         | 0                       | 0                       | 161,556                               |
| Professional Fees         | 891                            | 24                      | 1                       | 6,352                                 |
| Depreciation              | 9,841                          | 318                     | 0                       | 30,237                                |
| Utilities                 | 14,878                         | 224                     | 86                      | 35,335                                |
| Insurance                 | 11,569                         | 610                     | 310                     | 36,136                                |
| Educational Materials     | 0                              | 0                       | 0                       | 10,673                                |
| Occupancy Expenses        | 0                              | 2,114                   | 857                     | 11,246                                |
| Supplies                  | 5,322                          | 22                      | 0                       | 16,437                                |
| Repairs and Maintenance   | 7,551                          | 96                      | 114                     | 19,472                                |
| Fundraising Events        | 0                              | 0                       | 0                       | 0                                     |
| Office Expense            | 1,267                          | 1,639                   | 6,490                   | 12,665                                |
| Telephone and Internet    | 2,398                          | 77                      | 15                      | 8,523                                 |
| Staff Development         | 751                            | 145                     | 375                     | 4,158                                 |
| Equipment Lease           | 1,926                          | 176                     | 968                     | 8,208                                 |
| Bank and Credit Card Fees | 0                              | 6                       | 0                       | 1,753                                 |
| Travel and Entertainment  | 467                            | 1                       | 537                     | 1,698                                 |
| Advertising               | 0                              | 0                       | 0                       | 0                                     |
| Dues and Subscriptions    | 771                            | (56)                    | 2                       | 2,360                                 |
| Postage                   | 403                            | 13                      | 1                       | 1,289                                 |
| Licenses and Fees         | 400                            | 0                       | 0                       | 1,391                                 |
| Interest                  | 0                              | 0                       | 0                       | 0                                     |
| Board Expenses            | 0                              | 0                       | 0                       | 0                                     |
| Client Expense            | 15                             | 0                       | 0                       | 27                                    |
| Printing                  | 213                            | 0                       | 1                       | 1,004                                 |
| Bad Debt Expense          | 0                              | 0                       | 0                       | 0                                     |
| Contributions             | 0                              | 0                       | 0                       | 0                                     |
| Miscellaneous             | 183                            | 44                      | 0                       | 550                                   |
| <b>Total Expenses</b>     | <b><u>\$ 430,451</u></b>       | <b><u>\$ 84,572</u></b> | <b><u>\$ 56,431</u></b> | <b><u>\$ 1,484,344</u></b>            |

*-Continued on Next Page-*

*See Notes and Independent Auditor's Report*

**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE**  
**Statements of Functional Expenses**  
**For The Years Ended June 30,**

Supporting Services - 2016

| <u>Expenses:</u>          | <u>Fundraising</u> | <u>General Management</u> | <u>2016 Total</u>   | <u>2015 Total</u>   |
|---------------------------|--------------------|---------------------------|---------------------|---------------------|
| Salaries and Wages        | \$ 47,775          | \$ 175,602                | \$ 1,172,118        | \$ 1,086,059        |
| Payroll Taxes             | 3,863              | 14,045                    | 92,106              | 83,146              |
| Employee Benefits         | 1,783              | 3,595                     | 95,713              | 74,324              |
| Client Food               | 0                  | 0                         | 161,556             | 97,284              |
| Professional Fees         | 176                | 26,163                    | 32,691              | 19,702              |
| Depreciation              | 2,208              | 5,617                     | 38,062              | 35,485              |
| Utilities                 | 2,133              | 4,908                     | 42,376              | 42,999              |
| Insurance                 | 1,900              | 2,396                     | 40,432              | 31,407              |
| Educational Materials     | 0                  | 0                         | 10,673              | 11,775              |
| Occupancy Expenses        | 5,977              | 6,777                     | 24,000              | 370                 |
| Supplies                  | 265                | 697                       | 17,399              | 15,751              |
| Repairs and Maintenance   | 1,364              | 3,666                     | 24,502              | 24,252              |
| Fundraising Events        | 9,401              | 0                         | 9,401               | 17,790              |
| Office Expense            | 1,909              | 4,710                     | 19,284              | 7,158               |
| Telephone and Internet    | 477                | 878                       | 9,878               | 9,146               |
| Staff Development         | 315                | 2,497                     | 6,970               | 4,938               |
| Equipment Lease           | 1,953              | 2,059                     | 12,220              | 7,833               |
| Bank and Credit Card Fees | 90                 | 1,995                     | 3,838               | 6,063               |
| Travel and Entertainment  | 175                | 2,281                     | 4,154               | 3,529               |
| Advertising               | 1,475              | 40                        | 1,515               | 2,834               |
| Dues and Subscriptions    | 251                | 717                       | 3,328               | 3,871               |
| Postage                   | 105                | 1,415                     | 2,809               | 3,500               |
| Licenses and Fees         | 0                  | 207                       | 1,598               | 1,021               |
| Interest                  | 0                  | 3,304                     | 3,304               | 2,513               |
| Board Expenses            | 0                  | 0                         | 0                   | 44                  |
| Client Expense            | 0                  | 0                         | 27                  | 20                  |
| Printing                  | 119                | 180                       | 1,303               | 2,279               |
| Bad Debt Expense          | 0                  | 0                         | 0                   | 7,500               |
| Contributions             | 0                  | 0                         | 0                   | 0                   |
| Miscellaneous             | 0                  | 3,307                     | 3,857               | 2,394               |
| <b>Total Expenses</b>     | <b>\$ 83,714</b>   | <b>\$ 267,056</b>         | <b>\$ 1,835,114</b> | <b>\$ 1,604,987</b> |

*See Notes and Independent Auditor's Report*

**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE**  
**Statements of Cash Flows**  
**For the Years Ended June 30,**

|  | <u>Unrestricted</u> | <u>Temporarily<br/>Restricted</u> | <u>2016<br/>Totals</u> | <u>2015<br/>Totals</u> |
|--|---------------------|-----------------------------------|------------------------|------------------------|
| <b><u>Cash Flows from Operating Activities:</u></b>  |                     |                                   |                        |                        |
| Net Increase (Decrease) in Net Assets  | \$ (2,345)          | \$ 59,064                         | \$ 56,719              | \$ (49,671)            |
| <u>Adjustments to reconcile changes in net assets to<br/>net cash provided by (used for) operating activities:</u> |                     |                                   |                        |                        |
| Depreciation   | 38,062              | 0                                 | 38,062                 | 35,485                 |
| Realized (Gain) Loss on Sale of Investments  | (33,196)            | 0                                 | (33,196)               | 0                      |
| Holding (Gain) Loss on Investments   | 34,953              | 0                                 | 34,953                 | 3,329                  |
| Loss on Abandonment of Project   | 0                   | 0                                 | 0                      | 48,662                 |
| (Increase) Decrease in Accounts Receivable   | (95,623)            | 0                                 | (95,623)               | (2,992)                |
| (Increase) Decrease in Insurance Claim   | 39,363              | 0                                 | 39,363                 | (20,667)               |
| (Increase) Decrease in Prepaid Expenses  | (1,370)             | 0                                 | (1,370)                | (5,897)                |
| Increase (Decrease) in Accounts Payable  | 80,842              | 0                                 | 80,842                 | (2,342)                |
| Increase (Decrease) in Accrued Expenses  | (24,125)            | 0                                 | (24,125)               | 8,995                  |
| Increase (Decrease) in Deferred Revenue  | 20,946              | 0                                 | 20,946                 | (2,855)                |
| Total Adjustments  | <u>59,852</u>       | <u>0</u>                          | <u>59,852</u>          | <u>61,718</u>          |
| Net Cash Flows Provided by<br>(Used for) Operating Activities  | <u>57,507</u>       | <u>59,064</u>                     | <u>116,571</u>         | <u>12,047</u>          |
| <b><u>Cash Flows from Investing Activities:</u></b>  |                     |                                   |                        |                        |
| Acquisitions of Equipment  | (138,454)           | 0                                 | (138,454)              | (42,154)               |
| Proceeds from Sale of Investments  | 84,202              | 0                                 | 84,202                 | 0                      |
| Amounts Due to/from Temporarily  | (16,712)            | 16,712                            | 0                      | 0                      |
| Acquisitions of Investments  | <u>(94)</u>         | <u>0</u>                          | <u>(94)</u>            | <u>(5,048)</u>         |
| Net Cash Flows Provided by<br>(Used for) Operating Activities  | <u>\$ (71,058)</u>  | <u>\$ 16,712</u>                  | <u>\$ (54,346)</u>     | <u>\$ (47,202)</u>     |

*-Continued on Next Page-*

*See Notes and Independent Auditor's Report*

**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE**  
**Statements of Cash Flows**  
**For the Years Ended June 30,**

|   | <u>Unrestricted</u>     | <u>Temporarily<br/>Restricted</u> | <u>2016<br/>Totals</u>   | <u>2015<br/>Totals</u>  |
|---|-------------------------|-----------------------------------|--------------------------|-------------------------|
| <b><u>Cash Flows from Financing Activities:</u></b>           |                         |                                   |                          |                         |
| Principal Payments on Notes Payable                           | \$ (5,000)              | \$ 0                              | \$ (5,000)               | \$ (25,000)             |
| Proceeds from Line of Credit                                  | 0                       | 0                                 | 0                        | 125,955                 |
| Payments on Line of Credit                                    | <u>0</u>                | <u>0</u>                          | <u>0</u>                 | <u>(73,755)</u>         |
| Net Cash Flows Provided by<br>(Used for) Financing Activities | <u>(5,000)</u>          | <u>0</u>                          | <u>(5,000)</u>           | <u>27,200</u>           |
| Net Increase (Decrease) in<br>Cash and Cash Equivalents       | (18,551)                | 75,776                            | 57,225                   | (7,955)                 |
| Cash and Equivalents - Beginning of Year                      | <u>72,102</u>           | <u>21,711</u>                     | <u>93,813</u>            | <u>101,768</u>          |
| <b>Cash and Equivalents - End of Year</b>                     | <b><u>\$ 53,551</u></b> | <b><u>\$ 97,487</u></b>           | <b><u>\$ 151,038</u></b> | <b><u>\$ 93,813</u></b> |
| <b>Supplemental Cash Flow Disclosures:</b>                    |                         |                                   |                          |                         |
| Interest (net of amount capitalized)                          | <u>\$ 3,304</u>         | <u>\$ 0</u>                       | <u>\$ 3,304</u>          | <u>\$ 2,513</u>         |

*See Notes and Independent Auditor's Report*

**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**Nature of Organization & Activities:**

Serenity Place, a National Council on Alcoholism and Drug Dependence Affiliate (the "Organization"), is a non-profit organization formed under the laws of the State of New Hampshire in 1979 for the purpose of providing opportunities for the chemically dependent person to become free of those dependencies, to maintain that freedom and to return to the community as a contributing member.

**Note 1 - Summary of Significant Accounting Principles:**

**A. Method of Accounting**

The accompanying financial statements have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

**B. Basis of Presentation**

The Organization presents its financial statements following the Not-For-Profit Entities topic of the FASB Accounting Standards Codification with respect to financial statement presentation. Under this topic, the Organization is required to report information regarding its financial position and activities according to the three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. In addition, the Institute is required to present a statement of cash flows. The financial statements are presented using the three classes of net assets and are as follows:

**Unrestricted Net Assets:**

The portion of net assets of a not-for-profit Organization that is neither permanently restricted nor temporarily restricted by donor imposed stipulations.

**Temporarily Restricted Net Assets:**

The portion of net assets of a not-for-profit Organization resulting (a) from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations, (b) from other asset enhancements and diminishments subject to the same kinds of stipulations, and (c) for reclassifications to or from other classes of net assets as a consequence of donor-imposed stipulations, their expiration by passage of time, or their fulfillments and removal by actions of the Organization pursuant to those stipulations. Temporarily Restricted Net Assets at June 30, 2016 and 2015 were \$80,775 and \$21,711, respectively.

*-Continued on Next Page-*

SERENITY PLACE  
NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE  
Notes to the Financial Statements  
June 30, 2016 and 2015

**Note 1 - Summary of Significant Accounting Principles - Continued:**

**B. Basis of Presentation - Continued**

*Permanently Restricted Net Assets:*

The portion of net assets of a not-for-profit Organization resulting (a) from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Organizations, (b) from other asset enhancements and diminishments subject to the same kinds of stipulations, and (c) from reclassifications from or to other classes of net assets as a consequence of donor-imposed stipulations. There are no Permanently Restricted Net Assets at June 30, 2016 and 2015.

**C. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers all highly liquid deposits with maturity of three months or less to be cash and/or cash equivalents.

**D. Use of Estimates in the Preparation of Financial Statements**

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

**E. Income Taxes**

The Organization is exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code. There are no state income taxes due to the fact that the State of New Hampshire recognizes Section 501(c)(3) for exemption of organizations that are organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes. The Organization's evaluation on June 30, 2016 and 2015 revealed no uncertain tax positions that would have a material impact of the financial statements.

The Organization's information returns are subject to possible examination by the taxing authorities. For federal purposes the returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

*-Continued on Next Page-*

SERENITY PLACE  
 NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE  
 Notes to the Financial Statements  
 June 30, 2016 and 2015

**Note 1 - Summary of Significant Accounting Principles - Continued:**

**F. Fixed Assets**

Property and equipment are carried at cost and donations of property and equipment are recorded as support at fair value at the time of the gift. Acquisitions of property and equipment in excess of \$5,000 that meet the capitalization requirements are capitalized. Depreciation is computed using the straight-line method based on the assets' estimated useful lives. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized. The cost of maintenance and repairs is charged to operations as incurred; significant renewals and betterments are capitalized. The breakdown of assets relevant to useful life is as follows:

| <u>Description</u>         | <u>Method</u> | <u>Life</u> |
|----------------------------|---------------|-------------|
| Furniture and Fixtures     | Straight-Line | 5-7 years   |
| Equipment                  | Straight-Line | 3-5 years   |
| Vehicles                   | Straight-Line | 5 years     |
| Buildings and Improvements | Straight-Line | 5-39 years  |

**G. Accounts Receivable**

Accounts receivable are reported at net realizable value. Net realizable value is equal to the gross amount of receivables less an estimated allowance for uncollectible accounts. Historically, the Organization has not experienced material write offs, and therefore has not established an allowance account.

**H. Donor-Restricted Contributions**

The Organization's policy is to report donor-restricted contributions whose restrictions are met in the same reporting period, as unrestricted support, as there is no effect to reported restricted net assets.

**I. Investments**

The Organization follows the FASB Accounting Standards Codification with respect to investments. Under this subtopic, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. See Note No. 7.

*-Continued on Next Page-*

SERENITY PLACE  
 NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE  
 Notes to the Financial Statements  
 June 30, 2016 and 2015

**Note 1 - Summary of Significant Accounting Principles - Continued:**

**J. Fair Value of Financial Instruments**

Current accounting standards require the Organization to disclose estimated fair value for its financial instruments. The carrying amounts of cash, other receivables, prepaid expenses, accounts payable, accrued expenses and refundable advances approximate fair value because of the short maturity of those instruments.

**K. Advertising**

The Organization follows the policy of charging the costs of advertising to expense as they are incurred. Advertising expenses were \$1,515 and \$2,834 for the years ended June 30, 2016 and 2015, respectively.

**L. Functional Allocation of Expenses**

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

**Note 2 - Notes Payable:**

At June 30, 2016 and 2015, notes payable were as follows:

|  | <u>2016</u>             | <u>2015</u>             |
|--|-------------------------|-------------------------|
| Note Payable to the City of Manchester, bearing a fixed annual interest rate of 0%, payable in annual installments of \$5,000. Matures in October, 2018. | \$ 15,000               | \$ 20,000               |
| Total Note Payable   | 15,000                  | 20,000                  |
| Less: Current Maturities on Note Payable   | <u>(5,000)</u>          | <u>(5,000)</u>          |
| <b>Note Payable -- Long -Term Portion</b>  | <b><u>\$ 10,000</u></b> | <b><u>\$ 15,000</u></b> |

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**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**Note 2 - Notes Payable - Continued:**

Future minimum principal payments are as follows:

| For The Fiscal Years<br>Ended June 30, | Notes<br>Payable        |
|--|-------------------------|
| 2017                                   | \$ 5,000                |
| 2018                                   | 10,000                  |
| <b>Totals</b>                          | <b>\$ <u>15,000</u></b> |

**Note 3 - Temporarily Restricted Net Assets:**

Temporarily Restricted Net Assets at June 30, 2016 consist of the following:

|              |                         |
|--------------|-------------------------|
| Riverstone   | \$ 25,000               |
| CDFA         | <u>55,775</u>           |
| <b>Total</b> | <b>\$ <u>80,775</u></b> |

Temporarily Restricted Net Assets at June 30, 2015 consist of the following:

|   |                         |
|---|-------------------------|
| Bean Foundation – Building Repairs        | \$ 8,155                |
| Bishops Fund                              | 5,000                   |
| Samuel Hunt Foundation – Building Repairs | <u>8,556</u>            |
| <b>Total</b>                              | <b>\$ <u>21,711</u></b> |

**Note 4 - Concentration of Credit Risk - Cash in Bank:**

The Organization maintains its bank accounts with commercial banks, which could at times exceed federally insured limits. Management considers this risk minimal.

**Note 5 - Concentration of Revenue and Support Sources:**

The Organization's primary source of revenues are Block Grants for Prevention and Treatment of Substance Abuse passed through by the State of New Hampshire. Revenue is recognized as earned under the terms of the grant contract. Other support originates from charges for private services and miscellaneous income and grants.

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**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**Note 6 – Contributions:**

Donated materials, equipment and essential services are reflected as contributions in the accompanying financial statements at fair market value, at the date of the donation. The Organization also adopted a policy to record an in-kind donation for food procured at a below market rate from another non-profit organization. These transactions have been recorded as follows.

|   | <u>2016</u>       | <u>2015</u>      |
|---|-------------------|------------------|
| Donated services, materials, equipment and food | \$ <u>128,553</u> | \$ <u>57,286</u> |

**Note 7 – Investments:**

The cost and fair market values of investment securities held are as follows:

| Description         | Cost             | Fair Market Value | Accumulated Holding Gains Or (Losses) |
|---------------------|------------------|-------------------|---------------------------------------|
| Mutual Funds - 2016 | \$ <u>51,004</u> | \$ <u>84,200</u>  | \$ <u>0</u>                           |
| Mutual Funds – 2015 | \$ <u>50,910</u> | \$ <u>85,863</u>  | \$ <u>34,953</u>                      |

Current year realized gains were \$33,196 for the year ended June 30, 2016.

Prior year unrealized losses were \$3,329 for the year ended June 30, 2015.

**Note 8 – Fair Value Measurements:**

The Organization utilizes all relevant and available information in measuring fair value of investment assets and liabilities in accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*. The fair value hierarchy of ASC 820 prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 - Quoted prices in active markets for similar assets or markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement and may require the School to develop its own assumptions.

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**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**Note 8 – Fair Value Measurements - Continued:**

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Some of the Organization's financial assets are not measured on a recurring basis but nevertheless are recorded at amounts that approximate fair value due to their liquid or short term nature. Such financial assets and liabilities include cash and bank deposits, certificates of deposit, accounts receivable and accounts payable.

The following is a description of the valuation methodologies used for assets measured at fair value:

*Money Market Fund, Mutual Funds and Equity Investments:* Valued at the net asset value (NAV) of shares held by the Organization at year end as reported by the investment management firm.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of June 30, 2016;

|                               | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------|---------|---------|---------|-------|
| Corporate Equity Mutual Funds | \$0     | \$0     | \$0     | \$0   |

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of June 30, 2015;

|                               | Level 1  | Level 2 | Level 3 | Total    |
|-------------------------------|----------|---------|---------|----------|
| Corporate Equity Mutual Funds | \$85,863 | \$0     | \$0     | \$85,863 |

*-Continued on Next Page-*

**SERENITY PLACE**  
**NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE AFFILIATE**  
**Notes to the Financial Statements**  
**June 30, 2016 and 2015**

**Note 9 – Line of Credit:**

As of June 30, 2016 and June 30, 2015, there was a \$100,000 line of credit available through a commercial bank. The line of credit carries an interest rate of 4.00%. At June 30, 2016 and June 30, 2015 there was \$88,505 outstanding on this credit line.

**Note 10 – Involuntary Conversion:**

In 2015, the Organization became aware of a loss of funds that occurred over years ending June 30, 2015 and 2014. The loss was isolated to the transitional living program for adult men. The amount of the loss was estimated to be \$20,667 and \$18,696 for the years ending June 30, 2015 and 2014.

The amount of the loss estimated is covered by insurance and an insurance claim was filed to recover the loss. A receivable for the total amount of the loss of \$39,363 was established at June 30, 2015. At June 30, 2016, the Organization collected on the receivable claim.

**Note 11 – Abandonment of Project:**

The Organization has chosen to capitalize legal, consulting and feasibility costs related to the search and construction of a new premise of additional space for the expansion of the Organization. The capitalized costs related to such activities are expensed when the Organization deems that the space under consideration will not meet the needs of the Organization. The costs associated with the abandoned projects as of June 30, 2015 are \$45,446. The Organization is continuing the search for suitable additional space.

**Note 12 – Subsequent Events:**

The Organization has evaluated subsequent events thru January 17, 2017, which is the date the financial statements were available to be issued. Management asserts that there are no events which meet the criteria for disclosure.

Serenity Place Board of Directors – FY2016-2017

| <b>NAME</b>                                 | <b>BUSINESS ADDRESS</b> |
|---|-------------------------|
| Roger Beauchamp                             | Manchester, NH 03103    |
| Jeff Benson                                 | Manchester, NH 03104    |
| Tiffany Cavanaugh<br>Treasurer              | Manchester, NH 03101    |
| Mary Constance                              | Bedford, NH             |
| John FitzGerald, III<br>President           | Manchester, NH 03104    |
| Ross Kukish<br>Secretary                    | Wilton, NH 03086        |
| Anthony Messina                             | Salem, NH 03079         |
| Michael<br>O'Shaughnessy<br>Vice- President | Manchester, NH 03104    |
| Russ Ouellette                              | Bedford, NH 03110       |
| Barbara Potvin                              | Bedford, NH 03110       |
| Bobby Schultz                               | Nashua NH               |
| Alan Villeneuve                             | Goffstown, NH 03045     |

All Board Meetings are the 4<sup>th</sup> Thursday of the month at 4:15 p.m.  
No Board Meetings during the months of July and December.

**Dominic Donahue, NCC, LMHC, LADC 1, CADAC.**

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**Objective**

A challenging position as that would provide support, education and awareness to individuals.

**Summary of Qualifications**

- \* Excellent communication skills, both oral and written needs of others
- \* Experience with curriculum development and implementation
- \* Effective Presentation Skills
- \* Management leadership and organizational skills
- \* Extensive experience in crisis intervention
- \* Substantial understanding of the dynamics of domestic violence.

**Professional Accreditation**

- \* Nationally Certified Counselor (NCC)
- \* Certified Clinical Mental Health Counselor (CCMHC)
- \* Certified Alcohol and Drug Abuse Counselor (CADAC) and (LADC 1)
- \* Certified Co-Occurring Disorder Professional- Diplomate (CCDP-D)
- \* Substance Abuse Professional (SAP) Department of Transportation Certification
- \* Approved Clinical Supervisor certified (ACS)
- \* Certified Batterer's Intervention Counselor
- \* Spiritual Care giving to Help Addicted Persons and Families Certificate
- \* Substance Abuse Counseling Certificate
- \* Certified HIV/AIDS Educator
- \* Criminology Certificate
- \* CPR and First Aid Certified

**Professional Background**

Serenity Place, Manchester, NH

2014 – Present

**Clinical Director**

- Direct supervision of clinical programs and personnel.
- Assist in developing and supervising provisions of all clinical records and programs offered by the Agency.
- Assist with grant and proposal writing.
- Maintain compliance with federal, state, and local regulations.
- Screen, train, and supervise existing and new staff to develop and build an effective organization.
- Proficient in Evidence Based Practices.
- Retain working relationship with organizations, service providers, and other agencies.
- Maintain a high level of professional and ethical standards.
- Schedules and leads regular case conferences. Promotes and maintains an atmosphere which encourages and facilitates a client review process to ensure coordinated, comprehensive, and individualized provision of client services.
- Oversees the training of new employees in the Staff Code of Ethics and confidentiality policies.

Roxbury Community Health Care Center, Roxbury, MA

2012-2013

**Senior Clinician/ Suboxone Program Coordinator**

- Provide assessment, diagnosis, and treatment for psychological illness and Substance Abuse through case management, individual, group, family and marital Psychotherapy, consultation, education and prevention to promote maximum benefits from the services provided.
- Attend, present and complete necessary documentation for case management team meetings
- Conducting clinical assessments of individuals, couples and families.

- Conduct substance abuse groups and explore symptoms, underlying causes and consequences to the individual, couples and families.
- Focused on discussing behavior responsibility, motivation and attitudes in achieving redirected behavior.

Arbour Counseling Services: Allston, Ma

2004-2012

**Program Director-School-Based Program**

- Supervised 10-15 Clinicians weekly while working with K-12 students within Boston Public Schools
- Conducted individual as well as group counseling sessions for students facing behavioral and developmental problems
- Conducted seminars/workshops for Teachers and Parents on Developmental and adjustment issues in classroom.
- Conducted several seminars for parents and suggested ways to overcome the behavioral problems of their children.
- Acted as a successful link between students, their teachers and parents.
- Maintained all records and all billing issues related to program development.

HRI, Arbour Hospital, Brookline, MA

2002-2004

**Triangle PHP Clinical Coordinator**

- Provided high end clinical work and treatment services to patients with complex psychosocial needs and Substance abuse diagnosis's independently as well as in group therapy.
- Evaluated patients at admission and formulated appropriate treatment plans.
- Took a fundamental role in coordinating services with the interdisciplinary team and community agencies to ensure appropriate patient care.
- Provided ongoing case management along with advocacy services for patients with medically related social and emotional problems.
- Re-evaluated at appropriate intervals with patients and maintained electronic records in accordance with Hospital and State regulations.

Spectrum Health Systems, Inc. Somerville, Ma

2001-2002

**Clinical Director –Spectrum Shelter for Boys.**

- Provided emergency services with day services for children ages 11-18 in a stabilization program.
- Provided necessary supervision and administration to 30 clinical and staff employees.
- Initiate and formulate treatment planning and discharge planning.
- Offered various kinds of family therapy instructions with psychology internship programs.
- Worked as the responsible authority for all aspects of admissions, clinical care, and crisis work along with psychiatric day services for children with severe mental health and development problems.
- Supervised treatment action for 30 clients for a 45 day period along with educational and clinical needs.

"Reaching out to Women", Lynn, Ma

2000-2001

**Senior clinician**

- Performed individual and group substance abuse counseling psychotherapy
- Conducted court-ordered evaluations and conducted specialized assessments for Court mandated women
- Worked with women on issues around trauma, domestic violence, and substance abuse, evaluated and reported progress.

Tri-City Mental Health & Retardation Center, Lynn, Ma.

1999-2001

**Group Facilitator in Batterer's Intervention**

- Conducted batterer's intervention group using Deluth Model of Intervention.
- Conducted individual assessments and ongoing treatment involvement
- Managed a high caseload (up to 45)

Essex County Correctional Facility, Middleton, Ma

1997-1999

**Alternatives to Domestic Violence & Abuse Program  
Program Director**

- Tracking record of the domestic violence cases with administration for parole and probation departments.
- Receiving cases from other units and prisons and classifying them according to given parameters.
- Conducting batterer's intervention groups within a jail setting.
- Supervising all staff clinical and officers.
- Supervising progression with enforcement of legal policies and codes.

Serenity Supportive Housing, Topsfield, Ma.

1995-1997

**Assistant Program Director**

- provided counseling to HIV infected patients and motivated them for a healthy happy life
- Delivered lectures on the role of society towards HIV patients
- Conducted HIV tests and both pre and post counseling sessions for individuals.
- Conducted HIV/AIDS educational workshops for college students.

**Educational Background**

- \* **Doctor of Clinical Psychology Candidate**, January 2010-present  
California Southern University
- \* **Masters of Science in Clinical Psychology** May 2004  
Salem State College Salem, Ma, U.S.A
- \* **New England School of Addiction Studies, summer 2000.**  
University of Eastern Connecticut, Willimantic, CT.
- \* **Masters of Education in Integrated Studies, 2000**  
Cambridge College, Cambridge, Ma, U.S.A
- \* **Graduate Courses in Psychology, 1998**  
University Of Massachusetts at Boston, Boston, Ma. U.S.A.
- \* **Bachelor of Arts degree in Sociology and Folklore 1994**  
Memorial University of Newfoundland, St. John's, Newfoundland
- \* **Bachelor of Education (Adult Education), Sept. 2005-present.**  
Memorial University of Newfoundland, St. John's Newfoundland
- \* **Associate's Degree in Science. Major in Drug and Alcohol Rehabilitation, 1996**  
North Shore Community College, Danvers, Ma. U.S.A

**References Available upon Request**

# Jamie Hill

## Objective

To continue my career with an organization that will utilize my Management, Finance and Administrative skills to benefit mutual growth and success.

## Experience

### Serenity Place - Controller

January 2016 - Present

- Prepare and analyze financial statements and reports.
- Plan, coordinate and participate in auditing assignments.
- Perform day-to-day procedures important to Serenity Place's financial operations.
- Prepare all journal entries and reconcile general ledger & subsidiary accounts.
- Reconcile all cash accounts to bank statements and prepare supporting schedules on a monthly basis.
- Monitor deferred revenue from various lines of business.
- Update customer receivables to reflect billing to insurance.
- Manage cash flow daily, prepare cash flow forecast and review with CEO weekly.
- Reconcile temporarily restricted assets and prepare monthly revenue reports to review with the CEO.
- Prepare annual and mid-year budgets.
- Maintain a schedule of fixed assets and record monthly depreciation, disposals and additions; coordinate physical inventory of assets.
- Assist in preparation of year-end audit reports and schedules.
- Assist in open enrollment meetings with broker, CEO and HR to negotiate costs of benefit plans offerings for staff.
- Oversee Accounts Payable, Accounts Receivable and Payroll functions
- Provide supervision to staff directly assigned to Accounting Department.
- Responsible for relationships with all vendors.
- Contribute to a respectful and collegial work place atmosphere while actively advancing the mission of Serenity Place.

### Control Technologies - Accounting Assistant

July 2015 - January 2016

- Manage payroll processing for 100+ employees in CA, MA and NH.
- Process tax payments and 401K deferral payments.
- Report certified payroll to sub-contractors and government agencies.
- Monthly contract billing.
- Various office tasks as needed.

### Accountemps – Salaried Professional Sr. Accountant

July 2014 – July 2015

- Assist clients with various accounting/finance needs and projects

#### WhippleHill Communications

- Assisted client with acquisition and transfer of Human Resources and Payroll to Parent Company.
- Assisted CFO and Senior Accountant with Payroll, Benefits Management, Accounts Payable, Accounts Receivable, Bank Reconciliations, Balance Sheet Reconciliations, Vacation Accruals, Budgeting and P&L reporting.

Bauer Hockey

- Assist client with staff deficit in the Accounts Payable department.
- Duties include, but not limited to: Process weekly check/wire payments, update daily cash, process audit files for bank, process/audit employee expense reports, update international currency rates, process journal entries and update accrual files.

**Gigunda Group, Inc. – Director of Finance**

**March 2012 – May 2014**

- Supervise, Manage and Mentor the Finance and Administration department by utilizing their skills and strengths and ensure the accurate reporting of the corporate financials.
- Review program budgets with Account Services and Sales teams to ensure maximum profitability on programs.
- Forecast monthly budgets and analyze monthly expenses to provide CEO and CFO with monthly/quarterly profit and loss reporting along with giving an analysis of the budget vs. actual variances.
- Report current and future revenue pipeline on weekly basis and provide profit and loss estimates to CEO and CFO on a regular basis.
- Established controls and policies for corporate expenses and credit card purchases.
- Manage HR benefits, 401k, employee contracts, Non-Disclosure agreements, Independent contractor agreements, corporate insurance, yearly accounting review/audit, and ensure the corporate taxes were prepared and filed in a timely manner.

**Gigunda Group, Inc. – Accounting Assistant**

**January 2008 – March 2012**

- Ensure the accurate entry of all accounts payable and payroll transactions.
- Managed relationships with vendors and clients by ensuring the timely payment of vendor invoices and accurately invoicing clients.
- Manage HR files of 75 – 200 employees, including employee contracts, background checks, state/federal forms, wage garnishments and benefit eligibility.
- Managed the CEO's related party companies and established their corporate books and payroll on Quickbooks.

**Manchester Radio Group – Assistant Business Manager**

**May 2002 – June 2007**

- Ensure the accurate entry of all accounts payable, payroll and customer payments.
- Managed weekly cash and forecast reporting to corporate office.
- Managed relationships with vendors by ensuring the timely payment of vendor invoices.
- Manage HR files of approximately 20 employees, including employee contracts, state/federal forms, wage garnishments and benefit eligibility.
- Established controls to ensure compliance with Sarbanes Oxley rules and regulations.
- Managed yearly audit with outside auditors.

## **Education**

**Hesser College – Associates in Accounting**

**January 2001 – May 2003**

Pursued my passion for numbers and analyzing problems.

## **Skills**

Verbal and written communication, partner relationship management, attention to detail and organized, self-sufficient and proactive, presentation experience, ability to train others, analytical thinking and planning, accuracy and attention to detail, organizational and prioritization, leadership.

## **Computer Applications**

QuickBooks Pro, QuickBooks Enterprise, Intuit Payroll, Peachtree, Macola, NetSuite, MS Word, MS Excel, MS PowerPoint, ADP, Ceridian, SAP, Trac, Maxwell.

## KEY ADMINISTRATIVE PERSONNEL

### NH Department of Health and Human Services

Vendor Name: Serenity Place-NCADD/GM

Name of Program/Service: RAP Services

| <b>BUDGET PERIOD:</b>   |  |  |   |
|---|--|--|---|
| <b>Name &amp; Title Key Administrative Personnel</b>                                    | <b>Annual Salary of Key Administrative Personnel</b> | <b>Percentage of Salary Paid by Contract</b> | <b>Total Salary Amount Paid by Contract</b> |
| Stephanie Bergeron - Executive Director   | \$36,411   | 6.67%  | \$2,428.58                                  |
| Dominic Donahue - Clinical Director   | \$35,613   | 6.67%  | \$2,375.35                                  |
| Jamie Hill - Finance Director   | \$32,500   | 4.00%  | \$1,300.00                                  |
| Susan Ouellet - Development Director  | \$24,000   | 1.25%  | \$300.00                                    |
| Julia Reilly - Program Director   | \$29,150   | 7.50%  | \$2,186.25                                  |
|   | \$0  | 0.00%  | \$0.00                                      |
|   | \$0  | 0.00%  | \$0.00                                      |
|   | \$0  | 0.00%  | \$0.00                                      |
|   | \$0  | 0.00%  | \$0.00                                      |
|   | \$0  | 0.00%  | \$0.00                                      |
|   | \$0  | 0.00%  | \$0.00                                      |
|   | \$0  | 0.00%  | \$0.00                                      |
|   | \$0  | 0.00%  | \$0.00                                      |
| <b>TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)</b> |  |  | <b>\$8,590.18</b>                           |

Key Administrative Personnel are top-level agency leadership (Executive Director, CEO, CFO, etc.). These personnel **MUST** be listed, even if no salary is paid from the contract. Provide their name, title, annual salary and percentage of annual salary paid from the agreement.



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

Jeffrey A. Meyers  
Commissioner

Kathleen A. Dunn  
Associate Commissioner

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

March 2, 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 to enter into a **sole source** agreement with National Council on Alcoholism and Drug Dependence/Greater Manchester (Vendor # 177265 R001) 101 Manchester Street, Manchester, NH 03101 for the provision of Regional Access Point Services to assist individuals with substance use disorders obtain the help they need in an amount not to exceed \$197,945 effective upon Governor and Executive Council approval through June 30, 2017. 18% Federal, 82% Other (Liquor Commission)

Funds to support this request are available in the following accounts in State Fiscal Year 2016 and State Fiscal Year 2017, upon the availability and continued appropriation of funds in the operating budget, with the authority to adjust encumbrances between state fiscal years through the Budget Office, if needed and justified, without further approval from the Governor and Executive Council.

**05-95-49-491510-2989 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, GOVERNOR COMMISSION FUNDS (100% Other Funds)**

| FISCAL YEAR | CLASS      | TITLE                      | ACTIVITY CODE     | AMOUNT           |
|-------------|------------|----------------------------|-------------------|------------------|
| 2016        | 102-500734 | Contracts for Program Svcs | 49158501          | \$32,500         |
| 2017        | 102-500734 | Contracts for Program Svcs | 49158501          | \$130,000        |
|             |            |                            | <b>SUB TOTAL:</b> | <b>\$162,500</b> |

**05-95-49-491510-2990 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, CLINICAL SERVICES (34.4% General 65.6% Federal)**

| FISCAL YEAR | CLASS      | TITLE                      | ACTIVITY CODE          | AMOUNT           |
|-------------|------------|----------------------------|------------------------|------------------|
| 2016        | 102-500734 | Contracts for Program Svcs | 49156501               | \$7,095          |
| 2017        | 102-500734 | Contracts for Program Svcs | 49156501               | \$28,350         |
|             |            |                            | <b>SUB TOTAL:</b>      | <b>\$35,445</b>  |
|             |            |                            | <b>Contract Total:</b> | <b>\$197,945</b> |

### EXPLANATION

This is a **sole source** agreement because the Governor's Commission on Alcohol and Drug Abuse Prevention, Treatment and Recovery (Governor's Commission) selected this vendor to provide Regional Access Point Services in the Greater Manchester area.

The purpose of this agreement is to provide of substance use disorder (SUD) information, screening, evaluation, and referral services to any individual living, working, or otherwise seeking services in the Greater Manchester Area. The Regional Access Point Service Program provides a wide array of services from housing stabilization to case management assistance, which includes scheduling appointments as well as ensuring that evaluations and screening processes are completed. Additionally, the program ensures appropriate referrals are made while maintaining continual communication with clients in order to record progress.

This agreement contains language which allows the Department to extend for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and Governor and Executive Council approval.

Should the Governor and Executive Council not approve this request, Regional Access Point Services would not be available to individuals in the Greater Manchester Area. The inability to access these services will negatively impact an individual's ability to achieve and/or maintain recovery from substance use disorders.

If general funds become no longer available, no federal funds will be requested to support this agreement.

Area Served: Greater Manchester

Source of Funds: 18% Federal (CFDA # 93.959; FAIN #TI010035-15), 82%Other (Liquor Commission)

Respectfully submitted,



Kathleen A. Dunn  
Associate Commissioner

Approved by:



Jeffrey A. Meyers  
Commissioner

Subject: Substance Use Disorder Regional Access Point Services - Greater Manchester (SS-2016-BDAS-03-Regio)

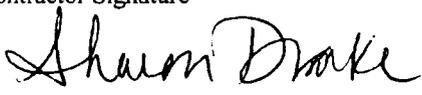
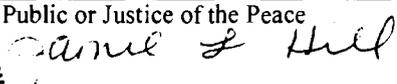
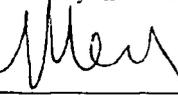
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

|   |  |  |                                   |
|---|--|--|-----------------------------------|
| 1.1 State Agency Name<br>Department of Health & Human Services  |  | 1.2 State Agency Address<br>129 Pleasant Street<br>Concord, NH 03301                       |                                   |
| 1.3 Contractor Name<br>National Council on Alcoholism and Drug Dependence/<br>Greater Manchester  |  | 1.4 Contractor Address<br>101 Manchester Street<br>Manchester, NH 03101                    |                                   |
| 1.5 Contractor Phone Number<br>(603) 625-6980   | 1.6 Account Number<br>05-95-49-491510-2989<br>05-95-49-491510-2990 | 1.7 Completion Date<br>June 30, 2017   | 1.8 Price Limitation<br>\$197,945 |
| 1.9 Contracting Officer for State Agency<br>Eric D. Borrin, Director  |  | 1.10 State Agency Telephone Number<br>(603) 271-9558                                       |                                   |
| 1.11 Contractor Signature<br>   |  | 1.12 Name and Title of Contractor Signatory<br>Sharon Drake, CEO                           |                                   |
| 1.13 Acknowledgement: State of <u>NH</u> , County of <u>Hillsborough</u><br>On <u>2/24/16</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. |  |  |                                   |
| 1.13 Signature of Notary Public or Justice of the Peace<br>  |  |  |                                   |
| 1.13 Name and Title of Notary or Justice of the Peace<br>L. Hill Notary   |  |  |                                   |
| 1.14 State Agency Signature<br>Kathleen Gunn Date: <u>3/1/16</u>  |  | 1.15 Name and Title of State Agency Signatory<br>Kathleen A Dunn<br>Associate Commissioner |                                   |
| 1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)<br>By: _____ Director, On: _____  |  |  |                                   |
| 1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable)<br>By:  On: <u>3/16/16</u><br>Megan A. York Attorney   |  |  |                                   |
| 1.18 Approval by the Governor and Executive Council (if applicable)<br>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 SD  
Date 2/24/16

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 SD  
Date 2/24/16



Exhibit A

Scope of Services

1. Provisions Applicable to All Services

- 1.1. 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.
- 1.2. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to program services within ten (10) days of the contract effective date.
- 1.3. The Contractor shall pursue any and all appropriate public sources of funds that are applicable to the funding of the Services, operations prevention, acquisition, or rehabilitation. Appropriate records shall be maintained by the Contractor to document actual funds received or denials of funding from such public sources of funds.
- 1.4. For the purposes of this contract, any reference to days shall mean calendar days.
- 1.5. For the purposes of this contract, all data entry, documentation and recording shall be completed using the Web Information Technology System (WITS) currently used by the Contractor to provide similar services.
- 1.6. The Contractor shall obtain and maintain a service site, which shall comply with all fire, health, and safety codes which shall include but not be limited to being handicap and wheelchair accessible.
- 1.7. The Contractor shall obtain written approval from the Department prior to entering into any agreement regarding service site relocation.:
- 1.8. The Contractor shall comply with the Department's Sentinel Event policy in Exhibit A-1, Sentinel Event Policy.
- 1.9. The Contractor shall participate in the Regional Public Health Network(s) associated the towns served by the Regional Access Point (RAP), which shall include, but not be limited to:
  - 1.9.1. Working with the Continuum of Care Facilitator(s) in the development of a resiliency and recovery oriented system of care (RROSC) in the region(s).
  - 1.9.2. Participating in the Regional Continuum of Care Workgroup(s).
- 1.10. The contractor shall engage in quality assurance and management activities, which shall include but not be limited to:
  - 1.10.1. Site reviews by the Department.



Exhibit A

- 1.10.2. Other quality assurance and management activities, as determined by the Department.

**2. Services to Be Provided**

- 2.1. The Contractor shall develop a Regional Access Point (RAP) for the provision of substance use disorder (SUD) information, screening, evaluation, case management and referral services to any individual living, working, or otherwise seeking services in the Greater Manchester Area. The Contractor shall, at a minimum, provide the Department with:

2.1.1. A plan that details how the RAP will deliver the services described in 2.1.

2.1.2. At the direction of the Department, the Contractor will be expected to work with the Department and the Center for Excellence (Bureau of Drug and Alcohol Services contracted technical assistance provider) to replicate this model in other areas of the State.

- 2.2. The Contractor shall provide RAP services to assist individuals who have substance use disorders who:

2.2.1. Are age 12 or older or under age 12 with the consent of a parent or other legal guardian, with substance use disorders; and

2.2.2. Are Residents of or homeless in New Hampshire.

- 2.3. The Contractor shall conduct outreach activities to promote and market RAP services, statewide, to individuals, health and social service agencies, businesses and community members. The Contractor shall ensure outreach activities include but are not limited to:

2.3.1. Developing printed materials using customized versions of 'Anyone. Anytime. NH,' for broad distribution, which may include, but is not limited to:

2.3.1.1. Brochures.

2.3.1.2. Flyers.

2.3.1.3. Display posters.

2.3.1.4. Pens.

2.3.1.5. Magnets.

2.3.1.6. Other marketing tools.

2.3.2. Publicizing telephone numbers, web addresses and other contact information associated with the information channels described in Section 2.4.



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- 2.3.3. Establishing and actively monitoring social media sites, which may include Facebook and Twitter.
- 2.3.4. Ensuring outreach activities target core community sectors that include, but are not limited to:
  - 2.3.4.1. Health & medical.
  - 2.3.4.2. Safety & law enforcement.
  - 2.3.4.3. Education.
  - 2.3.4.4. Business.
  - 2.3.4.5. Government.
  - 2.3.4.6. Community & family supports.
- 2.4. The Contractor shall develop multiple information channels by which an individual may request information that shall include, but not be limited to telephone, e-mail, and in-person. The Contractor shall:
  - 2.4.1. Respond to all requests for information within 24 hours of receiving requests for information.
  - 2.4.2. Ensure, at minimum, one information channel is available to the public 24 hours per day, 7 days per week, which may include a live answering service during 'off hours'.
  - 2.4.3. Ensure information available through all information channels includes, but is not limited to types and locations of services available:
    - 2.4.3.1. For Substance Use Disorder (SUD) treatment.
    - 2.4.3.2. For SUD recovery support.
    - 2.4.3.3. To support friends, family members and other concerned individuals.
- 2.5. The Contractor shall respond to requests for substance use disorders treatment services by scheduling a screening appointment for the client. The Contractor shall:
  - 2.5.1. Ensure the screening appointment is scheduled within 48 hours of the client's initial request for services.
  - 2.5.2. Provide an appointment date that is within ten (10) days of scheduling the appointment.
  - 2.5.3. Ensure the screening appointment:



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- 2.5.3.1. Can be completed by the client in person; by telephone, or face-to-face.
- 2.5.3.2. Is completed by a Certified Recovery Support Worker (CRSW), who shall, at a minimum:
  - 2.5.3.2.1. Gather client demographic, contact, and emergency contact information.
  - 2.5.3.2.2. Identify payer sources available to the client
  - 2.5.3.2.3. Use an evidence based screening tool, as approved by the Department, to determine the likelihood of a substance use disorder, as defined by the DSM 5.
- 2.5.4. Document client profile, intake and admission information in WITS within 3 days of completing the screening.
- 2.6. The Contractor shall schedule, either directly or through Memorandums of Understanding with SUD treatment providers in the service area, evaluations of clients who screen positive for substance use disorder within 48 hours of the completed screening in Section 2.5, as appropriate. The Contractor shall ensure:
  - 2.6.1. Evaluations are completed within 10 days of scheduling the evaluation.
  - 2.6.2. Evaluations are completed by a Licensed Alcohol and Drug Counselor (LADC) or Master Licensed Alcohol and Drug Counselor (MDLAC).
  - 2.6.3. Clients are assessed in all American Society of Addiction Medicine (ASAM, October 2013) dimensions.
  - 2.6.4. Evaluations are completed using one or more evidence based evaluation tools.
  - 2.6.5. Evaluations meet 'Addiction Counseling Competencies, TAP 21' standards. (<http://store.samhsa.gov/product/TAP-21-Addiction-Counseling-Competencies/SMA15-4171>)
  - 2.6.6. Evaluations include a DSM 5 Substance Use Disorder diagnosis when appropriate.
  - 2.6.7. Recommendations are provided to clients diagnosed as having a substance use disorder, as appropriate, which may include, but are not be limited to, recommendations for:
    - 2.6.7.1. An initial ASAM level of care.
    - 2.6.7.2. Recovery support and/or other needed services.

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Substance Use Disorder Regional Access Point Services**



**Exhibit A**

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- 2.6.7.3. Interim services if the indicated ASAM level of care is not immediately available to the client.
- 2.6.8. Diagnosis information is entered into WITS within three (3) days of completing each evaluation.
- 2.7. The Contractor shall provide referral services to clients in order to meet the recommendations that result from the evaluation in Section 2.6.6. The Contractor shall:
  - 2.7.1. Ensure referral services are provided by a Certified Recovery Support Worker (CRSW).
  - 2.7.2. Ensure referral services include, but are not limited to:
    - 2.7.2.1. Identifying provider agencies that can meet the evaluation recommendations in Section 2.6.6.
    - 2.7.2.2. Contacting the provider agency on behalf of the client, as appropriate.
    - 2.7.2.3. Assisting the client with making contact with the provider agency, as appropriate.
    - 2.7.2.4. Supporting the client in meeting the admission/entrance/intake requirements of the provider agency.
  - 2.7.3. Develop and maintain a database of provider agencies to meet the needs of clients, which may include, but are not limited to:
    - 2.7.3.1. Substance use disorder treatment and recovery support services.
    - 2.7.3.2. Physical health services.
    - 2.7.3.3. Behavioral health services.
    - 2.7.3.4. Employment and education services.
    - 2.7.3.5. Housing services.
  - 2.7.4. Ensure Memorandums of Understanding are executed with SUD treatment and peer recovery support services providers in the community to ensure clients can access interim and other services within 7 days of completed evaluations described in Section 2.6.
- 2.8. The Contractor shall assist clients to enroll with payer services. The Contractor shall:

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- 2.8.1. Assess clients for probable eligibility for public or private insurance, such as Medicaid; the New Hampshire Health Protection Program (NHHPP); and Qualified Health Plans available through the Marketplace.
- 2.8.2. Assist clients with enrollment with the appropriate payer. Assistance shall include, but not be limited to:
  - 2.8.2.1. Providing one-on-one support to clients throughout the enrollment process.
  - 2.8.2.2. Providing clarification on information that needs to be provided to the payer agency to ensure enrollment can be completed by the client.
- 2.9. The Contractor shall provide Continuous Recovery Monitoring services to clients who are not currently receiving Continuous Recovery Monitoring services through a Department-contracted SUD treatment provider. The Contractor shall:
  - 2.9.1. Attempt to contact each client a minimum of three (3) times over the course of one week. The Contractor shall:
    - 2.9.1.1. Attempt contact by telephone at a reasonable time when the client would normally be available.
    - 2.9.1.2. Attempt a second contact, as necessary, by telephone at a reasonable time when the client would normally be available no sooner than 2 days and no later than 3 days after the first attempt in Section 2.9.1.1.
    - 2.9.1.3. Attempt a third contact, as necessary, by telephone at a reasonable time when the client would normally be available, no sooner than 2 days and no later than 3 days after the second attempt in Section 2.9.1.2.
    - 2.9.1.4. Not exceed twelve (12) attempts in a thirty (30) day period.
    - 2.9.1.5. No further billing shall occur when unsuccessful contact with the client occurs for thirty (30) consecutive days until such time the client is successfully contacted, at which time billing limitation in Exhibit B, Method and Conditions Precedent to Payment shall apply.
  - 2.9.2. Contact clients no less frequently than:
    - 2.9.2.1. 3 months post-discharge from the last treatment service (60 – 120 days post discharge).



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- 2.9.2.2. 6 months post-discharge from the last treatment service (150 – 210 days post discharge).
  - 2.9.2.3. 12 months post-discharge from the last treatment service (330 - 390 days post discharge).
  - 2.9.3. Inquire on the status of each client's recovery.
  - 2.9.4. Identify any client needs.
  - 2.9.5. Assist the client with addressing the needs identified in Section 2.9.4.
  - 2.9.6. Provide early intervention to clients who have relapsed or whose recovery is at risk, as identified in Section 2.9.4, and record the same.
  - 2.9.7. Complete the Client Follow-Up in WITS within 3 days of each completed contact identified in Section 2.9.2.
- 2.10. The Contractor shall enter client discharge information into WITS within 3 days of client discharge.

**3. Data and Reporting Requirements**

- 3.1. The Contractor shall provide monthly reports that include, but are not limited to:
  - 3.1.1. Time lapses for services including, but not limited to:
    - 3.1.1.1. Initial client contact to screening.
    - 3.1.1.2. Screening to evaluation.
    - 3.1.1.3. Evaluation to interim services.
    - 3.1.1.4. Evaluation to regular services.
  - 3.1.2. Type of payer enrollment assessment and/or assistance provided, as described in Section 2.7.
- 3.2. The Contractor shall provide monthly reports identifying SUD treatment and peer recovery support services providers with whom Memorandums of Understanding have been executed to provide contracted services. Reports shall include, but not be limited to:
  - 3.2.1. Name, location, and contact information of the provider.
  - 3.2.2. Specific services provided by the provider.
- 3.3. The Contractor shall provide monthly reports that identify specific marketing activities conducted as required in Section 2.3. Reports shall include, but are not limited to:



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- 3.3.1. Types of marketing materials developed and samples of those materials.
- 3.3.2. Venues where materials are displayed and/or available for hand out.
- 3.3.3. Methods of marketing delivery.
- 3.3.4. A plan for marketing that will be conducted in the following month.
- 3.4. The Contractor shall comply with the reporting requirements listed in Section 2.9.7, in accordance with the following schedule with the first report due on April 1, 2016:
  - 3.4.1. Three (3) month follow ups completed for all clients with a discharge date prior to March of 2017.
  - 3.4.2. Six (6) month follow-ups completed for all clients with a discharge date prior to January of 2017.
  - 3.4.3. Twelve (12) month follow ups completed for all clients with a discharge date prior to July of 2016.

### 4. Minimum Performance Measures

- 4.1. The Contractor shall comply with Continuous Recovery Monitoring contacts described in Section 2.9, as follows:
  - 4.1.1. Twenty-five percent (25%) of discharged clients shall be contacted three (3) months after discharge.
  - 4.1.2. Ten percent (10%) of discharged clients shall be contacted (6) months after discharge.
  - 4.1.3. Five percent (5%) of discharged clients shall be contacted twelve (12) months after discharge.

### 5. Deliverables

- 5.1. The Contractor shall provide the plan described in Section 2.1 to the Department with nineteen (19) days of the Contract effective date.
- 5.2. The Contractor shall provide a sample of all marketing materials to the Department within three (3) days of developing the materials described in Section 2.3.
- 5.3. The Contractor shall respond to all requests for information described in Section 2.4 within 24 hours of receiving the requests.
- 5.4. The Contractor shall ensure screening appointments described in Section 2.5 are available within 48 hours of receiving clients' requests for services.



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- 5.5. The Contractor shall ensure evaluations in Section 2.6 are available within 2 days of the completed screening described in Section 2.5.
- 5.6. The Contractor shall ensure clients can access interim and other services within seven (7) days of completing evaluations described in Section 2.6.
- 5.7. The Contractor shall ensure all client services provided through this contract are documented and/or recorded within three (3) days of providing the service.

**6. Liquidated Damages**

- 6.1. The Contractor and the Department agree that the Web Information Technology System (WITS) shall be the source of record with data polls taking place on the tenth (10th) day of the month, beginning with April 10, 2016.
- 6.2. The Contractor and the Department agree that it will be extremely impracticable and difficult to determine actual damages that the Department will sustain in the event that the vendor fails to maintain the required performance standards in Section 4, Performance Standards, throughout the life of the contract. Any breach by the Contractor will delay and disrupt the Department's operations and obligations and lead to significant damages. Therefore, the parties agree that the liquidated damages as specified in the sections below are reasonable.
- 6.3. Assessment of liquidated damages shall be in addition to, not in lieu of, such other remedies as may be available to the Department. Except and to the extent expressly provided herein, the Department shall be entitled to recover liquidated damages cumulatively under each section applicable to any given incident.
- 6.4. The Department shall make all assessments of liquidated damages. Should the Department determine that liquidated damages may, or will be assessed; the Department shall notify the Contractor as specified in Section 7, Notifications and Remedies for Liquidated Damages, below.
- 6.5. The Contractor shall submit a written Corrective Action Plan to the Department within five (5) business days of receiving notification as specified in Section 7, Notifications and Remedies for Liquidated Damages., for review and approval prior to implementation of the corrective action plan.
- 6.6. The Contractor agrees that as determined by the Department, failure to provide services that meet the performance standards in Section 4, Performance Standards, shall result in in liquidated damages as specified in Section 7, Notifications and Remedies for Liquidated Damages. The Department's decision to assess liquidated damages must be reasonable, based in fact and made in good faith.
- 6.7. The remedies specified in Section 7, Notifications and Remedies for Liquidated Damages, shall apply until the failure is cured or resulting dispute is resolved in the Contractor's favor.



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- 6.8. Liquidated damages in the amount of \$500 per month for failure to meet the Minimum Performance Measures identified in Section 4.
- 6.9. The amount of liquidated damages assessed by the Department to the Contractor shall need exceed the price limitation in Form P-37, General Provisions, Block 1.8, Price Limitation.

### 7. Notifications and Remedies for Liquidated Damages.

- 7.1. Prior to the imposition of liquidated damages or any other remedies under this Contract, including termination for breach, the Department shall issue written notice of remedies that shall include, as applicable:
  - 7.1.1. A citation to the Contract provision violated.
  - 7.1.2. The remedies to be applied and the date the remedies shall be imposed.
  - 7.1.3. The basis for the Department's determination that the remedies shall be imposed.
  - 7.1.4. A request for a Corrective Action Plan.
  - 7.1.5. The timeframe and procedure for the Contractor to dispute the Department's determination. The Contractor's dispute of liquidated damages or remedies shall not stay the effective date of the proposed liquidated damages or remedies.
  - 7.1.6. If the failure is not resolved within the cure period, liquidated damages may be imposed retroactively to the date of failure to perform and continue until the failure is cured or any resulting dispute is resolved in the Contractor's favor.
- 7.2. In connection with any action taken or decision made by the Department with respect to this Contract, within ninety (90) days following the action or decisions, the Contractor may protest such action or decision by the delivery of a notice of protest to the Department and by which the Contractor may protest said action or decision and/or request an informal hearing with the Director of the Bureau of Drug and Alcohol Services.
  - 7.2.1. The Contractor shall provide the Department with an explanation of its position protesting the Department's action or decision.
  - 7.2.2. The Director shall determine a time that is mutually agreeable to the parties during which they may present their views on the disputed issues. It is understood that the presentation and discussion of the disputed issues will be informal in nature.



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- 7.2.3. The Director shall provide written notice of the time, format and location of the presentation.
- 7.2.4. At the conclusion of the presentations, the Director shall consider all evidence and shall render a written recommendation as soon as practicable, but in no event more than thirty (30) calendar days after the conclusion of the presentation.
- 7.2.5. The Director may appoint a designee to hear and determine the matter.

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| SENTINEL EVENT POLICY                      | Effective Date: September 2010<br>Revised Date: February 2014 |
| Policy Number:                             | DHHS Policy: PR 10-01   |

**I. Purpose**

The Department of Health and Human Services' (DHHS) Sentinel Event Policy is part of a comprehensive quality assurance program and establishes the reporting and review requirements of sentinel events involving individuals served by the Department. Both community providers and components of DHHS which provide direct care services shall report sentinel events as directed by this policy.

**II. Statutory Authority**

In support of its commitment to quality in the delivery of health and human services to the citizens of New Hampshire, the Department will review sentinel events as part of its quality assurance activities. Statutory authority for reviews of sentinel events is set forth in NH RSA 126-A:4, IV:

RSA 126-A:4 Department Established.

IV. The department may establish a quality assurance program.

- (a) Any quality assurance program may consist of a comprehensive ongoing system of mechanisms for monitoring and evaluating the appropriateness of services provided to individuals served by the department or any of its contract service providers so that problems or trends in the delivery of services are identified and steps to correct problems can be taken.
- (b) Records of the department's quality assurance program including records of interviews, internal reviews or investigations, reports, statements, minutes, and other documentation except for individual client medical records, shall be confidential and privileged and shall be protected from direct or indirect discovery, subpoena, or admission into evidence in any judicial or administrative proceeding, except as provided in subparagraphs IV (c) or (d).
- (c) In case of legal action brought by the department against a contract service provider or in a proceeding alleging repetitive malicious action and personal injury brought against a contract service provider, the quality assurance program's records may be discoverable.
- (d) The department may refer any evidence of fraudulent or other criminal behavior gathered by the quality assurance program to the appropriate law enforcement authority.
- (e) No employees of the department or employees of a contract service provider or vendor shall be held liable in any action for damages or other relief arising from the providing of information to a quality assurance program or in any judicial or administrative procedure relating to the DHHS' quality assurance program.

**III. Goals**

The goals of this sentinel event reporting and review policy are:

- 1. To have a positive impact in improving care and service delivery; and
- 2. To understand the causes that underlie sentinel events, and make changes to internal and external systems and processes to reduce the probability of such events in the future.

Date: SD  
Contractor Initials: 2/24/16

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#### **IV. Definition**

The Joint Commission defines sentinel event as “an unexpected occurrence involving death or serious physical or psychological injury, or the risk thereof. Serious injury specifically includes loss of limb or function. The phrase ‘or the risk thereof’ includes any process variation for which a recurrence would carry a significant change of a serious adverse outcome.”

Client-centered sentinel events, involving victims and/or perpetrators, include:

1. (a) An unanticipated death, not including homicide or suicide; or
  - (b) permanent loss of function; or
  - (c) risk thereof, not related to the natural course of an individual’s illness or underlying condition, resulting from such causes including, but not limited to:
    - a medication error,
    - an unauthorized departure or abduction from a facility providing care, or
    - a delay or failure to provide services;
2. a. Homicide, i.e., the person is the victim of a homicide;
2. b. Suicide or suicide attempt, i.e., self-injurious behavior with a non-fatal outcome accompanied by evidence (either explicit or implicit) that the person intended to die;
3. Rape or any other sexual assault, i.e., the person is the victim of rape or sexual assault;
4. A serious physical or psychological injury, i.e., one that jeopardizes a person’s health, or risk thereof, that is associated with the planning and delivery of care.

Agency-involved sentinel events:

5. High profile events which may involve media coverage and/or police involvement when the police involvement is related to a crime or suspected crime and not primarily to provide assistance in a potentially unsafe situation

#### **V. Applicability**

**A.** Reportable sentinel events shall be those sentinel events that involve individuals who:

- Are receiving Department funded services<sup>1</sup>, as described in B and C below;
- Have received Department funded services within the preceding 30 days;
- Have been evaluated by a service provider within the preceding 30 days; or
- Are the subject of a Child or Adult Protective Services report.

**B.** The following community providers shall be required to report sentinel events:

- Community Mental Health Centers (Bureau of Behavioral Health);
- Area Agencies (Bureau of Developmental Services); and

<sup>1</sup> For purposes of this policy, enrollment in a medical or cash public assistance program, such as Medicaid, Aid to the Needy Blind, Food Stamps, or Financial Assistance to Needy Families, shall not be considered a department funded service or program.

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- Case Management Agencies (Bureau of Elderly and Adult Services)

C. The following DHHS divisions and bureaus which provide direct care services, shall be required to report sentinel events:

1. Division of Community Based Care
  - Bureau of Drug and Alcohol Services;
  - Bureau of Elderly and Adult Services: Adult Protection Program (APSWs); and
  - New Hampshire Hospital
2. Office of Human Services
  - Bureau of Homeless and Housing
3. Division for Children Youth and Families
  - Bureau of Child Protection (CPSWs)
  - Bureau of Juvenile Justice Services
    - a. Juvenile Probation and Parole Services (including all community programs) (JPPOs)
    - b. Sununu Youth Services Center

**VI. Notification**

**A. Immediate Verbal Notification**

Upon the discovery of a sentinel event by a community provider or by a DHHS division or bureau (whether by direct report by a provider, other mandatory reporting mechanisms, or a more general discovery) identified in the Applicability section above, that person or entity shall provide immediate verbal notification to the appropriate DHHS Division Director or designee.

Immediate verbal notification shall be provided by direct telephone contact. If direct telephone contact is not possible, a voice-mail or e-mail message shall be left.

The following information shall be provided:

- The reporting individual's name, phone number, and agency/organization;
- Name and date of birth (DOB) of the individual(s) involved in the event;
- Location, date, and time of the event; and
- Description of the event, including what, when, where, how, and other relevant information, as well as the identification of any other individuals involved.

Date: SD  
Contractor Initials: 2/24/16

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**Note: Protected health information shall not be left in a voice-mail or e-mail message.**

*Internal Process:* Upon receiving notification of a sentinel event, the Division Director, or any other Department representative who receives the notification, shall report the event to the Department's Quality Improvement Director and the appropriate Department's Associate or Deputy Commissioners either by direct telephone contact, voice-mail or e-mail.

### **B. Completion of the *Sentinel Event Reporting Form* and E-Studio Notification**

Written notification of the sentinel event shall be provided by the reporting person or designated agency staff to the appropriate DHHS Division and/or Bureau Directors within 72 hours of the event. Written notification shall be via a completed "*Sentinel Event Reporting Form*," and uploaded to the protected E-Studio application, available at <https://nh.same-page.com>.<sup>2</sup>

Each section of the *Sentinel Event Reporting Form* must be completed following the form's instructions, i.e., *Sentinel Event Reporting Form-Instructions*.

Additional information regarding the sentinel event shall be reported as it becomes available and upon Department request and also uploaded to the E-studio application. Such information may include additional details as they are learned, a change in the status of the situation, or links to relevant newspaper articles.

The process for providing additional information is to either:

- Download the original *Sentinel Event Reporting Form* to a computer and edit it by adding the additional information in the Part V. Follow-Up Information section. Rename the revised *Sentinel Event Reporting Form* as follows:
  - SE BBH Riverbend John S 01022012 rev. 01302012
- Or, upload a separate document, such as a newspaper article, which must have a file name to ensure it will be connected to the correct *Sentinel Event Reporting Form*:
  - SE BBH Riverbend John S 01102012 follow up

*Internal Process:* The Division / Bureau Director's designee shall review the E-Studio submissions for completeness, accuracy, and whether the reported event meets the criteria of a sentinel event as defined in this policy. Upon determining that a submitted *Sentinel Event Reporting Form* is a complete, accurate, and applicable sentinel event report, the Division / Bureau Director's designee shall notify the Division / Bureau Director, the Department's Quality Improvement Director and the appropriate Associate or Deputy Commissioner(s) of a complete report via E-Studio by selecting the appropriate names and "e-team" provided in the E-Studio application

<sup>2</sup> Users shall be trained on and approved for E-Studio use, per the "E-Studio Training Protocol."

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### C. Confidentiality

Both community providers and Department components that report sentinel events shall comply with applicable confidentiality laws, HIPAA requirements, and their own policies and procedures regarding the reporting of confidential information and protected health information.

### VII. Mandatory Reporting

Reporting sentinel events under the provisions of this policy shall not replace the mandatory reporting requirements of RSA 161-F:42-57 and RSA 169-C:29 with regard to abuse, neglect, self-neglect, or exploitation.

### VIII. Sentinel Event Review

Each agency is expected to complete its own review of a reportable sentinel event consistent with the applicable DHHS administrative rules and its agency policies regarding incidents and events that are consistent with this policy's definition of a sentinel event and that involve individuals that are receiving, or who have recently received, Department funded services, i.e., within the previous 30 days, as described in this policy (section V).

#### A. Authority

The Commissioner, Deputy Commissioner, Associate Commissioner, or their designees, shall assign responsibility to the DHHS Quality Improvement Director to conduct reviews of selected sentinel events. The DHHS Quality Improvement Director shall select a qualified staff person to conduct sentinel event reviews when the Quality Improvement Director is unavailable.

Sentinel events to be reviewed include those:

1. Requested by the Office of the Commissioner, a Division or Bureau Director, or the DHHS Quality Improvement Director; or
2. That, given the available information, the DCBCS Quality Leadership Team identifies those sentinel events in which more than one agency/system was involved with the individual's care and, in which there is preliminary evidence of potentially one or more problematic systemic issues.

#### B. Notice

The DHHS Quality Improvement Director or designee shall inform the appropriate division's Bureau Administrator and the DCBCS Bureau's Quality Leadership Team Representative, when applicable, via e-mail that a Sentinel Event Review is being scheduled. For sentinel event

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reviews involving one or more DCBCS bureaus, the DCBCS Quality Leadership Team is responsible for the following:

1. Invitation to the Sentinel Event Review, indicating the date, time, and location of the review;
2. The Department participants who are required to attend the review;
3. Information about the sentinel event, including who the event involves and the reason for the review;
4. The agencies or providers involved, e.g., community providers and/or Department divisions and bureaus, and who should be invited to attend; and
5. Instructions on how to prepare for the review, as follows:
  - Identify and invite other Department and provider-level participants;
  - Identify who among the invitees shall be the presenter(s);
  - Gather information, as applicable from sources such as site visits, interviews with presenters, as applicable, and clinical record reviews;
  - Provide relevant documentation, such as Division, facility, and service provider reports, notes, correspondence, policies, and Individual Service Plans and/or Support Plans. This shall be the responsibility of the individual or entity who actually has the documentation. Documentation shall be brought to the review for reference, but shall not be copied, distributed, or otherwise maintained by the review process.

### C. Sentinel Event Review

1. The review shall include:
  - Case presentation(s);
  - Review of the event (including a review of relevant documentation); and
  - Identification of systemic factors, opportunities for improvement and recommendations for follow-up activity, as applicable.
2. The case presentation shall include: demographic information, description of the precipitating event, a clinical description of the individual involved, the immediate action taken by the agency when the incident occurred, any other administrative/operational issues relevant to the event, and a description of any identified opportunities for improvement. (See "Sentinel Event Review Presentation".)
2. The review of the event shall identify recommendations for follow-up activity to address identified systemic issues, if any.
3. No minutes of the review proceedings shall be taken, maintained or distributed.
4. Records of the identification of systemic factors, and opportunities for improvement and recommendations for follow-up activity(ies) will be kept without the identification of individuals or specific community agencies.

|  |   |
|--|---|
| NH Department of Health and Human Services | Page 7 of 7   |
| SENTINEL EVENT POLICY                      | Effective Date: September 2010<br>Revised Date: February 2014 |
| Policy Number:                             | DHHS Policy: PR 10-01   |

**E. Confidentiality**

Pursuant to RSA 126-A:4, IV, any and all records of or prepared solely for the Sentinel Event Review shall be confidential and privileged

Date: SD  
Contractor Initials: 2/24/16



## Exhibit B

### Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. This contract is funded with federal and other funds. Department access to supporting funding for this project is dependent upon the criteria set forth in the Catalog of Federal Domestic Assistance (CFDA) (<https://www.cfda.gov>) #93.959 US Department of Health and Human Services; Substance Abuse and Mental Health Services Administration; Block Grants for Prevention and Treatment of Substance Abuse; Substance Abuse Block Grant (SABG).
3. The Contractor shall use and apply all contract funds for authorized direct and indirect costs to provide services in Exhibit A, Scope of Services, in accordance with Exhibit B-1, Budget and Exhibit B-2, Budget.
4. Payment for services provided in accordance with Exhibit A, Scope of Services, shall be made as follows:
  - 4.1. Payments shall be made on cost reimbursement and fee-for-service basis only, for allowable costs, expenses and fees in accordance with Exhibits B-1, Budget through Exhibit B-2, Budget.
  - 4.2. Allowable costs and expenses shall include those expenses detailed in Exhibit B-1, Budget and Exhibit B-2, Budget
  - 4.3. The Contractor shall submit monthly invoices using invoice forms provided by the Department.
  - 4.4. The Contractor shall submit supporting documentation and required reports in Exhibit A, Scope of Services, Section 3, Data and Reporting Requirements, that support evidence of actual expenditures, in accordance with Exhibit B-1, Budget and Exhibit B-2, Budget for the previous month by the tenth (10th) working of the current month.
  - 4.5. The Contractor shall submit invoices for services outlined in Exhibit A, Scope of Services in accordance with budget line items in Exhibit B-1, Budget and Exhibit B-2, Budget preferably by e-mail on Department approved invoices to:

Financial Manager  
Bureau of Drug and Alcohol Services  
Department of Health and Human Services  
105 Pleasant Street, 3<sup>rd</sup> Floor North  
Concord, NH 03301



## Exhibit B

- 4.6. Payments shall be made on fee-for-service basis for Continuous Recovery Monitoring services detailed in Exhibit A, Scope of Services, Section 2.9, in accordance with Exhibits B-1, Budget through Exhibit B-2, Budget.
- 4.7. The Contractor shall bill the Department for Continuous Recovery Monitoring services detailed in Exhibit A, Scope of Services, Section 2.9 on a fee-for-service basis as follows:
  - 4.7.1. Attempted or completed contacts shall be billed at a rate of \$15.00 per contact for up to four (4) contacts per month per client.
  - 4.7.2. The maximum billable amount per client shall not exceed \$60.00 per month.
  - 4.7.3. Unsuccessful contact with the client for thirty (30) consecutive days shall result in no further billing until such time client is successfully contacted, at which time billing limitation in Section 4.7.2 shall apply.
5. 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. A final payment request shall be submitted no later than forty (40) days from the Form P37, General Provisions, Contract Completion Date, Block 1.7.
7. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
8. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budgets in Exhibit B-1 and Exhibit B-2 and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.
9. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.



Exhibit B-2 Budget

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

Bidder/Program Name: National Council on Alcoholism and Drug Dependence Greater Manchester

Budget Request for: SUD Regional Access Point Services - Greater Manchester (SS-2016-BDAS-03-Regio)

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

|  | Direct            | Indirect         | Total             |
|--|-------------------|------------------|-------------------|
| 1. Total Salary/Wages                  | \$ 212,623.00     | \$ 8,860.00      | \$ 221,483.00     |
| 2. Employee Benefits                   | \$ 26,335.00      | \$ 1,365.00      | \$ 27,700.00      |
| 3. Consultants                         |                   |                  |                   |
| 4. Equipment                           |                   |                  |                   |
| Rental                                 | 760.00            | 40.00            | 800.00            |
| Repair and Maintenance                 |                   |                  |                   |
| Purchase/Depreciation                  |                   |                  |                   |
| 5. Supplies                            |                   |                  |                   |
| Educational                            |                   |                  |                   |
| Lab                                    |                   |                  |                   |
| Pharmacy                               |                   |                  |                   |
| Medical                                |                   |                  |                   |
| Office                                 | 2,240.00          | 2,240.00         | 4,480.00          |
| 6. Travel                              | 1,995.00          | 105.00           | 2,100.00          |
| 7. Occupancy                           | 45,600.00         | 2,400.00         | 48,000.00         |
| 8. Current Expenses                    |                   |                  |                   |
| Telephone                              | 2,000.00          | 2,000.00         | 4,000.00          |
| Postage                                | 300.00            | 300.00           | 600.00            |
| Subscriptions                          | 256.00            | 256.00           | 512.00            |
| Audit and Legal                        | 1,900.00          | 1,900.00         | 3,800.00          |
| Insurance                              | 1,193.00          | 63.00            | 1,256.00          |
| Board Expenses                         |                   |                  |                   |
| Software                               | 395.00            | 21.00            | 416.00            |
| 9. Marketing/Communications            | 1,400.00          | 1,400.00         | 2,800.00          |
| 10. Staff Education and Training       | 2,000.00          | 2,000.00         | 4,000.00          |
| 11. Subcontracts/Agreements            |                   |                  |                   |
| 12. Other (specific details mandatory) |                   |                  |                   |
| Fee-for-Service @ \$15/Contact         | 26,350.00         | 26,350.00        | 52,700.00         |
| <b>TOTAL</b>                           | <b>327,098.00</b> | <b>13,131.00</b> | <b>340,229.00</b> |
| Indirect As A Percent of Direct        |                   | 4.0%             |                   |

Contractor Initials: SD  
Date: 2/24/16



**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 Contractor's 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

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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



- 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 Division 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.



**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)

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

Contractor Name: NCADD/EM

2/24/16  
Date

Sharon Drake  
Name: Sharon Drake  
Title: CEO

Contractor Initials SD  
Date 2/24/16



**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-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: NCADD/Gm

2/24/16  
Date

Sharon Drake  
Name: Sharon Drake  
Title: 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



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: NCADD/GM

2/24/16  
Date

Sharon Drake  
Name: Sharon Drake  
Title: CEO



**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 SD

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

Date 2/24/16

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: NCADD/Gm

2/24/16  
Date

Sharon Drake  
Name: Sharon Drake  
Title: CEO

Exhibit G

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

Contractor Initials SD

Date 2/24/16



**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: NCADD/Gm

2/24/16  
Date

Sharon Drake  
Name: Sharon Drake  
Title: CEO



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



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.



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.

|   |   |
|---|---|
| <u>NH Dept Health &amp; Human Services</u><br>The State             | <u>NCAAD/6m - Serenity Place</u><br>Name of the Contractor    |
| <u>Kathleen Almon</u><br>Signature of Authorized Representative     | <u>Sharon Drake</u><br>Signature of Authorized Representative |
| <u>Kathleen A. Almon</u><br>Name of Authorized Representative       | <u>Sharon Drake</u><br>Name of Authorized Representative      |
| <u>Associate Commissioner</u><br>Title of Authorized Representative | <u>CEO</u><br>Title of Authorized Representative              |
| <u>3/1/14</u><br>Date   | <u>2/24/16</u><br>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: NCADD/GM

2/24/16  
Date/

Sharon Drake  
Name: Sharon Drake  
Title: 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: 00-946-2784
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: _____ |



**New Hampshire Department of Health and Human Services  
Substance Use Disorder Regional Access Point Services**

**State of New Hampshire  
Department of Health and Human Services  
Amendment #1 to the  
Substance Use Disorder Regional Access Point Services Contract**

This 1<sup>st</sup> Amendment to the Substance Use Disorder Regional Access Point Services contract (hereinafter referred to as "Amendment 1") dated this 17<sup>th</sup> day of May, 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 Southwestern Community Services, Inc. (hereinafter referred to as "the Contractor"), a non-profit corporation with a place of business at 63 Community Way, Keene, NH, 03431.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on March 9, 2016 (Item #22), 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 Governor and Executive Council approval; and

WHEREAS, the parties agree to extend the completion date of the agreement by six (6) 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 1.6, to add Account Numbers:  
05-095-092-920510-33820000-102-500734  
05-095-092-920510-33840000-102-500734
2. General Provisions (Form P-37), Block 1.7, to read December 31, 2017.
3. General Provisions (Form P-37), Block 1.8, to increase Price Limitation to read: \$261,500.
4. General Provisions (Form P-37), Block 1.9, to read Jonathan V. Gallo, Esq., Interim Director of Contracts and Procurement.
5. General Provisions (Form P-37), Block 1.10 to read 603-271-9246.
6. Add to Exhibit A, Section 1.11 to read:
  - 1.11 Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2017, and the Department shall not be liable for any payments for services provided after June 30, 2017, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2018-2019 biennium.

**New Hampshire Department of Health and Human Services  
Substance Use Disorder Regional Access Point Services**

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7. Add Exhibit A, Scope of Services Section 8 Transition Activities to read:
  8. When the state issues a Request for Proposals combining crisis and regional access point services, in order to ensure continuity of care for clients, the Contractor is required to work with the Department to develop transition plans for the services and clients. The Contractor shall, but not limited to:
    - i. Meet with the Department and the Department's new Contractor (resulting from the Request for Proposals) within ten (10) days of the contract effective date of the new contract to develop transition and implementation plans; and
    - ii. Engage in all activities and meet all completion dates of the Department approved transition and implementation plan.
8. Delete in its entirety Exhibit B Method and Conditions Precedent to Payment and replace with Exhibit B-1 Amendment #1 Method and Conditions Precedent to Payment.
9. Delete in its entirety Exhibit B-2, Budget and Replace with Exhibit B-2 Budget Amendment #1.
10. Add Exhibit B-3, Budget
11. Delete in its entirety Exhibit C-1 Revision to General Provisions and replace with Exhibit C-1 Amendment #1 Revisions to General Provisions

Remainder of the page left intentionally blank.

*JAM*  
5/22/17



New Hampshire Department of Health and Human Services  
Substance Use Disorder Regional Access Point 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

5/25/17  
Date

[Signature]  
Katja S. Fox  
Director

Southwestern Community Services, Inc.

5-22-17  
Date

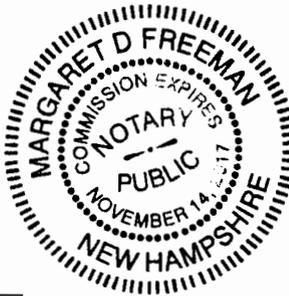
[Signature]  
Name: John A Manning  
Title: CEO

Acknowledgement of Contractor's signature:

State of NH, County of Cheshire on 5/22/17, 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.

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

Margaret Freeman, Notary  
Name and Title of Notary or Justice of the Peace



My Commission Expires: 11-14-17

JAM  
5/22/17

**New Hampshire Department of Health and Human Services  
Substance Use Disorder Regional Access Point Services**



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

OFFICE OF THE ATTORNEY GENERAL

6/5/17  
Date

*Thomas Broderick*  
Name: Tom Broderick  
Title: Assistant 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:

*9M  
5/22/17*



## Exhibit B Amendment #1

### Method and Conditions Precedent to Payment

1. Method and Conditions Precedent to Payment Exhibit B Amendment #1 is effective for July 1, 2017.
2. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
3. This contract is funded with general and federal funds. Department access to supporting funding for this project is dependent upon the criteria set forth in the Catalog of Federal Domestic Assistance (CFDA) (<https://www.cfda.gov>) #93.959 U.S. Department of Health and Human Services; Substance Abuse and Mental Health Services Administration; Block Grants for Prevention and Treatment of Substance Abuse; Substance Abuse Block Grant (SABG).
4. The Contractor shall use and apply all contract funds for authorized direct and indirect costs to provide services in Exhibit A, Scope of Services, in accordance with Exhibit B-3, Budget.
5. Payment for services provided in accordance with Exhibit A, Scope of Services, shall be made as follows:
  - 5.1. Payments shall be made on cost reimbursement basis only, for allowable costs, expenses and fees in accordance with Exhibits B-3.
  - 5.2. Allowable costs and expenses shall include those expenses detailed in Exhibit B-3, Budget.
  - 5.3. The Contractor shall submit monthly invoices using invoice forms provided by the Department.
  - 5.4. The Contractor shall submit supporting documentation and required reports in Exhibit A, Scope of Services, Section 3, Data and Reporting Requirements, that support evidence of actual expenditures, in accordance with Exhibit B-3, Budget for the previous month by the tenth (10th) working day of the current month.
  - 5.5. The Contractor shall submit invoices for services outlined in Exhibit A, Scope of Services in accordance with budget line items in Exhibit B-3, Budget preferably by e-mail on Department approved invoices to:

Finance Manager  
Division of Behavioral Health  
Department of Health and Human Services  
105 Pleasant Street,  
Concord, NH 03301  
[laurie.heath@dhhs.nh.gov](mailto:laurie.heath@dhhs.nh.gov)

*Jm*

5-22-17



**Exhibit B Amendment #1**

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6. 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.
7. A final payment request shall be submitted no later than forty (40) days from the Form P37, General Provisions, Contract Completion Date, Block 1.7.
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 the said services have not been completed in accordance with the terms and conditions of this Agreement.
9. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget in Exhibit B-3, Budget and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.
10. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.

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

Bidder/Program Name: Southwestern Community Services, Inc.

Budget Request for: Substance Use Disorder Regional Access Point Services

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

|   |                      |                     |                      |             |             |             |                     |                      |
|---|----------------------|---------------------|----------------------|-------------|-------------|-------------|---------------------|----------------------|
| 1. Total Salary/Wages                   | \$ 65,524.00         | \$ 8,375.00         | \$ 73,899.00         | \$ -        | \$ -        | \$ -        | \$ 8,375.00         | \$ 73,899.00         |
| 2. Employee Benefits                    | \$ 43,008.00         | \$ 5,501.00         | \$ 48,509.00         | \$ -        | \$ -        | \$ -        | \$ 5,501.00         | \$ 48,509.00         |
| 3. Consultants                          | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| 4. Equipment:                           | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Rental                                  | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Repair and Maintenance                  | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Purchase/Depreciation                   | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| 5. Supplies:                            | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Educational                             | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Lab                                     | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Pharmacy                                | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Medical                                 | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Office                                  | \$ 1,600.00          | \$ 205.00           | \$ 1,805.00          | \$ -        | \$ -        | \$ -        | \$ 205.00           | \$ 1,805.00          |
| 6. Travel                               | \$ 900.00            | \$ 121.00           | \$ 1,021.00          | \$ -        | \$ -        | \$ -        | \$ 121.00           | \$ 1,021.00          |
| 7. Occupancy                            | \$ 2,670.00          | \$ 344.00           | \$ 3,014.00          | \$ -        | \$ -        | \$ -        | \$ 344.00           | \$ 3,014.00          |
| 8. Current Expenses                     | \$ 2,700.00          | \$ 345.00           | \$ 3,045.00          | \$ -        | \$ -        | \$ -        | \$ 345.00           | \$ 3,045.00          |
| Telephone                               | \$ 200.00            | \$ 33.00            | \$ 233.00            | \$ -        | \$ -        | \$ -        | \$ 33.00            | \$ 233.00            |
| Postage                                 | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Subscriptions                           | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Audit and Legal                         | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Insurance                               | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Board Expenses                          | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| Software                                | \$ 3,600.00          | \$ 468.00           | \$ 4,068.00          | \$ -        | \$ -        | \$ -        | \$ 468.00           | \$ 4,068.00          |
| 9. Marketing/Communications             | \$ 10,438.00         | \$ 1,298.00         | \$ 11,736.00         | \$ -        | \$ -        | \$ -        | \$ 1,298.00         | \$ 11,736.00         |
| 10. Staff Education and Training        | \$ 4,000.00          | \$ 473.00           | \$ 4,473.00          | \$ -        | \$ -        | \$ -        | \$ 473.00           | \$ 4,473.00          |
| 11. Subcontracts/Agreements             | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| 12. Other (specific details mandatory): | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -                | \$ -                 |
| 13. Photocopying                        | \$ 520.00            | \$ 71.00            | \$ 591.00            | \$ -        | \$ -        | \$ -        | \$ 71.00            | \$ 591.00            |
| Fee-For-Service @ \$15/Contact          | \$ 33,875.00         | \$ -                | \$ 33,875.00         | \$ -        | \$ -        | \$ -        | \$ -                | \$ 33,875.00         |
| <b>TOTAL</b>                            | <b>\$ 165,035.00</b> | <b>\$ 17,234.00</b> | <b>\$ 186,269.00</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 17,234.00</b> | <b>\$ 186,269.00</b> |

Indirect As A Percent of Direct 10.2%

Contractor Initials: gm  
Date: 5-22-17

**EXHIBIT B-3 Budget**

**New Hampshire Department of Health and Human Services**

**Bidder Name:** Southwestern Community Services, Inc.

**Budget Request for:** Substance Use Disorder - Regional Access Point Services

**Budget Period:** July 1, 2017 through December 31, 2017

|                                  |                     |                    |                     |
|----------------------------------|---------------------|--------------------|---------------------|
| 1. Total Salary/Wages            | \$ 24,256.96        | \$ 2,910.84        | \$ 27,167.80        |
| 2. Employee Benefits             | \$ 12,047.75        | \$ 1,445.73        | \$ 13,493.48        |
| 3. Consultants                   |                     |                    | \$ -                |
| 4. Equipment:                    |                     |                    | \$ -                |
| Rental                           |                     |                    | \$ -                |
| Repair and Maintenance           |                     |                    | \$ -                |
| Purchase/Depreciation            |                     |                    | \$ -                |
| 5. Supplies:                     |                     |                    | \$ -                |
| Educational                      |                     |                    | \$ -                |
| Lab                              |                     |                    | \$ -                |
| Pharmacy                         |                     |                    | \$ -                |
| Medical                          |                     |                    | \$ -                |
| Office                           | \$ 450.00           | \$ 54.00           | \$ 504.00           |
| 6. Travel                        | \$ 200.00           | \$ 24.00           | \$ 224.00           |
| 7. Occupancy                     | \$ 1,040.00         | \$ 124.80          | \$ 1,164.80         |
| 8. Current Expenses              |                     |                    | \$ -                |
| Telephone                        | \$ 1,281.00         | \$ 153.72          | \$ 1,434.72         |
| Postage                          | \$ 40.00            | \$ 4.80            | \$ 44.80            |
| Subscriptions                    |                     |                    | \$ -                |
| Audit and Legal                  |                     |                    | \$ -                |
| Insurance                        |                     |                    | \$ -                |
| Board Expenses                   |                     |                    | \$ -                |
| 9. Software                      |                     |                    | \$ -                |
| 10. Marketing/Technology         | \$ 4,020.00         | \$ 482.40          | \$ 4,502.40         |
| 11. Staff Education and Training | \$ 950.00           | \$ 114.00          | \$ 1,064.00         |
| 12. Subcontracts/Agreements      |                     |                    | \$ -                |
| 13. Other                        |                     |                    | \$ -                |
| Professional Fees (\$15 per CRM) | \$ 400.00           |                    | \$ 400.00           |
|                                  |                     |                    | \$ -                |
|                                  |                     |                    | \$ -                |
| <b>TOTAL</b>                     | <b>\$ 44,685.71</b> | <b>\$ 5,314.29</b> | <b>\$ 50,000.00</b> |

Indirect As A Percent of Direct

11.9%



**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, 60 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, work with the Department as directed by it to develop a Transition Plan for services and clients being served 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. The Contractor shall submit an initial Transition Plan for Department approval within a timeframe defined by the Department. Any changes requested by the Department to the Transition Plan shall be completed within three (3) days of the change request.
  - 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 (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.

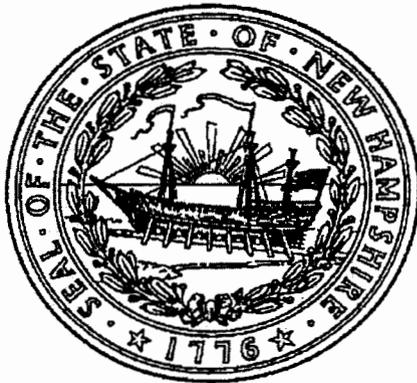
# State of New Hampshire

## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHWESTERN COMMUNITY SERVICES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 19, 1965. 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: 65514



IN TESTIMONY WHEREOF,  
I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 4th day of April 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, Elaine M. Amer, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Southwestern Community Services, 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 02/18/16:  
(Date)

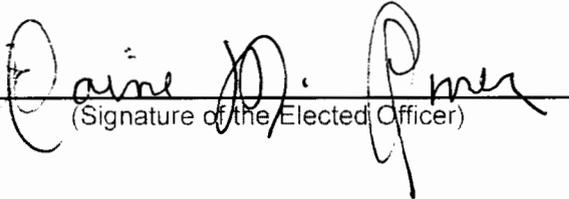
**RESOLVED:** That the Chief Executive Officer  
(Title of Contract Signatory)

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 22nd day of May, 20 17.  
(Date Contract Signed)

4. John A. Manning is the duly elected Chief Executive Officer  
(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 22nd day of May, 20 17.

By Elaine M. Amer  
(Name of Elected Officer of the Agency)

  
Jill Tomlin, Notary

(NOTARY SEAL)

JILL A. TOMLIN, Justice of the Peace  
State of New Hampshire  
My Commission Expires April 5, 2022

Commission Expires: 4.5.22





# Southwestern Community Services

Since 1965, people helping people in Cheshire and Sullivan counties

## Mission Statement

SCS strives to empower low income people and families. With dignity and respect, SCS will provide assistance, reduce stressors, and advocate for such persons and households as they and their families lift themselves toward self-sufficiency.

In partnership and close collaboration with local communities, SCS will provide leadership and support to develop additional resources, programs and services to further aid this population.

## Vision Statement

SCS seeks to *create and support* a climate within the communities of southwestern New Hampshire wherein *poverty is never accepted* as a chronic or permanent condition of any person's life.

**From the desk of:**  
**Meg Freeman**  
**Chief Financial Officer**  
**Southwestern Community Services, Inc.**  
**Ph: (603) 719-4217**  
**Fax: (603) 719-4136**  
**[mfreeman@scshelps.org](mailto:mfreeman@scshelps.org)**

---

63 Community Way / PO Box 603  
Keene, NH 03431  
(603) 352-7512 or (800) 529-0005  
Fax: (603) 352-3618



TTY-NH: (800) 735-2964

96-102 Main Street / PO Box 1338  
Claremont, NH 03743  
(603)-542-9528  
Fax: (603) 542-3140

*Financial Statements*

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**SOUTHWESTERN COMMUNITY SERVICES, INC.  
AND RELATED COMPANIES**

**FOR THE YEARS ENDED  
MAY 31, 2016 AND 2015  
AND  
INDEPENDENT AUDITORS' REPORT**

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MAY 31, 2016**

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To the Board of Directors of  
Southwestern Community Services, Inc.  
Keene, New Hampshire

## **INDEPENDENT AUDITORS' REPORT**

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statements of financial position as of May 31, 2016 and 2015, and the related consolidated statements of cash flows, and notes to the financial statements for the years then ended, and the related statements of activities and functional expenses for the year ended May 31, 2016.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

### **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. and related companies as of May 31, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited Southwestern Community Services, Inc. and related companies' 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 23, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Other Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of Functional Revenues and Expenses are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2016, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Southwestern Community Services, Inc.'s internal control over financial reporting and compliance.

*Leone McDonnell & Roberts*  
*Professional Association*

December 9, 2016

Wolfeboro, New Hampshire

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
MAY 31, 2016 AND 2015**

**ASSETS**

|                               | <b><u>2016</u></b>   | <b><u>2015</u></b><br>(restated) |
|-------------------------------|----------------------|----------------------------------|
| <b>CURRENT ASSETS</b>         |                      |                                  |
| Cash and cash equivalents     | \$ 1,188,826         | \$ 197,247                       |
| Accounts receivable           | 1,102,367            | 911,829                          |
| Prepaid expenses              | 23,413               | 45,899                           |
| Notes receivable              | 112,000              | 112,000                          |
| Interest receivable           | <u>36,587</u>        | <u>32,107</u>                    |
| Total current assets          | <u>2,463,193</u>     | <u>1,299,082</u>                 |
| <b>PROPERTY</b>               |                      |                                  |
| Land and buildings            | 14,237,257           | 19,155,380                       |
| Vehicles and equipment        | 813,172              | 802,622                          |
| Furniture and fixtures        | <u>40,986</u>        | <u>144,840</u>                   |
| Total property                | <u>15,091,415</u>    | <u>20,102,842</u>                |
| Less accumulated depreciation | <u>5,446,011</u>     | <u>8,819,308</u>                 |
| Property, net                 | <u>9,645,404</u>     | <u>11,283,534</u>                |
| <b>OTHER ASSETS</b>           |                      |                                  |
| Inventory                     | -                    | 209,342                          |
| Investment in related parties | 20,700               | 20,700                           |
| Due from related parties      | 281,825              | 352,217                          |
| Cash escrow and reserve funds | 341,367              | 278,772                          |
| Security deposits             | 35,961               | 62,930                           |
| Other assets                  | <u>384</u>           | <u>15,968</u>                    |
| Total other assets            | <u>680,237</u>       | <u>939,929</u>                   |
| Total assets                  | <u>\$ 12,788,834</u> | <u>\$ 13,522,545</u>             |

**LIABILITIES AND NET ASSETS**

|  |                      |                      |
|--|----------------------|----------------------|
| <b>CURRENT LIABILITIES</b>                       |                      |                      |
| Accounts payable                                 | \$ 155,247           | \$ 720,997           |
| Accrued expenses                                 | 146,363              | 117,347              |
| Accrued payroll and payroll taxes                | 218,182              | 309,572              |
| Other current liabilities                        | 181,696              | 132,696              |
| Refundable advances                              | 201,064              | 239,234              |
| Bank line of credit                              | -                    | 249,953              |
| Current portion of long term debt                | <u>381,611</u>       | <u>331,865</u>       |
| Total current liabilities                        | 1,284,163            | 2,101,664            |
| <b>NONCURRENT LIABILITIES</b>                    |                      |                      |
| Long term debt, less current portion shown above | <u>7,991,096</u>     | <u>9,069,941</u>     |
| Total liabilities                                | <u>9,275,259</u>     | <u>11,171,605</u>    |
| <b>NET ASSETS</b>                                |                      |                      |
| Unrestricted                                     | 3,302,355            | 2,341,095            |
| Temporarily restricted                           | <u>211,220</u>       | <u>9,845</u>         |
| Total net assets                                 | <u>3,513,575</u>     | <u>2,350,940</u>     |
| Total liabilities and net assets                 | <u>\$ 12,788,834</u> | <u>\$ 13,522,545</u> |

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MAY 31, 2016  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

|   | <u>Unrestricted</u> | <u>Temporarily<br/>Restricted</u> | <u>2016<br/>Total</u> | <u>2015<br/>Total<br/>(restated)</u> |
|---|---------------------|-----------------------------------|-----------------------|--------------------------------------|
| <b>REVENUES AND OTHER SUPPORT</b>   |                     |                                   |                       |                                      |
| Government contracts  | \$ 9,060,110        | \$ -                              | \$ 9,060,110          | 9,154,522                            |
| Program service fees  | 2,030,772           | -                                 | 2,030,772             | 1,991,293                            |
| Rental income   | 1,007,200           | -                                 | 1,007,200             | 533,766                              |
| Developer income  | 254,004             | -                                 | 254,004               | 347,615                              |
| Support   | 306,582             | 211,220                           | 517,802               | 381,297                              |
| Fundraising   | 67,765              | -                                 | 67,765                | 92,884                               |
| Interest income   | 4,710               | -                                 | 4,710                 | 4,549                                |
| Forgiveness of debt   | 61,209              | -                                 | 61,209                | 585,457                              |
| Miscellaneous   | 264,795             | -                                 | 264,795               | 122,439                              |
| In-kind contributions   | 215,867             | -                                 | 215,867               | 161,575                              |
| Total revenues and other support  | <u>13,273,014</u>   | <u>211,220</u>                    | <u>13,484,234</u>     | <u>13,375,397</u>                    |
| <b>NET ASSETS RELEASED FROM<br/>RESTRICTIONS</b>                            |                     |                                   |                       |                                      |
|   | <u>9,845</u>        | <u>(9,845)</u>                    | <u>-</u>              | <u>-</u>                             |
| Total revenues, other support, and<br>net assets released from restrictions | <u>13,282,859</u>   | <u>201,375</u>                    | <u>13,484,234</u>     | <u>13,375,397</u>                    |
| <b>EXPENSES</b>   |                     |                                   |                       |                                      |
| <b>Program services</b>   |                     |                                   |                       |                                      |
| Home energy programs  | 3,624,241           | -                                 | 3,624,241             | 4,014,931                            |
| Education and nutrition   | 2,271,455           | -                                 | 2,271,455             | 2,213,462                            |
| Homeless programs   | 2,122,818           | -                                 | 2,122,818             | 2,211,640                            |
| Housing services  | 2,521,333           | -                                 | 2,521,333             | 1,895,451                            |
| Economic development services   | 317,822             | -                                 | 317,822               | 437,548                              |
| Other programs  | 745,736             | -                                 | 745,736               | 818,906                              |
| Total program services  | <u>11,603,405</u>   | <u>-</u>                          | <u>11,603,405</u>     | <u>11,591,938</u>                    |
| <b>Supporting activities</b>  |                     |                                   |                       |                                      |
| Management and general  | <u>1,887,761</u>    | <u>-</u>                          | <u>1,887,761</u>      | <u>1,826,284</u>                     |
| Total expenses  | <u>13,491,166</u>   | <u>-</u>                          | <u>13,491,166</u>     | <u>13,418,222</u>                    |
| <b>CHANGES IN NET ASSETS BEFORE<br/>GAIN (LOSS) ON SALE OF PROPERTY</b>     | <u>(208,307)</u>    | <u>201,375</u>                    | <u>(6,932)</u>        | <u>(42,825)</u>                      |
| <b>GAIN (LOSS) ON SALE OF PROPERTY</b>                                      | <u>759,643</u>      | <u>-</u>                          | <u>759,643</u>        | <u>(11,116)</u>                      |
| <b>CHANGE IN NET ASSETS</b>   | <u>551,336</u>      | <u>201,375</u>                    | <u>752,711</u>        | <u>(53,941)</u>                      |
| <b>NET ASSETS, BEGINNING OF YEAR</b>  | 2,341,095           | 9,845                             | 2,350,940             | 4,194,192                            |
| <b>PRIOR PERIOD ADJUSTMENT</b>  | -                   | -                                 | -                     | 195,077                              |
| <b>NET ASSETS TRANSFERRED FROM<br/>LIMITED PARTNERSHIPS</b>                 | <u>409,924</u>      | <u>-</u>                          | <u>409,924</u>        | <u>(1,984,388)</u>                   |
| <b>NET ASSETS, BEGINNING OF YEAR</b>  | <u>2,751,019</u>    | <u>9,845</u>                      | <u>2,760,864</u>      | <u>2,404,881</u>                     |
| <b>NET ASSETS, END OF YEAR</b>  | <u>\$ 3,302,355</u> | <u>\$ 211,220</u>                 | <u>\$ 3,513,575</u>   | <u>\$ 2,350,940</u>                  |

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED MAY 31, 2016 AND 2015**

|   | <b><u>2016</u></b>  | <b><u>2015</u></b><br>(restated) |
|---|---------------------|----------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                     |                                  |
| Change in net assets  | \$ 752,711          | \$ (53,941)                      |
| Adjustments to reconcile changes in net assets to net cash from operating activities: |                     |                                  |
| Depreciation and amortization   | 597,297             | 505,694                          |
| (Gain) loss on sales of property  | (884,882)           | -                                |
| Loss on sale of property developments sold  | 125,239             | 11,116                           |
| Forgiveness of debt   | (61,209)            | (585,457)                        |
| (Increase) decrease in assets:  |                     |                                  |
| Accounts receivable   | (190,538)           | 71,516                           |
| Prepaid expenses  | 31,980              | (53,739)                         |
| Interest receivable   | (4,480)             | (4,480)                          |
| Due from related parties  | (164,685)           | 944,184                          |
| Security deposits   | 59,036              | (5,398)                          |
| Other assets  | 15,584              |                                  |
| Increase (decrease) in liabilities:   |                     |                                  |
| Accounts payable  | (603,671)           | (334,243)                        |
| Accrued expenses  | (820)               | (639,853)                        |
| Accrued payroll and payroll taxes   | (91,390)            | 196,026                          |
| Other current liabilities   | 49,000              | 2,563                            |
| Refundable advances   | (38,170)            | 107,120                          |
| <b>NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES</b>                            | <u>(408,998)</u>    | <u>161,108</u>                   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |                     |                                  |
| Decrease in escrow funds  | 237,589             | 29,115                           |
| Proceeds from property developments sold  | 266,500             | 261,478                          |
| Improvements to property developments   | (182,397)           | (158,756)                        |
| Proceeds from sales of property   | 4,019,878           | -                                |
| Purchase of property  | (115,173)           | (75,198)                         |
| <b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>                                      | <u>4,226,397</u>    | <u>56,639</u>                    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |                     |                                  |
| Net repayments on bank line of credit   | (249,953)           | (89,000)                         |
| Proceeds from long term debt  | 34,182              | 67,917                           |
| Repayment of long term debt   | (2,636,139)         | (102,869)                        |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>  | <u>(2,851,910)</u>  | <u>(123,952)</u>                 |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>                                      | 965,489             | 93,795                           |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>                                   | 197,247             | 96,654                           |
| <b>CASH TRANSFERRED FROM LIMITED PARTNERSHIPS</b>                                     | <u>26,090</u>       | <u>6,798</u>                     |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>   | <u>\$ 1,188,826</u> | <u>\$ 197,247</u>                |

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)  
FOR THE YEARS ENDED MAY 31, 2016 AND 2015**

|   | <u>2016</u>         | <u>2015</u><br>(restated) |
|---|---------------------|---------------------------|
| <b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>                      |                     |                           |
| Cash paid during the year for interest  | \$ <u>253,726</u>   | \$ <u>186,420</u>         |
| <b>SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES</b> |                     |                           |
| Transfer of assets from newly consolidated LPs:                               |                     |                           |
| Accounts receivable   | \$ -                | \$ 7,149                  |
| Due from related parties  | 40,000              | -                         |
| Prepaid expenses  | 9,494               | 8,324                     |
| Land and buildings  | 3,097,594           | 6,623,002                 |
| Furniture and fixtures  | 28,666              | 111,730                   |
| Accumulated depreciation  | (1,147,270)         | (3,857,476)               |
| Other assets  | -                   | 15,377                    |
| Cash escrow and reserve funds   | 300,184             | 125,050                   |
| Security deposits   | <u>32,067</u>       | <u>45,904</u>             |
| Total transfer of assets from newly consolidated LPs                          | \$ <u>2,360,735</u> | \$ <u>3,079,060</u>       |
| Transfer of liabilities from newly consolidated LPs:                          |                     |                           |
| Accounts payable  | \$ 37,921           | \$ 504,354                |
| Due to related parties  | -                   | 226,789                   |
| Accrued expenses  | 29,836              | 645,873                   |
| Long term debt  | <u>1,909,144</u>    | <u>3,693,230</u>          |
| Total transfer of liabilities from newly consolidated LPs                     | \$ <u>1,976,901</u> | \$ <u>5,070,246</u>       |
| Transfer of net assets from newly consolidated LPs                            | \$ <u>409,924</u>   | \$ <u>(1,984,388)</u>     |

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED MAY 31, 2016  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

|   | Home Energy Programs | Education and Nutrition | Homeless Programs   | Housing Services    | Economic Development Services | Other Programs    | Total Program        | Management and General | 2016 Total           | 2015 Total (restated) |
|---|----------------------|-------------------------|---------------------|---------------------|-------------------------------|-------------------|----------------------|------------------------|----------------------|-----------------------|
| Payroll   | \$ 367,452           | \$ 1,020,131            | \$ 560,784          | \$ 780,508          | \$ 205,470                    | \$ 382,202        | \$ 3,319,547         | \$ 754,218             | \$ 4,070,765         | \$ 3,884,753          |
| Payroll taxes   | 37,424               | 114,436                 | 55,898              | 75,987              | 19,773                        | 43,778            | 347,296              | 66,039                 | 413,335              | 419,912               |
| Employee benefits   | 125,137              | 296,025                 | 156,712             | 217,328             | 54,272                        | 119,434           | 970,908              | 149,659                | 1,120,567            | 1,241,803             |
| Retirement  | 24,223               | 70,374                  | 36,061              | 59,160              | 13,817                        | 17,028            | 220,663              | 63,302                 | 283,965              | 264,701               |
| Advertising   | 150                  | 26,290                  | 1,698               | 2,908               | 1,990                         | -                 | 33,036               | 396                    | 33,432               | 24,335                |
| Bank charges  | 240                  | -                       | 104                 | 5,370               | -                             | -                 | 5,714                | 8,123                  | 13,837               | 10,143                |
| Bad debt expense  | -                    | -                       | -                   | 27,660              | -                             | -                 | 27,660               | -                      | 27,660               | 878                   |
| Commercial subsidy  | 1,800                | -                       | 11,074              | -                   | -                             | 1,868             | 14,742               | -                      | 14,742               | 13,373                |
| Computer cost   | 58                   | 3,133                   | 3,189               | -                   | 1,310                         | -                 | 7,690                | 129,074                | 136,764              | 159,186               |
| Contractual   | 219,626              | 22,618                  | 144,801             | 35,717              | 2,386                         | 80,035            | 505,183              | 16,144                 | 521,327              | 785,393               |
| Depreciation  | -                    | 21,870                  | 91,203              | 321,803             | 11,557                        | 11,557            | 448,433              | 150,864                | 597,297              | 505,694               |
| Dues/registration   | -                    | 6,815                   | 625                 | 235                 | -                             | 7,914             | 15,589               | 3,030                  | 18,619               | 26,125                |
| Duplicating   | 1,586                | 9,460                   | 207                 | 135                 | -                             | 726               | 12,116               | 5,407                  | 17,523               | 14,354                |
| Insurance   | 6,038                | 15,578                  | 22,855              | 98,104              | 1,198                         | 6,211             | 149,984              | 39,640                 | 189,624              | 141,667               |
| Interest  | -                    | 8,774                   | 10,663              | 103,971             | 2,190                         | 2,190             | 125,598              | 128,128                | 253,726              | 186,420               |
| Meeting and conference  | 7,374                | 896                     | 11,846              | 8,762               | -                             | 26,274            | 55,152               | 36,430                 | 91,582               | 58,293                |
| Miscellaneous expense   | 9,396                | 8,715                   | 2,975               | 136,707             | 355                           | 5,702             | 183,850              | 31,465                 | 195,315              | 77,676                |
| Miscellaneous taxes   | -                    | -                       | -                   | 89,068              | -                             | -                 | 89,068               | 10,175                 | 99,243               | 49,920                |
| Equipment purchases   | 232                  | 1,832                   | 569                 | 4,744               | -                             | -                 | 7,377                | 5,770                  | 13,147               | 17,962                |
| Office expense  | 11,381               | 18,063                  | 12,256              | 7,957               | 3,686                         | 430               | 53,773               | 16,483                 | 70,256               | 62,621                |
| Postage   | 45                   | 377                     | 100                 | 588                 | 294                           | -                 | 1,404                | 23,999                 | 25,403               | 23,144                |
| Professional fees   | -                    | -                       | -                   | 48,030              | -                             | -                 | 48,030               | 92,569                 | 140,599              | 66,297                |
| Staff development and training  | 3,300                | 5,335                   | 17,882              | 6,227               | 12,592                        | 12,592            | 45,336               | 20,809                 | 65,945               | 93,425                |
| Subscriptions   | -                    | -                       | -                   | 458                 | 234                           | 1,050             | 1,742                | 551                    | 2,293                | 979                   |
| Telephone   | 1,621                | 15,497                  | 23,826              | 9,660               | 4,347                         | 1,133             | 56,084               | 5,076                  | 61,160               | 85,550                |
| Fax   | -                    | -                       | -                   | -                   | -                             | -                 | -                    | -                      | -                    | 46                    |
| Travel  | 5,778                | 18,032                  | 20,648              | 7,572               | 5,171                         | 764               | 57,965               | 3,429                  | 61,394               | 52,997                |
| Vehicle   | 1,668                | 3,362                   | 2,713               | 28,122              | -                             | 5,607             | 41,472               | 36,064                 | 77,536               | 78,974                |
| Rent  | -                    | 26,550                  | -                   | -                   | -                             | -                 | 26,550               | -                      | 26,550               | 25,550                |
| Space costs   | -                    | 148,298                 | 258,489             | 391,556             | -                             | 510               | 798,853              | 91,117                 | 889,970              | 897,407               |
| Direct client assistance  | 2,795,710            | 194,127                 | 675,640             | 52,996              | 3,519                         | 18,731            | 3,741,723            | -                      | 3,741,723            | 4,187,069             |
| In-kind expenses  | -                    | 215,867                 | -                   | -                   | -                             | -                 | 215,867              | -                      | 215,867              | 161,575               |
| <b>TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION</b> | <b>3,624,241</b>     | <b>2,271,455</b>        | <b>2,122,818</b>    | <b>2,521,333</b>    | <b>317,822</b>                | <b>745,736</b>    | <b>11,603,405</b>    | <b>1,887,761</b>       | <b>13,491,166</b>    | <b>13,418,222</b>     |
| Allocation of management and general expenses                             | 589,629              | 369,544                 | 345,362             | 410,196             | 51,707                        | 121,323           | 1,887,761            | (1,887,761)            | -                    | -                     |
| <b>TOTAL FUNCTIONAL EXPENSES</b>  | <b>\$ 4,213,870</b>  | <b>\$ 2,640,999</b>     | <b>\$ 2,468,180</b> | <b>\$ 2,931,529</b> | <b>\$ 369,529</b>             | <b>\$ 867,059</b> | <b>\$ 13,491,166</b> | <b>\$ -</b>            | <b>\$ 13,491,166</b> | <b>\$ 13,418,222</b>  |

See Notes to Consolidated Financial Statements

## **SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2016 AND 2015**

#### **NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **General**

Southwestern Community Services, Inc. (the Organization) is a New Hampshire nonprofit corporation formed as an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in the Cheshire and Sullivan counties of New Hampshire. Various programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing, and homelessness prevention. Services are provided through Southwestern Community Services, Inc., and its related corporations, SCS Management Corp., SCS Housing, Inc., Drewsville Carriage House Associates, LP (Drewsville), North Walpole Village Housing Associates, LP (North Walpole), Troy Common Associates, LP (Troy), Peterborough/Finlay, LLC (Peterborough), Hinsdale Main Street Associates LP (Hinsdale), Jaffrey Housing Associates LP (Jaffrey), Troy Senior Housing Associates, LP (Troy Senior), and Keene Eastside Senior Housing Associates, LP (Keene Eastside). The Organization is committed to providing respectful support service and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty. The primary source of revenues is derived from governmental contracts.

##### **Basis of Accounting**

The consolidated financial statements of Southwestern Community Services, Inc. and related companies have been prepared utilizing the accrual basis of accounting in accordance with generally accepted accounting principles. The consolidated financial statements include the accounts of Southwestern Community Services, Inc., SCS Management Corp., and SCS Housing, Inc. The three corporations are combined because Southwestern Community Services, Inc. controls more than 50% of the voting power. All significant intercompany items and transactions have been eliminated from the basic consolidated financial statements.

For the years ended May 31, 2016 and 2015, Drewsville, North Walpole, Troy, Peterborough, Hinsdale, Jaffrey, Troy Senior, and Keene Eastside have been consolidated with the Organization because the Organization owns 100% of the voting power. Troy Senior and Keene Eastside were acquired by the Organization during the year ended May 31, 2016, and Peterborough, Hinsdale, and Jaffrey were acquired during the year ended May 31, 2015. During the year ended May 31, 2016, the Organization sold North Walpole, Troy, Peterborough, and Hinsdale. All significant intercompany items and transactions have been eliminated from the basic consolidated financial statements.

### **Basis of Presentation**

Financial statement presentation follows the recommendations of the Accounting Standard Codification No. 958-210, Financial Statements of Not-for-Profit Organizations. Under FASB ASC 958-210, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets based upon the existence or absence of donor-imposed restrictions.

Unrestricted: Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted: Net assets whose use is limited by donor imposed stipulations that will either expire with the passage of time or be fulfilled or removed by actions of the Organization.

Permanently Restricted: Net assets reflecting the historical cost of gifts (and in certain circumstances, the earnings from those gifts), subject to donor - imposed stipulations, which require the corpus to be invested in perpetuity to produce income for general or specific purposes.

As of May 31, 2016 and 2015, the Organization had unrestricted and temporarily restricted net assets.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended May 31, 2015 from which the summarized information was derived.

### **Refundable Advances**

The Organization records grant and contract revenue as refundable advances until it is expended for the purpose of the grant or contract, at which time it is recognized as revenue.

### **In-Kind Support**

The Organization records various types of in-kind support including professional services and materials. Contributed professional services are recognized if the service received creates or enhances long-lived assets or requires specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

### **Estimates**

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the

reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers all liquid investments purchased with original maturities of three months or less to be cash equivalents.

### **Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at May 31, 2016 and 2015. The Organization has no policy for charging interest on overdue accounts.

### **Notes Receivable**

The Organization has two notes receivable from an unrelated third party. The notes receivable are stated at the amount that is expected to be collected at year end. Interest is accrued at a rate of 4% annually. The balance of the notes receivable and related interest receivable is \$112,000 and \$36,587, respectively at May 31, 2016 and \$112,000 and \$32,107, respectively at May 31, 2015.

### **Inventory**

Inventory is recorded at cost or at fair value if contributed. Inventory consists of property developments, which when complete, will be held for sale. There are no property developments in process at May 31, 2016.

### **Current Vulnerability Due to Certain Concentrations**

The Organization is operated in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change. For the years ended May 31, 2016 and 2015, approximately 66% and 68%, respectively, of the Organization's total revenue was received from government agencies. The future nature of the organization is dependent upon continued support from the government.

### **Concentration of Credit Risk**

The Organization maintains its cash accounts in several financial institutions, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts. At May 31, 2016, cash balances in excess of federally insured limits aggregated approximately \$960,000. At May 31, 2015, no balance exceeded the federally insured limits.

**Property and Depreciation**

Purchased property and equipment are stated at cost at the date of acquisition or at fair value at the date of receipt in the case of donated property. The Organization generally capitalizes and depreciates all assets with a cost greater than \$5,000 and an expected life greater than one year. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

|                            |               |
|----------------------------|---------------|
| Buildings and improvements | 10 - 40 Years |
| Vehicles and equipment     | 5 - 10 Years  |
| Furniture and fixtures     | 7 Years       |

The use of certain assets is specified under the terms of grants received from agencies of the federal government. These grants also place liens on certain assets and impose restrictions on the use of funds received from the disposition of the property.

**Advertising**

The Organization expenses advertising costs as incurred.

**Revenue Recognition**

Amounts received from conditional grants and contracts received for specific purposes are generally recognized as income to the extent that related expenses and conditions are incurred or met. Conditional grants received prior to the conditions being met are reported as refundable advances. Contributions of cash and other assets are reported as restricted if they are received with donor imposed stipulations that limit the use of the donated assets. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.

**Income Taxes**

Southwestern Community Services, Inc. and SCS Management Corporation are exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and are not a private foundation. As such, they are exempt from income tax on its exempt function income.

SCS Housing, Inc. is taxed as a corporation and has federal net operating loss carryforwards totaling \$808,894 and \$800,793 at May 31, 2016 and 2015, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2027.

The tax effects of the carryforwards as related to deferred tax assets is as follows as of May 31, 2016 and 2015:

|                                     | <u>2016</u>      | <u>2015</u>      |
|-------------------------------------|------------------|------------------|
| Tax benefit from loss carryforwards | \$121,334        | \$120,119        |
| Valuation allowance                 | <u>(121,334)</u> | <u>(120,119)</u> |
| Deferred tax asset                  | <u>\$ -</u>      | <u>\$ -</u>      |

Drewsville, North Walpole, Troy, Peterborough, Hinsdale, Jaffrey, Troy, Senior and Keene Eastside are taxed as partnerships. Federal income taxes are not payable by, or provided for these entities. Earnings and losses are included in the partners' federal income tax returns based on their share of partnership earnings. Partnerships are required to file income tax returns with the State of New Hampshire and pay an income tax at the state's statutory rate.

Accounting Standard Codification No. 740, "Accounting for Income Taxes," established the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. Management has analyzed the Organization's tax position taken on its income tax returns for all open years (tax years ending May 31, 2013 – 2016), and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

### **Fair Value of Financial Instruments**

FASB ASC Topic No. 820-10, Financial Instruments, provides a definition of fair value which focuses on an exit price rather than an entry price, establishes a framework in generally accepted accounting principles for measuring fair value which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with ASC 820-10, the Organization may use valuation techniques consistent with market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, Topic 820-10 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under ASC Topic 820-10 are described as follows:

**Level 1** – Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

**Level 2** - Inputs to the valuation methodology are other than quoted market prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.

**Level 3** - Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The carrying amount of cash, accounts receivables, prepaid expenses, inventory, accounts payable, accrued expenses, and refundable advances approximates fair value because of the short maturity of those instruments.

**Functional Allocation of Expenses**

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

**NOTE 2**      **BANK LINE OF CREDIT**

The Organization has a \$250,000 revolving line of credit agreement with a bank. The line calls for monthly interest payments based on an interest rate of 4% per annum. The line is secured by all the Organization's assets. The outstanding balance at May 31, 2015 totaled \$249,953. The balance has been repaid in full as of May 31, 2016.

**NOTE 3**      **LONG TERM DEBT**

The long term debt at May 31, 2016 and 2015 consisted of the following:

|   | <b><u>2016</u></b> | <b><u>2015</u></b> |
|---|--------------------|--------------------|
| 1% mortgage payable to New Hampshire Housing Finance Authority in monthly installments for principal and interest of \$891 through August 2032. The note is secured by real estate of the Organization.   | \$ 172,929         | \$ 181,843         |
| Non-interest bearing mortgage payable to Community Development Finance Authority, in quarterly principal payments based on operating income formula applied to affordable housing portion of the specified real estate. The note is secured by real estate of the Organization.                   | 32,147             | 32,147             |
| 3.5% note payable to a bank in monthly installments for principal and interest of \$959 through March 2021. The note is secured by real estate of the Organization.   | 51,906             | 61,388             |
| Non-interest bearing mortgage payable to New Hampshire Housing Finance Authority. Payment is deferred for 30 years, through September 2031, or until project is sold or refinanced. The note is secured by real estate of the Organization.   | 250,000            | 250,000            |
| Non-interest bearing mortgage payable to New Hampshire Housing Finance Authority. Payment is deferred for 30 years, through July 2032, unless there is surplus cash from which to make a payment, or until project is sold or refinanced. The note is secured by real estate of the Organization. | 406,558            | 408,300            |

|  |           |           |
|--|-----------|-----------|
| 4.25% mortgage payable to a bank in monthly installments for principal and interest of \$1,875 through December 2016, with a balloon payment due January 2017. The note is secured by real estate of the Organization.   | 192,893   | 206,615   |
| 4.375% note payable to Rural Housing Service in monthly installments for principal and interest of \$11,050 through May 2049. The note is secured by real estate of the Organization.  | 2,312,802 | 2,343,485 |
| Non-interest bearing note payable to Cheshire County in New Hampshire. Payment is not necessary unless Organization defaults on contract and the note is secured by real estate of the Organization.   | 460,000   | 460,000   |
| 4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2016 and is classified as current. The note is secured by real estate of the Organization.  | 63,000    | 63,000    |
| 4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2016 and is classified as current. The note is secured by real estate of the Organization.  | 45,000    | 45,000    |
| Note payable to a bank in monthly installments for principal and interest of \$2,769 including interest through May 2039. Interest is adjusted every five years based on remaining principal balance and "Classic Advantage Rate" provided by Federal Home Loan Bank of Boston which resulted in an interest rate of 4.07% at May 31, 2016 and 2015. The note is secured by real estate of the Organization. | 439,386   | 449,567   |
| 5.95% note payable to a bank in monthly installments for principal and interest of \$934 through May 2021. The note is secured by real estate of the Organization.   | 110,853   | 115,214   |

|   |         |         |
|---|---------|---------|
| North Walpole - 6% note payable to a bank in monthly installments for principal and interest of \$1,351 through April 2016 at which time a balloon payment of \$123,000 was due. North Walpole was sold during the year ended May 31, 2016. The note was secured by real estate of the Organization.                          | -       | 128,971 |
| Troy - 7% note payable to a bank in monthly installments for principal and interest of \$807 through December 2025. Troy was sold during the year ended May 31, 2016 and the note was paid off. The note was secured by real estate of the Organization.  | -       | 76,750  |
| Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization. | 200,000 | 225,000 |
| Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization. | 120,000 | 135,000 |
| Non-interest bearing note payable to New Hampshire Finance Authority in annual payments in the amount of 50% of annual surplus cash through July 2023 at which time the remaining balance is due. The note is secured by real estate of the Organization.   | 794,189 | 794,189 |
| Non-interest bearing note payable to a county in New Hampshire. No payment is due and 5% of the balance is forgiven each year through 2032 when the remaining balance becomes due. The note is secured by real estate of the Organization.  | 402,966 | 424,175 |

|  |         |           |
|--|---------|-----------|
| 3.99% note payable to a bank in monthly installments for principal and interest of \$355 through May 2018. The note is secured by a vehicle of the Organization.   | 8,401   | 12,249    |
| Peterborough - 7% note payable to New Hampshire Housing Finance Authority in monthly installments for principal and interest of \$15,013 through June 2040. Peterborough was sold during the year ended May 31, 2016 and the note was paid off. The note was secured by a mortgage and risk sharing security agreement with the U.S. Department of Housing and Urban Development on the Organization's assets. | -       | 2,124,114 |
| Peterborough - Non-recourse 0% note payable to New Hampshire Housing Finance Authority. Principal is payable at the sole discretion of the lender from excess cash of the borrower determined by formula. Peterborough was sold during the year ended May 31, 2016 and the note was paid off. The note was due December 2041 and was secured by the Partnership's land and buildings.                          | -       | 388,657   |
| Jaffrey - 30-year deferred note payable to the Town of Jaffrey, New Hampshire. Payment of principal and accrued interest at 1% are deferred until the note matures in June 2027. The note is secured by land and buildings. The balance included cumulative accrued interest of \$46,819.  | 297,668 | 294,721   |
| Jaffrey - 6% note payable to a bank in monthly installments for principal and interest of \$484 through June 2027. The note is secured by land and buildings.  | 46,592  | 49,463    |
| Hinsdale - 6% note payable to a bank in monthly installments for principal and interest of \$635 with a balloon payment due October 2017. Hinsdale was sold during the year ended May 31, 2016 and the note was paid off. The note was secured by land and buildings.  | -       | 66,030    |
| 4.25% note payable to a bank in monthly installments for principal and interest through December 2016. The note was secured by land and buildings and was paid off during the year ended May 31, 2016.   | -       | 37,718    |

|  |                     |                     |
|--|---------------------|---------------------|
| 6.99% note payable to a finance company in monthly installments for principal and interest of \$652 through June 2019. The note is secured by a vehicle.   | 22,167              | 28,210              |
| Troy Senior - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in June 2029. The note is secured by real estate of the Organization.   | 640,000             | -                   |
| Troy Senior - Non-interest bearing note payable to New Hampshire Housing Finance Authority to fund energy efficiency improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization.    | 140,210             | -                   |
| Keene Eastside - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in December 2028. The note is secured by real estate of the Organization.  | 900,000             | -                   |
| Keene Eastside - Non-interest bearing note payable to New Hampshire Community Development Finance Authority (CDFA) to fund energy upgrades and capital improvements. The mortgage may be released after ten years in January 2026. The note is secured by real estate of the Organization.         | 34,106              | -                   |
| Keene Eastside - Non-interest bearing note payable to New Hampshire Housing Finance Authority to fund energy efficiency improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization. | <u>228,934</u>      | <u>-</u>            |
|  | 8,372,707           | 9,401,806           |
| Less current portion due within one year   | <u>381,611</u>      | <u>331,865</u>      |
|  | <u>\$ 7,991,096</u> | <u>\$ 9,069,941</u> |

The schedule of maturities of long term debt at May 31, 2016 is as follows:

| <b>Year Ending</b> | <b>Amount</b>       |
|--------------------|---------------------|
| <u>May 31</u>      |                     |
| 2017               | \$ 381,611          |
| 2018               | 84,403              |
| 2019               | 83,465              |
| 2020               | 80,398              |
| 2021               | 81,318              |
| Thereafter         | <u>7,661,512</u>    |
| Total              | <u>\$ 8,372,707</u> |

**NOTE 4      OPERATING LEASES**

The Organization leases facilities and vehicles under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2017. Monthly lease payments range from \$341 to \$3,521. Lease expense for the years ended May 31, 2016 and 2015 totaled \$25,093 and \$9,472, respectively.

Future minimum payments as of May 31, 2016 on the above leases are \$36,617 during the year ending May 31, 2017.

**NOTE 5      ACCRUED COMPENSATED BALANCES**

At May 31, 2016 and 2015, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$125,790 and \$125,564, respectively.

**NOTE 6      CONTINGENCIES**

At May 31, 2016, SCS Housing, Inc. is the general partner of seven limited partnerships (which include Drewsville, Jaffrey, and Troy Senior, consolidated within the financial statements) formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc. and SCS Housing, Inc. have guaranteed repayment of liabilities of various partnerships totaling approximately \$2,345,000 at May 31, 2016. Partnership real estate with a cost basis of approximately \$17,286,000 provides collateral on these loans.

At May 31, 2015, SCS Housing, Inc. was the general partner of eleven limited partnerships (which included Drewsville, North Walpole, Troy, Peterborough, Hinsdale, and Jaffrey, consolidated within the financial statements) formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc. and SCS Housing, Inc. had guaranteed repayment of liabilities of various partnerships totaling \$5,209,000 at May 31, 2015. Partnership real estate with a cost basis of approximately \$25,300,000 provided collateral on these loans.

The Organization receives funds under various state grants and from Federal sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If costs were found not to have been incurred in compliance with the laws and regulations, the Organization might be required to repay the funds.

No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of May 31, 2016 and 2015.

**NOTE 7**      **RELATED PARTY TRANSACTIONS**

During the years ended May 31, 2016 and 2015, SCS Housing, Inc. managed seven limited partnerships. Management fees charged by SCS Housing, Inc. totaled \$276,881 and \$337,996, for the years ended May 31, 2016 and 2015, respectively. In addition, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years. The total amount due and expected to be collected from the limited partnerships was \$281,825 and \$352,217 at May 31, 2016 and 2015, respectively.

**NOTE 8**      **INVESTMENT IN RELATED PARTIES**

The Organization has invested in three related entities for property development and Department of Housing and Urban Development (HUD) sponsorship purposes. The total amount invested in these entities totaled \$20,700 at May 31, 2016 and 2015.

**NOTE 9**      **RETIREMENT PLAN**

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the internal Revenue Code. All employees who have had at least 30 days of service to the Organization are eligible to contribute to the plan. The Organization begins matching contributions after the employee has reached one year of service. Employer contributions are at the Organization's discretion and totaled \$283,965 and \$264,701 for the years ended May 31, 2016 and 2015, respectively.

**NOTE 10**     **RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets consist of contributions received by the Organization that have not been used for the specified purpose of the donor. Temporarily restricted net assets at May 31, 2016 and 2015 totaled \$211,220 and \$9,845, respectively.

**NOTE 11 FORGIVENESS OF DEBT**

During the year ended May 31, 2016 the Organization realized forgiveness of debt income in connection with notes payable to HUD. Forgiveness of debt income totaled \$61,209 for the year ended May 31, 2016.

During the year ended May 31, 2015 the Organization realized forgiveness of debt income in connection with notes payable to the Town of Hinsdale, the County of Cheshire and HUD. Forgiveness of debt income totaled \$585,457 for the year ended May 31, 2015.

**NOTE 12 PRIOR PERIOD ADJUSTMENT**

The beginning net assets for the year ended May 31, 2016 have been restated to properly reflect the amount of assets and liabilities assumed in 2015 when Southwestern Community Services, Inc. acquired interests in a low income housing partnership. Unrestricted net assets at May 31, 2015 have been increased by \$195,077 to properly reflect the transaction.

**NOTE 13 TRANSFER OF PARTNERSHIP INTEREST**

During 2016, SCS acquired partnership interests in two low income housing limited partnerships: Troy Senior Housing Associates, LP (Troy Senior) and Keene Eastside Senior Housing Associates, LP (Keene Eastside). The amount paid for each partnership interest was \$1 and at the time of acquisition SCS became the general partner in each partnership.

The following is a summary of the assets and liabilities of each partnership at the date of acquisition:

| Date of transfer  | <u>09/09/2015</u>     | <u>12/31/2015</u>  |                   |
|-------------------|-----------------------|--------------------|-------------------|
|                   | <u>Keene Eastside</u> | <u>Troy Senior</u> | <u>Total</u>      |
| Cash              | \$ 18,722             | \$ 7,368           | \$ 26,090         |
| Cash-escrow       | 280,837               | 19,347             | 300,184           |
| Property – net    | 996,031               | 982,959            | 1,978,990         |
| Other assets      | <u>38,090</u>         | <u>22,557</u>      | <u>60,647</u>     |
| Total assets      | <u>1,333,680</u>      | <u>1,032,231</u>   | <u>2,365,911</u>  |
| Notes payable     | 1,128,934             | 780,210            | 1,909,144         |
| Other liabilities | <u>19,778</u>         | <u>27,065</u>      | <u>46,843</u>     |
| Total liabilities | <u>1,148,712</u>      | <u>807,275</u>     | <u>1,955,987</u>  |
| Partners' capital | <u>\$ 184,968</u>     | <u>\$ 224,956</u>  | <u>\$ 409,924</u> |

During 2015, SCS acquired partnership interests in three low income housing limited partnerships: Hinsdale Main Street Associates, LP (Hinsdale), Jaffrey Housing Associates (Jaffrey) and Peterborough/Finlay, LLC (Peterborough). The amount paid for each partnership interest was \$1 and at the time of acquisition SCS became the general partner in each partnership.

The following is a summary of the assets and liabilities of each partnership at the date of acquisition:

| Date of transfer    | <u>12/31/2014</u>   | <u>12/31/2014</u>   | <u>04/30/2015</u>     |                       |
|---------------------|---------------------|---------------------|-----------------------|-----------------------|
|                     | <u>Jaffrey</u>      | <u>Hinsdale</u>     | <u>Peterborough</u>   | <u>Total</u>          |
| Cash                | \$ 2,393            | \$ 3,284            | \$ 1,121              | \$ 6,798              |
| Cash-escrow         | -                   | 31,079              | 93,971                | 125,050               |
| Property – net      | 328,095             | 645,620             | 1,928,533             | 2,902,248             |
| Other assets        | <u>12,097</u>       | <u>10,746</u>       | <u>54,121</u>         | <u>76,964</u>         |
| Total assets        | <u>342,585</u>      | <u>690,729</u>      | <u>2,077,746</u>      | <u>3,111,060</u>      |
| Notes payable       | 345,342             | 590,654             | 2,757,234             | 3,693,230             |
| Other liabilities   | <u>178,907</u>      | <u>402,037</u>      | <u>821,274</u>        | <u>1,402,218</u>      |
| Total liabilities   | <u>524,249</u>      | <u>992,691</u>      | <u>3,578,508</u>      | <u>5,095,448</u>      |
| Partners' (deficit) | <u>\$ (181,664)</u> | <u>\$ (301,962)</u> | <u>\$ (1,500,762)</u> | <u>\$ (1,984,388)</u> |

**NOTE 14** RECLASSIFICATION

Certain amounts and accounts from the prior year's financial statements were reclassified to enhance comparability with the current year's financial statements.

**NOTE 15** SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through December 9, 2016, the date the financial statements were available to be issued.

**SUPPLEMENTAL INFORMATION**

**(SEE INDEPENDENT AUDITORS' REPORT)**

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**  
**CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED MAY 31, 2016**  
**WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

|   | Home Energy Programs | Education and Nutrition | Homeless Programs   | Housing Services    | Economic Development Services | Other Programs    | Total Program        | Management and General | 2016 Total           | 2015 Total (restated) |
|---|----------------------|-------------------------|---------------------|---------------------|-------------------------------|-------------------|----------------------|------------------------|----------------------|-----------------------|
| <b>REVENUES</b>   |                      |                         |                     |                     |                               |                   |                      |                        |                      |                       |
| Government contracts  |                      |                         |                     |                     |                               |                   |                      |                        |                      |                       |
| Program service fees  | \$ 3,620,956         | \$ 2,600,009            | \$ 1,760,062        | \$ 63,747           | \$ 451,713                    | \$ 16,534         | \$ 8,513,041         | \$ 547,069             | \$ 9,060,110         | \$ 9,154,522          |
| Rental income   | 152,878              | 7,923                   | 57,647              | 1,044,855           | -                             | 765,243           | 2,028,646            | 2,126                  | 2,030,772            | 1,991,293             |
| Developer income  | -                    | -                       | 100,521             | 906,679             | -                             | -                 | 1,007,200            | -                      | 1,007,200            | 533,766               |
| Support   | 71,870               | 35,460                  | 127,248             | 254,004             | -                             | -                 | 254,004              | -                      | 254,004              | 347,615               |
| Fundraising   | -                    | 50                      | -                   | 112,000             | -                             | 171,049           | 517,627              | 175                    | 517,802              | 381,297               |
| Interest income   | 3                    | -                       | 10                  | 157                 | -                             | 12                | 67,765               | -                      | 67,765               | 92,884                |
| Forgiveness of debt   | -                    | -                       | 61,208              | -                   | -                             | -                 | 182                  | 4,528                  | 4,710                | 4,549                 |
| Miscellaneous   | 5,226                | 1,453                   | 81                  | 127,155             | -                             | 60                | 133,975              | 130,820                | 264,795              | 122,439               |
| In-kind contributions   | -                    | 2,15,867                | -                   | -                   | -                             | -                 | 215,867              | -                      | 215,867              | 585,457               |
| <b>Total revenues and other support</b>                                   | <b>3,850,933</b>     | <b>2,860,762</b>        | <b>2,106,798</b>    | <b>2,508,697</b>    | <b>451,713</b>                | <b>1,020,613</b>  | <b>12,799,516</b>    | <b>684,718</b>         | <b>13,484,234</b>    | <b>13,375,397</b>     |
| <b>EXPENSES</b>   |                      |                         |                     |                     |                               |                   |                      |                        |                      |                       |
| Payroll   | \$ 367,452           | \$ 1,020,131            | \$ 560,784          | \$ 780,508          | \$ 205,470                    | \$ 382,202        | \$ 3,316,547         | \$ 754,218             | \$ 4,070,765         | \$ 3,884,753          |
| Payroll taxes   | 37,424               | 114,436                 | 55,898              | 75,987              | 19,773                        | 43,778            | 347,296              | 66,039                 | 413,335              | 419,912               |
| Employee benefits   | 125,137              | 298,025                 | 156,712             | 217,328             | 54,272                        | 119,434           | 970,908              | 149,659                | 1,120,567            | 1,241,803             |
| Retirement  | 24,223               | 70,374                  | 36,061              | 59,160              | 13,817                        | 17,028            | 220,663              | 63,302                 | 283,965              | 264,701               |
| Advertising   | 150                  | 28,290                  | 1,698               | 2,908               | 1,990                         | -                 | 33,036               | 396                    | 24,335               | 24,335                |
| Bank charges  | 240                  | -                       | 104                 | 5,370               | -                             | -                 | 5,714                | 8,123                  | 13,837               | 878                   |
| Bad debt expense  | -                    | -                       | -                   | 27,660              | -                             | -                 | 27,660               | -                      | 27,660               | 10,143                |
| Commercial subsidy  | 1,800                | -                       | 11,074              | -                   | -                             | 1,868             | 14,742               | -                      | 14,742               | 13,373                |
| Computer cost   | 58                   | 3,133                   | 3,189               | -                   | 1,310                         | -                 | 7,690                | 129,074                | 136,764              | 159,186               |
| Contractual   | 219,626              | 22,618                  | 144,801             | 35,717              | 2,366                         | 80,035            | 505,183              | 16,144                 | 521,327              | 785,393               |
| Depreciation  | -                    | 21,870                  | 81,203              | 321,803             | 11,557                        | 11,557            | 446,433              | 150,864                | 597,297              | 505,694               |
| Dues/registration   | -                    | 6,815                   | 625                 | 235                 | 625                           | 7,914             | 15,589               | 5,407                  | 18,619               | 26,125                |
| Duplicating   | 1,588                | 9,460                   | 207                 | 135                 | -                             | 726               | 12,116               | 5,407                  | 17,523               | 14,354                |
| Insurance   | 6,038                | 15,578                  | 22,855              | 98,104              | 1,198                         | 6,211             | 149,984              | 39,640                 | 189,624              | 141,667               |
| Interest  | -                    | 8,774                   | 10,663              | 103,971             | -                             | 2,190             | 125,998              | 128,128                | 253,728              | 186,420               |
| Meeting & conference  | 7,374                | 896                     | 11,846              | 8,762               | -                             | 28,274            | 55,152               | 36,430                 | 91,582               | 58,293                |
| Miscellaneous expense   | 9,396                | 8,715                   | 2,975               | 136,707             | 355                           | 5,702             | 163,850              | 31,465                 | 195,315              | 77,676                |
| Miscellaneous taxes   | -                    | -                       | -                   | 89,068              | -                             | -                 | 89,068               | 10,175                 | 99,243               | 49,920                |
| Equipment purchases   | 232                  | 1,832                   | 569                 | 4,744               | -                             | -                 | 7,377                | 5,770                  | 13,147               | 17,962                |
| Office expense  | 11,381               | 18,063                  | 12,256              | 7,957               | 3,666                         | 430               | 53,773               | 16,483                 | 70,256               | 62,621                |
| Postage   | 45                   | 377                     | 100                 | 588                 | 284                           | -                 | 1,404                | 23,989                 | 25,403               | 23,144                |
| Professional fees   | 3,300                | 5,335                   | 17,882              | 48,030              | -                             | -                 | 48,030               | 93,569                 | 140,599              | 66,287                |
| Staff development and training  | -                    | -                       | -                   | 6,227               | -                             | 12,592            | 45,336               | 20,609                 | 65,945               | 93,425                |
| Subscriptions   | -                    | -                       | -                   | 458                 | 234                           | 1,050             | 1,742                | 551                    | 2,293                | 979                   |
| Telephone   | 1,621                | 15,487                  | 23,826              | 9,660               | 4,347                         | 1,133             | 56,084               | 5,076                  | 61,160               | 85,550                |
| Fax   | -                    | -                       | -                   | -                   | -                             | -                 | -                    | -                      | -                    | 46                    |
| Travel  | 5,778                | 18,032                  | 20,648              | 7,572               | 5,171                         | 764               | 57,965               | 3,429                  | 61,394               | 52,997                |
| Vehicle   | 1,666                | 3,362                   | 2,713               | 28,122              | -                             | 5,807             | 41,472               | 36,064                 | 77,536               | 78,974                |
| Rent  | -                    | 26,550                  | -                   | -                   | -                             | -                 | 26,550               | -                      | 26,550               | 25,550                |
| Space costs   | -                    | 148,298                 | 258,489             | 381,556             | -                             | 510               | 796,553              | 91,117                 | 889,970              | 697,407               |
| Direct client assistance  | -                    | 191,127                 | 675,640             | 52,996              | -                             | 18,731            | 3,741,723            | -                      | 3,741,723            | 4,187,069             |
| In-kind expenses  | 2,799,710            | 2,15,867                | -                   | -                   | 3,519                         | -                 | 215,867              | -                      | 215,867              | 161,575               |
| <b>TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION</b> | <b>3,624,241</b>     | <b>2,271,455</b>        | <b>2,122,818</b>    | <b>2,521,333</b>    | <b>317,822</b>                | <b>745,736</b>    | <b>11,803,405</b>    | <b>1,887,761</b>       | <b>13,491,166</b>    | <b>13,418,222</b>     |
| Allocation of management and general expenses                             | 589,629              | 369,544                 | 345,362             | 410,198             | 51,707                        | 121,323           | 1,887,761            | (1,887,761)            | -                    | -                     |
| <b>TOTAL FUNCTIONAL EXPENSES</b>  | <b>\$ 4,213,870</b>  | <b>\$ 2,640,999</b>     | <b>\$ 2,468,180</b> | <b>\$ 2,931,529</b> | <b>\$ 369,529</b>             | <b>\$ 867,059</b> | <b>\$ 13,491,166</b> | <b>\$ -</b>            | <b>\$ 13,491,166</b> | <b>\$ 13,418,222</b>  |

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MAY 31, 2018**

| <b>FEDERAL GRANTOR/<br/>PASS-THROUGH GRANTOR/PROGRAM TITLE</b>                   | <b>FEDERAL<br/>CFDA<br/>NUMBER</b> | <b>PASS-THROUGH<br/>GRANTOR'S NAME</b>          | <b>PASS-THROUGH<br/>GRANTOR'S NUMBER</b> | <b>FEDERAL<br/>EXPENDITURE</b> |
|--|------------------------------------|---|--|--------------------------------|
| <b><u>U.S. Department of Agriculture</u></b>                                     |                                    |   |  |                                |
| Rural Housing Preservation Grants  | 10.433                             | N/A   | N/A                                      | \$ 25,000                      |
| Child and Adult Care Food Program  | 10.658                             | State of NH, Dept of Education                  | Unknown                                  | 127,220                        |
| Special Supplemental Nutrition Program for<br>Women, Infants, and Children (WIC) | 10.557                             | State of NH Dept. of Health & Human Services    | 010-090-52600000-102-500734              | 362,975                        |
| Commodity Supplemental Food Program  | 10.665                             | State of NH Dept. of Health & Human Services    | 010-090-52600000-102-500734              | <u>142,070</u>                 |
| Total U.S. Department of Agriculture   |                                    |   |  | <b>\$ 657,285</b>              |
| <b><u>U.S. Department of Housing and Urban Development</u></b>                   |                                    |   |  |                                |
| Emergency Solutions Grant Program  | 14.231                             | State of NH, DHHS, Bureau of Homeless & Housing | 05-95-95-958310-717600000-102-50731      | \$ 212,077                     |
| Supportive Housing Program   | 14.235                             | State of NH, DHHS, Bureau of Homeless & Housing | 05-95-95-958310-717600000-102-50731      | 403,269                        |
| Continuum of Care Program  | 14.267                             | State of NH, DHHS, Bureau of Homeless & Housing | 05-95-95-958310-717600000-102-50731      | 85,866                         |
| Shelter Plus Care  | 14.238                             | State of NH, DHHS, Bureau of Homeless & Housing | 05-95-95-958310-717600000-102-50731      | <u>272,324</u>                 |
| Total U.S. Department of Housing and Urban Development                           |                                    |   |  | <b>\$ 973,326</b>              |
| <b><u>U.S. Department of Labor</u></b>   |                                    |   |  |                                |
| WIA Cluster  |                                    |   |  |                                |
| WIA Adult Program  | 17.258                             | Southern NH Services                            | Unknown                                  | \$ 47,297                      |
| WIA Dislocated Worker Formula Grants   | 17.278                             | Southern NH Services                            | Unknown                                  | <u>51,661</u>                  |
| Total U.S. Department of Labor/WIA Cluster                                       |                                    |   |  | <b>\$ 98,958</b>               |
| <b><u>U.S. Department of Energy</u></b>  |                                    |   |  |                                |
| Weatherization Assistance for Low-Income Persons                                 | 81.042                             | State of NH, Office of Energy & Planning        | 01-02-024010-7706-074-500587             | <u>\$ 157,776</u>              |
| Total U.S. Department of Energy  |                                    |   |  | <b>\$ 157,776</b>              |
| <b><u>U.S. Department of Veterans Affairs</u></b>                                |                                    |   |  |                                |
| VA Supportive Services for Veteran Families Program                              | 64.033                             | N/A   | N/A                                      | <u>\$ 250,910</u>              |
| Total U.S. Department of Veterans Affairs  |                                    |   |  | <b>\$ 250,910</b>              |
| <b><u>U.S. Department of Health &amp; Human Services</u></b>                     |                                    |   |  |                                |
| Special Programs for the Aging, Title III, Part B,                               |                                    |   |  |                                |
| Grants for Supportive Services and Senior Centers                                | 93.044                             | State of NH, Office of Energy & Planning        | 1047055                                  | \$ 5,400                       |
| Drug-Free Communities Support Program Grants                                     | 93.276                             | N/A   | N/A                                      | 131,397                        |
| Temporary Assistance for Needy Families  | 93.558                             | Southern NH Services                            | Unknown                                  | 362,755                        |
| Low Income Home Energy Assistance  | 93.588                             | State of NH, Office of Energy & Planning        | 1045982                                  | 3,280,457                      |
| Community Services Block Grant   | 93.569                             | State of NH, DHHS, Div. of Family Assistance    | 500731                                   | 525,394                        |
| CSBG - Discretionary   | 93.570                             | State of NH, DHHS, Div. of Family Assistance    | 500731                                   | 21,675                         |
| Head Start   | 93.600                             | N/A   | N/A                                      | <u>1,961,981</u>               |
| Total U.S. Department of Health & Human Services                                 |                                    |   |  | <b>\$ 6,279,039</b>            |
| <b><u>U.S. Department of Homeland Security</u></b>                               |                                    |   |  |                                |
| Emergency Food and Shelter National Board Program                                | 97.024                             | State of NH, DHHS, Office of Human Services     | Unknown                                  | <u>\$ 3,622</u>                |
| Total U.S. Department of Homeland Security                                       |                                    |   |  | <b>\$ 3,622</b>                |
| <b>TOTAL</b>   |                                    |   |  | <b><u>\$ 8,420,906</u></b>     |

See Notes to Schedule of Expenditures of Federal Awards

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MAY 31, 2016**

**NOTE 1      BASIS OF PRESENTATION**

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Southwestern Community Services, Inc. under programs of the federal government for the year ended May 31, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Southwestern Community Services, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**NOTE 3      INDIRECT COST RATE**

Southwestern Community Services, Inc. has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 4      FOOD DONATION**

Nonmonetary assistance is reported in the Schedule at the fair value of the commodities received and disbursed.

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

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

To the Board of Directors of  
Southwestern Community Services, Inc.  
Keene, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statement of financial position as of May 31, 2016, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related consolidated notes to the financial statements, and have issued our report thereon dated November 11, 2016.

**Internal Control Over Financial Reporting**

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during

our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

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

**Purpose of this Report**

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

*Seane McDonnell & Roberts*  
*Professional Association*

December 9, 2016  
Wolfeboro, New Hampshire

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of  
Southwestern Community Services, Inc.  
Keene, New Hampshire

**Report on Compliance for Each Major Federal Program**

We have audited Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southwestern Community Services, Inc.'s major federal programs for the year ended May 31, 2016. Southwestern Community Services, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Southwestern Community Services, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Southwestern Community Services, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**Opinion on Each Major Federal Program**

In our opinion, Southwestern Community Services, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2016.

### **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2016-001. Our opinion on each major federal program is not modified with respect to these matters.

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

### **Report on Internal Control Over Compliance**

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. And therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2016-001, that we consider to be a material weakness.

Southwestern Community Services, Inc.'s response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Southwestern Community Services, Inc.'s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

*Seane McDonnell & Roberts*  
*Professional Association*

December 9, 2016

Wolfboro, New Hampshire

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED MAY 31, 2016**

**SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Southwestern Community Services, Inc. were prepared in accordance with GAAP.
2. No significant deficiencies disclosed during the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the consolidated financial statements of Southwestern Community Services, Inc. which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. One material weakness in internal control over major federal award programs disclosed during the audit is reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*.
5. The auditors' report on compliance for the major federal award programs for Southwestern Community Services, Inc. expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.
7. The programs tested as major programs were: U.S. Department of Health and Human Services; Low-Income Home Energy Assistance, 93.568, Head Start, 93.600, and Community Services Block Grant, 93.569.
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Southwestern Community Services, Inc. was determined to not be a low-risk auditee.

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

**Department of Health and Human Services**

**2016-001 Head Start - CFDA No. 93.600 (material weakness)**

**Condition:** In testing drawdowns for the Head Start program, it was noted that eight drawdowns lacked supporting documentation of the Head Start expenditures for which the drawdown was requested.

**Criteria:** All drawdowns must be for current expenditures incurred for the Head Start program and must be accompanied by supporting documentation.

**Effect:** Failure to maintain supporting documentation for each drawdown could result in advanced drawdowns of Head Start funds for purposes other than those allowed by Head Start.

**Cause:** Lack of internal control surrounding the documentation and approval of Head Start drawdowns.

**Context:** All twenty four drawdowns during the year were selected for testing. The test found that eight of the drawdowns lacked supporting documentation.

**Auditors' Recommendation:** The Organization needs to strengthen controls over its cash management processes to ensure compliance with federal requirements. We recommend that procedures be implemented so that each Head Start drawdown requires approval of either a member of the finance committee or the Head Start Program Director. Each drawdown must be accompanied by supporting documentation of the expenditures for which the drawdown is being made.

**Views of Responsible Officials and Planned Corrective Action:**

Effective December 2015, the Organization, in an effort to strengthen controls over its cash management process, ensuring compliance with federal requirements; has put into place a policy with regards to Cash Advances of Federal Grants.

Cash advances shall be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the recipient organization in carrying out the purpose of the approved program or project. The timing and amount of cash advances shall be as close as is administratively feasible to the actual disbursements by the recipient organization for direct program or project costs and the proportionate share of any allowable indirect costs [CFR Part 74.22(b)(2)].

Cash advances under this section shall require submission of satisfactory documentation of the expenses for which the cash is being drawn down, for the approval of both CEO (or designee) and a member of the Executive Committee of the Agency Board of Directors. Documentation and approvals are maintained by the CEO (or designee) in accordance with the agencies file retention policy.

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED MAY 31, 2015**

**Department of Health and Human Services**

**2015-001 Head Start - CFDA No. 93.600 (material weakness)**

**Condition:** In testing drawdowns for the Head Start program, it was noted that all but three drawdowns lacked supporting documentation of the Head Start expenditures for which the drawdown was requested.

**Auditors' Recommendation:** It was recommended that the Organization needed to strengthen controls over its cash management processes to ensure compliance with federal requirements. It was recommended that procedures be implemented so that each Head Start drawdown requires approval of either a member of the finance committee or the Head Start Program Director. Each drawdown must be accompanied by supporting documentation of the expenditures for which the drawdown is being made.

**Current Status:** The recommendation was adopted in December 2015. There were similar audit findings in the 2016 audit until the recommendation was adopted in December 2015.

**Southwestern Community Services, Inc. Board of Directors - Composition – 2017 –**

**CHESHIRE COUNTY**

**SULLIVAN COUNTY**

**CONSTITUENT  
SECTOR**

**Beth Fox**  
Asst. City Manager/HR Director  
City of Keene

**Mary Lou Huffling**  
Fall Mountain Emergency Food Shelf  
Alstead Friendly Meals

**Jessi Parent**  
Chair, Head Start Policy Council  
Parent Representative

**Penny Despres**  
New Hope New Horizons  
Program Representative

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**PRIVATE  
SECTOR**

**Elaine Amer, Clerk/Treasurer**  
Amer Electric Company (*retired*)

**Anne Beattie**  
Newport Service Organization

**Kevin Watterson, Chair**  
Clarke Companies

**Scott Croteau, Vice Chairperson**  
VP Savings Bank of Walpole (*retired*)

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**PUBLIC  
SECTOR**

**Leroy Austin**  
Building Inspector  
Town of Winchester

**David Edkins**  
Administrator, Planning & Zoning  
Town of Charlestown

**Molly Kelly**  
State Senator, District 10 (*retired*)

**Raymond Gagnon**  
State Representative, District 5

**Jessie Levine**  
Sullivan County Manager

# John A. Manning

## Summary

Over 30 years of experience with non-profit organizations, as both an outside auditor and presently Chief Executive Officer of a large community action agency.

## Experience

2014–Present                      Southwestern Community Services Inc.  
Keene, NH

### Chief Executive Officer

Has overall strategic and operational responsibility for a community action agency providing services to low and moderate income individuals. Programs include Head Start, Fuel Assistance, and multiple affordable housing projects. Responsibilities include maintaining ongoing excellence, rigorous program evaluation and consistent quality of finance, administration, fundraising, communications and systems; Works with the Board of Directors and management team to implement the objectives of SCS's strategic plan. Actively engages and energizes volunteers, board members, event committees, partnering organizations and funders. Develops and maintains strong relationships with the Board of Directors and serve as ex-officio member of the Board. Leads, coaches, develops and retains a high-performance management team. Ensures effective systems are in place to measure work performance, provide regular feedback to funding sources and community partners.

1990–2014                      Southwestern Community Services Inc.  
Keene, NH

### Chief Financial Officer

Oversees all fiscal functions Supervises a staff of 7, with an agency budget of over \$ 13,000,000. Also oversees agency property management department, which manages over 300 units of affordable housing.

1985-1995                      Keene State College                      Keene, NH

### Adjunct Professor

Taught evening accounting classes for their continuing education program.

1978-1990                      John A. Manning,                      Keene, NH

### Certified Public Accountant

Provided public accounting services to small and medium sized clients, including multiple non-profit organizations. Performed certified audits on several clients, including Head Start and other non-profit clients

1975-1978                      Kostin and Co. CPA's                      West Hartford, Ct.

**Staff Accountant**

Performed all aspects of public accounting for medium sized accounting firm. Audited large number of privately held and non-profit clients.

**Education**

1971-1975                      University of Mass.                      Amherst, Ma.

- B.S. Business Administration in Accounting

**Organizations**

American Institute of Certified Public Accountants  
NH Society of Certified Public Accountants

Margaret Freeman



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## Experience

2000 – Present

Southwestern Community Services Inc.  
Keene, NH

Chief Financial Officer (2014 – present)

Supervising the quality of accounting and financial reporting of SCS; a Community Action Agency. Total funding of \$18 million; federal, state and local funding sources. Primary responsibilities include overseeing the accounting functions, implementation and monitoring of internal controls, reporting financial position to the Board of Directors, preparation of the annual A-133 audit, member of agencies Senior Staff.

Fiscal Director (2000-2014)

Responsible to lead and manage the daily operations of the Fiscal Department of SCS. Primary duties include budget preparation and analysis, financial statement preparation and audit coordination.

1993 –2000

Emile J. Legere Management Corp  
Keene, NH

Accountant

Provided bookkeeping for real estate management/development corp. Managed 16 affordable housing properties. Responsible for cash management, general ledger, A/P, A/R, financial statement prep, and audit prep. Leasing Manager of large commercial/retail property responsible for lease management and marketing of over 30 retail spaces.

## Education

Leadership New Hampshire, Graduate 2011

Plymouth State University, Plymouth, NH  
M.B.A., 1999

Keene State College, Keene, NH  
B.S., Management, 1991; concentration Mathematics and Computer Science

## Ashley Cossette, CRSW

acossette@scs.org

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### RELEVANT EXPERIENCE

#### **Southwestern Community Services**

*Coordinated Access Point Specialist*

Keene, NH  
May 2016- Present

- Provides access point services for the Monadnock Region.
- Supervisor of CHAARI 24/7 helpline for Monadnock Region, on call support for coaches 24/7.

#### **Monadnock Family Services**

*Adult Integrated Dual Diagnosis Case Manager*

Keene, NH  
April 2014- April 2016

- Provided case management services, individual and group rehabilitation support in addition to psycho education for adults with severe and persistent mental illnesses and substance abuse disorders.

*Adult Case Manager*

Oct 2011- Apr 2014

- Planned, coordinated, provided, and monitored therapeutic, support and community integration services for adults in all life domains with severe psychiatric disability.

#### **Brattleboro Retreat**

*Child Inpatient Program Assistant*

Brattleboro VT  
Aug 2010 - Oct 2011

- Worked with the Clinical Manager to provide quality nursing care support within the children's unit group and participated in managing the unit.

*Mental Health Worker Child Inpatient Unit*

Jul 2009 - Aug 2010

- Provided nursing care responsibilities with supervision to ensure safe quality care of children throughout the day on and off the unit.

#### **Mo Co Arts**

*Art Teacher*

Keene, NH  
Apr 2009 – Jan 2010

- Created creative art projects and lead art classes with school age children.

#### **Child Development Center at Springfield College**

*ECC Licensed Toddler/Infant room Teacher Assistant*

Springfield, MA  
Sep 2006 - Apr 2009

- Co-lead room for 24-36 mth old toddlers with developmentally appropriate activities.

### INTERNSHIP EXPERIENCE

#### **Cheshire County Department of Corrections**

*Mental Health Counselor Intern*

Keene, NH  
Sept 2015-April 2016

- Individual counseling with inmates. Facilitator of Seeking Safety groups on the male and female blocks.

#### **Behavioral Health Court Cheshire County**

*Clinical Case Manager Intern*

Keene, NH  
May 2016 -Dec 2016

- Brief counseling for legal, mental health and substance use related needs. Client advocacy within the courtroom.

#### **Brattleboro Retreat**

*Art Therapy Assistant/Art Therapy Intern*

Brattleboro, VT  
Jan – May 2009

- Assisted and co-lead art groups with profoundly mentally ill patients to increase coping skills and self-exploration.

#### **Saint Joseph School**

*Leader of Extensive Art Groups*

Keene, NH  
May – Aug 2007

- Created art experiential for groups of children, 6-7 years of age, for self-esteem/ awareness skills.

#### **Langdon Place of Keene**

Keene, NH

- Leader of Extensive Art Groups* May – Aug 2007
  - Created art experiential for therapy groups with elderly Alzheimer’s residents.
- Carson Center** Westfield, MA
  - Leader of Extensive Art Groups* Jan - May 2007
  - Created art experiential for therapy groups with residential mentally ill clients.
- Neari School** Holyoke, MA
  - Teacher Assistant* Jan – May 2007
  - Created art projects for students in grades 1-12 with emotional disabilities.

## EDUCATION

- Springfield College** Springfield, MA
  - Bachelor of Arts in Art Therapy* May 2009
  - Minor: Psychology*
- Southern New Hampshire University** Manchester, NH
  - Graduate Certificate in Integrated Community Mental Health and Substance Abuse Services for Adults* August 2016
- Southern New Hampshire University** Manchester, NH
  - Master of Science in Clinical Mental Health Counseling* Expected Dec 2017

## CERTIFICATIONS

- State of NH Certified Recovery Support Worker
- First Aid and CPR
- Moral Reconnection Therapy
- Recovery Coach Academy
- Notary of the Public
- Non Violent Crisis Intervention
- Adult Needs Strengths Assessment
- Certified trainer of Recovery Coach Academy

## TRAININGS

- Electronic Medical Records
- Diagnostic Statistical Manual- 5
- Dialect Behavioral Therapy
- Narcan Trainer
- Emerging Leaders Program
- Motivational Interviewing
- Integrated Dual Diagnosis Treatment
- Domestic Violence

## KEY ADMINISTRATIVE PERSONNEL

NH Department of Health and Human Services

Vendor Name: Southwestern Community Services, Inc.

Name of Program/Service: Regional Access Point Services

| BUDGET PERIOD   | Annual Salary of Key Administrative Personnel | Percentage of Salary Paid by Contract | Total Salary Amount Paid by Contract |
|---|---|---------------------------------------|--------------------------------------|
| John Manning, CEO   | \$132,080                                     | 0.00%                                 | \$0.00                               |
| Meg Freeman, CFO  | \$90,854                                      | 0.00%                                 | \$0.00                               |
| Ashley Cossette, Director   | \$34,994                                      | 50.00%                                | \$17,497.00                          |
|   | \$0   | 0.00%                                 | \$0.00                               |
|   | \$0   | 0.00%                                 | \$0.00                               |
|   | \$0   | 0.00%                                 | \$0.00                               |
|   | \$0   | 0.00%                                 | \$0.00                               |
|   | \$0   | 0.00%                                 | \$0.00                               |
|   | \$0   | 0.00%                                 | \$0.00                               |
|   | \$0   | 0.00%                                 | \$0.00                               |
|   | \$0   | 0.00%                                 | \$0.00                               |
|   | \$0   | 0.00%                                 | \$0.00                               |
|   | \$0   | 0.00%                                 | \$0.00                               |
|   | \$0   | 0.00%                                 | \$0.00                               |
| <b>TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request)</b> |   |                                       | <b>\$17,497.00</b>                   |

Key Administrative Personnel are top-level agency leadership (Executive Director, CEO, CFO, etc.). These personnel **MUST** be listed, **even if no salary is paid from the contract**. Provide their name, title, annual salary and percentage of annual salary paid from the agreement.



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

*Bureau of Drug and Alcohol Services*

Jeffrey A. Meyers  
 Acting Commissioner

Kathleen Dunn  
 Associate Commissioner

105 PLEASANT STREET, CONCORD, NH 03301  
 603-271-6738 1-800-804-0909  
 Fax: 603-271-6105 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

January 25, 2016

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

22 mac  
 3/9/16 #22

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Division of Community Based Care Services to enter into a **sole source** agreement with Southwestern Community Services, Inc. (Vendor # 177511-P001) 63 Community Way, Keene, NH 03431 for the provision of Regional Access Point Services that will assist individuals who have substance use disorders access the help they need in an amount not to exceed \$211,500 effective upon Governor and Executive Council approval through June 30, 2017. 44% Federal, 56%General.

Funds to support this request are available in the following accounts in State Fiscal Year 2016 and State Fiscal Year 2017, upon the availability and continued appropriation of funds in the operating budget, with the authority to adjust encumbrances between state fiscal years through the Budget Office, if needed and justified, without further approval from the Governor and Executive Council.

**05-95-49-491510-2989 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, GOVERNOR COMMISSION FUNDS (100% General Funds)**

| FISCAL YEAR | CLASS      | TITLE                      | ACTIVITY CODE     | AMOUNT           |
|-------------|------------|----------------------------|-------------------|------------------|
| 2016        | 102-500734 | Contracts for Program Svcs |                   | \$52,100         |
| 2017        | 102-500734 | Contracts for Program Svcs |                   | \$125,000        |
|             |            |                            | <b>SUB TOTAL:</b> | <b>\$177,100</b> |

**05-95-49-491510-2990 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV OF COMM BASED CARE SVC, BUREAU OF DRUG & ALCOHOL SVCS, CLINICAL SERVICES (34.4% General 65.6% Federal)**

| FISCAL YEAR | CLASS      | TITLE                      | ACTIVITY CODE          | AMOUNT           |
|-------------|------------|----------------------------|------------------------|------------------|
| 2016        | 102-500734 | Contracts for Program Svcs |                        | \$10,100         |
| 2017        | 102-500734 | Contracts for Program Svcs |                        | \$24,300         |
|             |            |                            | <b>SUB TOTAL:</b>      | <b>\$34,400</b>  |
|             |            |                            | <b>Contract Total:</b> | <b>\$211,500</b> |

### EXPLANATION

This is a **sole source** agreement because the Governor's Commission on Alcohol and Drug Abuse Prevention, Treatment and Recovery (Governor's Commission) selected to fund this vendor to model Regional Access Point Services for other areas of the State.

The purpose of this agreement is for the provision of substance use disorder (SUD) information, screening, evaluation, and referral services to any individual living, working, or otherwise seeking services in the Greater Monadnock Regional Public Health Network. The Regional Access Point Service Program provides a wide array of services from housing stabilization to case management assistance, which includes scheduling appointments as well as ensuring that evaluations and screening processes are completed. Additionally, the program ensures appropriate referrals are made while maintaining continual communication with clients in order to record progress. This program will be monitored through each stage and will be analyzed for the viability of the program if introduced in other areas of the State.

This agreement contains language which allows the Department to extend for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and Governor and Executive Council approval.

Should Governor and Executive Council not approve this request, the Department would not have the information to make an informed decision regarding the viability of the Regional Access Point Services Program in other parts of the State.

If general funds become no longer available, no federal funds will be requested to support this agreement.

Area Served: City of Keene, and the towns of Alstead, Chesterfield, Dublin, Fitzwilliam, Gilsum, Harrisville, Hinsdale, Jaffrey, Marlborough, Marlow, Nelson, Richmond, Rindge, Roxbury, Stoddard, Sullivan, Surry, Swanzey, Troy, Walpole, Westmoreland, Antrim, Bennington, Frankestown, Greenfield, Greenville, Hancock, New Ipswich, Peterborough, Sharon, and Temple

Source of Funds: 44% Federal, 56%General

Respectfully submitted,



Kathleen Dunn  
Associate Commissioner

Approved by:



Jeffrey A. Meyers  
Acting Commissioner

Subject: Substance Use Disorder Regional Access Point Services

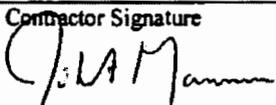
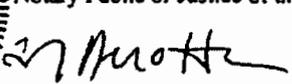
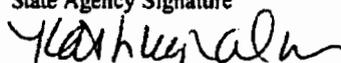
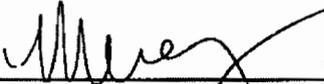
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

|  |  |  |                                   |
|--|--|--|-----------------------------------|
| 1.1 State Agency Name<br>Department of Health & Human Services   |  | 1.2 State Agency Address<br>129 Pleasant Street<br>Concord, NH 03301                       |                                   |
| 1.3 Contractor Name<br>Southwestern Community Services, Inc.   |  | 1.4 Contractor Address<br>63 Community Way<br>Keene, NH 03431                              |                                   |
| 1.5 Contractor Phone Number<br>(603) 352-7512  | 1.6 Account Number<br>05-95-49-491510-29890000<br>05-95-49-495150-29900000 | 1.7 Completion Date<br>June 30, 2017   | 1.8 Price Limitation<br>\$211,500 |
| 1.9 Contracting Officer for State Agency<br>Eric D. Borrin, Director   |  | 1.10 State Agency Telephone Number<br>(603) 271-9558                                       |                                   |
| 1.11 Contractor Signature<br>  |  | 1.12 Name and Title of Contractor Signatory<br>John A. Manning, Chief Executive Officer    |                                   |
| 1.13 Acknowledgement: State of N.H. , County of Cheshire<br>, 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.<br>State Signature of Notary Public or Justice of the Peace<br><br>Name and Title of Notary or Justice of the Peace<br>Leisa Perrotta, Notary |  |  |                                   |
| 1.14 State Agency Signature<br>   |  | 1.15 Name and Title of State Agency Signatory<br>KATHLEEN A DUNN<br>ASSOCIATE COMMISSIONER |                                   |
| 1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)<br>By: _____ Date: 1/25/16<br>Director, On: _____  |  |  |                                   |
| 1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable)<br>By:  Megan A. York, Attorney On: 2/12/14   |  |  |                                   |
| 1.18 Approval by the Governor and Executive Council (if applicable)<br>By: _____ On: _____   |  |  |                                   |



*Jm*  
1/20/16

**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.



Exhibit A

**Scope of Services**

**1. Provisions Applicable to All Services**

- 1.1. 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.
- 1.2. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to program services within ten (10) days of the contract effective date.
- 1.3. The Contractor shall pursue any and all appropriate public sources of funds that are applicable to the funding of the Services, operations prevention, acquisition, or rehabilitation. Appropriate records shall be maintained by the Contractor to document actual funds received or denials of funding from such public sources of funds.
- 1.4. For the purposes of this contract, any reference to days shall mean calendar days.
- 1.5. For the purposes of this contract, all data entry, documentation and recording shall be completed using the Web Information Technology System (WITS) currently used by the Contractor to provide similar services.
- 1.6. The Contractor shall obtain and maintain a service site, which shall comply with all fire, health, and safety codes which shall include but not be limited to being handicap and wheelchair accessible.
- 1.7. The Contractor shall obtain written approval from the Department prior to entering into any agreement regarding service site relocation.
- 1.8. The Contractor shall comply with the Department's Sentinel Event policy in Exhibit A-1, Sentinel Event Policy.
- 1.9. The Contractor shall participate in the Regional Public Health Network(s) associated the towns served by the Regional Access Point (RAP), which shall include, but not be limited to:
  - 1.9.1. Working with the Continuum of Care Facilitator(s) in the development of a resiliency and recovery oriented system of care (RROSC) in the region(s).
  - 1.9.2. Participating in the Regional Continuum of Care Workgroup(s).
- 1.10. The contractor shall engage in quality assurance and management activities, which shall include but not be limited to:



**Exhibit A**

- 1.10.1. Site reviews by the Department.
- 1.10.2. Other quality assurance and management activities, as determined by the Department.

**2. Services to Be Provided**

- 2.1. The Contractor shall develop a Pilot Regional Access Point (RAP) for the provision of substance use disorder (SUD) information, screening, evaluation, and referral services to any individual living, working, or otherwise seeking services in the Greater Monadnock Regional Public Health Network, which includes the City of Keene and the towns of Alstead, Chesterfield, Dublin, Fitzwilliam, Gilsum, Harrisville, Hinsdale, Jaffrey, Marlborough, Marlow, Nelson, Richmond, Rindge, Roxbury, Stoddard, Sullivan, Surry, Swanzey, Troy, Walpole, Westmoreland, Antrim, Bennington, Frankestown, Greenfield, Greenville, Hancock, New Ipswich, Peterborough, Sharon, and Temple. The Contractor shall, at a minimum, provide the Department with:
  - 2.1.1. Detailed information on the Contractor's existing Access Point services, which shall include but is not limited:
    - 2.1.1.1. A summary description of the current model used to assist individuals through the Housing Stabilization Program.
    - 2.1.1.2. Name and contact information of current community partners.
    - 2.1.1.3. How the model was developed, implemented and sustained.
  - 2.1.2. A referral model plan that details how the current Access Point referral model in Section 2.1.1 will be modified to sustain a Regional Access Point.
  - 2.1.3. The Contractor shall work with the Department and the Center for Excellence (Bureau of Drug and Alcohol Services Technical Assistance Contractor) in other areas of the State to assist with replication of this model.
- 2.2. The Contractor shall provide Regional Access Point (RAP) services to assist individuals who have substance use disorders who:
  - 2.2.1. Are age 12 or older or under age 12 with the consent of a parent or other legal guardian, with substance use disorders; and
  - 2.2.2. Are Residents of or homeless in New Hampshire.
- 2.3. The Contractor shall conduct outreach activities to promote and market Regional Access Point (RAP) services, statewide, to individuals, health and social service agencies, businesses and community members. The Contractor shall ensure outreach activities include but are not limited to:

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**Exhibit A**

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- 2.3.1. Developing printed materials using customized versions of 'Anyone Anytime NH,' for broad distribution, which may include, but is not limited to:
  - 2.3.1.1. Brochures.
  - 2.3.1.2. Flyers.
  - 2.3.1.3. Display posters.
  - 2.3.1.4. Pens.
  - 2.3.1.5. Magnets.
  - 2.3.1.6. Other marketing tools.
- 2.3.2. Publicizing telephone numbers, web addresses and other contact information associated with the information channels described in Section 2.4.
- 2.3.3. Establishing and actively monitoring social media sites, which may include Facebook and Twitter.
- 2.3.4. Ensuring outreach activities target core community sectors that include, but are not limited to:
  - 2.3.4.1. Health & medical.
  - 2.3.4.2. Safety & law enforcement.
  - 2.3.4.3. Education.
  - 2.3.4.4. Business.
  - 2.3.4.5. Government.
  - 2.3.4.6. Community & family supports.
- 2.4. The Contractor shall develop multiple information channels by which an individual may request information that shall include, but not be limited to telephone, e-mail, and in-person. The Contractor shall:
  - 2.4.1. Respond to all requests for information within 24 hours of receiving requests for information.
  - 2.4.2. Ensure, at minimum, one information channel is available to the public 24 hours per day, 7 days per week, which may include a live answering service during 'off hours.'

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- 2.4.3. Ensure information available through all information channels includes, but is not limited to types and locations of services available:
  - 2.4.3.1. For Substance Use Disorder (SUD) treatment.
  - 2.4.3.2. For SUD recovery support.
  - 2.4.3.3. To support friends, family members and other concerned individuals.
- 2.5. The Contractor shall respond to requests for substance use disorders treatment services by scheduling a screening appointment for the client. The Contractor shall:
  - 2.5.1. Ensure the screening appointment is scheduled within 48 hours of the client's initial request for services.
  - 2.5.2. Provide an appointment date that is within ten (10) days of scheduling the appointment.
  - 2.5.3. Ensure the screening appointment:
    - 2.5.3.1. Can be completed by the client in person; by telephone, or face-to-face.
    - 2.5.3.2. Is completed by a Certified Recovery Support Worker (CRSW), who shall, at a minimum:
      - 2.5.3.2.1. Gather client demographic, contact, and emergency contact information.
      - 2.5.3.2.2. Identify payer sources available to the client
      - 2.5.3.2.3. Use an evidence based screening tool, as approved by the Department, to determine the likelihood of a substance use disorder, as defined by the DSM 5.
  - 2.5.4. Document client profile, intake and admission information in WITS within 3 days of completing the screening.
- 2.6. The Contractor shall schedule, either directly or through Memorandums of Understanding with SUD treatment providers in the service area, evaluations of clients who screen positive for substance use disorder within 48 hours of the completed screening in Section 2.5, as appropriate. The Contractor shall ensure:
  - 2.6.1. Evaluations are completed within 10 days of scheduling the evaluation.
  - 2.6.2. Evaluations are completed by a Licensed Alcohol and Drug Counselor (LADC) or Master Licensed Alcohol and Drug Counselor (MDLAC)

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- 2.6.3. Clients are assessed in all American Society of Addiction Medicine (ASAM, October 2013) dimensions.
- 2.6.4. Evaluations are completed using one or more evidence based evaluation tools.
- 2.6.5. Evaluations meet 'Addiction Counseling Competencies, TAP 21' standards. (<http://store.samhsa.gov/product/TAP-21-Addiction-Counseling-Competencies/SMA15-4171>)
- 2.6.6. Evaluations include a DSM 5 Substance Use Disorder diagnosis when appropriate.
- 2.6.7. Recommendations are provided to clients diagnosed as having a substance use disorder, as appropriate, which may include, but are not be limited to, recommendations for:
  - 2.6.7.1. An initial ASAM level of care.
  - 2.6.7.2. Recovery support and/or other needed services.
  - 2.6.7.3. Interim services if the indicated ASAM level of care is not immediately available to the client.
- 2.6.8. Diagnosis information is entered into WITS within three (3) days of completing each evaluation.
- 2.7. The Contractor shall provide referral services to clients in order to meet the recommendations that result from the evaluation in Section 2.6.7 The Contractor shall:
  - 2.7.1. Ensure referral services are provided by a CRSW or a Coordinated Access Specialist who attains certification as a CRSW within 6 months of the contract effective date.
  - 2.7.2. Ensure referral services include, but are not limited to:
    - 2.7.2.1. Identifying provider agencies that can meet the evaluation recommendations in Section 2.6.6.
    - 2.7.2.2. Contacting the provider agency on behalf of the client, as appropriate.
    - 2.7.2.3. Assisting the client with making contact with the provider agency, as appropriate.
    - 2.7.2.4. Supporting the client in meeting the admission/entrance/intake requirements of the provider agency.

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- 2.7.3. Develop and maintain a database of provider agencies to meet the needs of clients, which may include, but are not limited to:
  - 2.7.3.1. Substance use disorder treatment and recovery support services.
  - 2.7.3.2. Physical health services.
  - 2.7.3.3. Behavioral health services.
  - 2.7.3.4. Employment and education services.
  - 2.7.3.5. Housing services.
- 2.7.4. Ensure Memorandums of Understanding are executed with SUD treatment and peer recovery support services providers in the community to ensure clients can access interim and other services within 7 days of completed evaluations described in Section 2.6.
- 2.8. The Contractor shall assist clients to enroll with payer services. The Contractor shall:
  - 2.8.1. Assess clients for probable eligibility for public or private insurance, such as Medicaid; the New Hampshire Health Protection Program (NHHPP); and Qualified Health Plans available through the Marketplace.
  - 2.8.2. Assist clients with enrollment with the appropriate payer. Assistance shall include, but not be limited to:
    - 2.8.2.1. Providing one-on-one support to clients throughout the enrollment process.
    - 2.8.2.2. Providing clarification on information that needs to be provided to the payer agency to ensure enrollment can be completed by the client.
- 2.9. The Contractor shall provide Continuous Recovery Monitoring services to clients who are not currently receiving Continuous Recovery Monitoring services through a Department-contracted SUD treatment provider. The Contractor shall:
  - 2.9.1. Attempt to contact each client a minimum of three (3) times over the course of one week. The Contractor shall:
    - 2.9.1.1. Attempt contact by telephone at a reasonable time when the client would normally be available.
    - 2.9.1.2. Attempt a second contact, as necessary, by telephone at a reasonable time when the client would normally be available no sooner than 2 days and no later than 3 days after the first attempt in Section 2.9.1.1.



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- 2.9.1.3. Attempt a third contact, as necessary, by telephone at a reasonable time when the client would normally be available, no sooner than 2 days and no later than 3 days after the second attempt in Section 2.9.1.2.
- 2.9.1.4. Not exceed twelve (12) attempts in a thirty (30) day period.
- 2.9.1.5. No further billing shall occur when unsuccessful contact with the client occurs for thirty (30) consecutive days until such time the client is successfully contacted, at which time billing limitation in Exhibit B, Method and Conditions Precedent to Payment shall apply.
- 2.9.2. Contact clients as frequently as weekly and no less frequently than:
  - 2.9.2.1. 3 months post-discharge from the last treatment service (60 – 120 days post discharge).
  - 2.9.2.2. 6 months post-discharge from the last treatment service (150 – 210 days post discharge).
  - 2.9.2.3. 12 months post-discharge from the last treatment service (330 - 390 days post discharge).
- 2.9.3. Inquire on the status of each client's recovery.
- 2.9.4. Identify any client needs.
- 2.9.5. Assist the client with addressing the needs identified in Section 2.9.4.
- 2.9.6. Provide early intervention to clients who have relapsed or whose recovery is at risk, as identified in Section 2.9.4, and record the same.
- 2.9.7. Complete the Client Follow-Up in WITS within 3 days of each completed contact identified in Section 2.9.2.
- 2.10. The Contractor shall enter client discharge information into WITS within 3 days of client discharge.

**3. Data and Reporting Requirements**

- 3.1. The Contractor shall provide monthly reports that include, but are not limited to:
  - 3.1.1. Time lapses for services including, but not limited to:
    - 3.1.1.1. Initial client contact to screening.
    - 3.1.1.2. Screening to evaluation.

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- 3.1.1.3. Evaluation to interim services.
- 3.1.1.4. Evaluation to regular services.
- 3.1.2. Type of payer enrollment assessment and/or assistance provided, as described in Section 2.7.
- 3.2. The Contractor shall provide monthly reports identifying SUD treatment and peer recovery support services providers with whom Memorandums of Understanding have been executed to provide contracted services. Reports shall include, but not be limited to:
  - 3.2.1. Name, location, and contact information of the provider.
  - 3.2.2. Specific services provided by the provider.
- 3.3. The Contractor shall provide monthly reports that identify specific marketing activities conducted as required in Section 2.3. Reports shall include, but are not limited to:
  - 3.3.1. Types of marketing materials developed.
  - 3.3.2. Venues where materials are displayed and/or available for hand out.
  - 3.3.3. Methods of marketing delivery.
  - 3.3.4. A plan for marketing that will be conducted in the following month.
- 3.4. The Contractor shall comply with the reporting requirements listed in Section 2.9, in accordance with the following schedule with the first report due on April 1, 2016:
  - 3.4.1. Three (3) month follow ups completed for all clients with a discharge date prior to March of 2017.
  - 3.4.2. Six (6) month follow-ups completed for all clients with a discharge date prior to January of 2017.
  - 3.4.3. Twelve (12) month follow ups completed for all clients with a discharge date prior to July of 2016.

**4. Minimum Performance Measures**

- 4.1. The Contractor shall comply with Continuous Recovery Monitoring contacts described in Section 2.9, as follows:
  - 4.1.1. Twenty-five percent (25%) of discharged clients shall be contacted three (3) months after discharge.
  - 4.1.2. Ten percent (10%) of discharged clients shall be contacted (6) months after discharge.



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4.1.3. Five percent (5%) of discharged clients shall be contacted twelve (12) months after discharge.

**5. Deliverables**

- 5.1. The Contractor shall provide the referral model information and plan described in Section 2.1 to the Department with nineteen (19) days of the Contract effective date.
- 5.2. The Contractor shall provide a sample of all marketing materials to the Department within three (3) days of developing the materials described in Section 2.3.
- 5.3. The Contractor shall respond to all requests for information described in Section 2.4 within 24 hours of receiving the requests.
- 5.4. The Contractor shall ensure screening appointments described in Section 2.5 are available within 48 hours of receiving clients' requests for services.
- 5.5. The Contractor shall ensure evaluations in Section 2.6 are available within 2 days of the completed screening described in section 2.5.
- 5.6. The Contractor shall ensure clients can access interim and other services within seven (7) days of completing evaluations described in Section 2.6.
- 5.7. The Contractor shall ensure all client services provided through this contract are documented and/or recorded within three (3) days of providing the service.

**6. Liquidated Damages**

- 6.1. The Contractor and the Department agree that the Web Information Technology System (WITS) shall be the source of record with data polls taking place on the tenth (10<sup>th</sup>) day of the month, beginning with March 10, 2016.
- 6.2. The Contractor and the Department agree that it will be extremely impracticable and difficult to determine actual damages that the Department will sustain in the event that the vendor fails to maintain the required performance standards in Section 4, Performance Standards, throughout the life of the contract. Any breach by the Contractor will delay and disrupt the Department's operations and obligations and lead to significant damages. Therefore, the parties agree that the liquidated damages as specified in the sections below are reasonable.
- 6.3. Assessment of liquidated damages shall be in addition to, not in lieu of, such other remedies as may be available to the Department. Except and to the extent expressly provided herein, the Department shall be entitled to recover liquidated damages cumulatively under each section applicable to any given incident.
- 6.4. The Department shall make all assessments of liquidated damages. Should the Department determine that liquidated damages may, or will be assessed; the

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Department shall notify the Contractor as specified in Section 7, Notifications and Remedies for Liquidated Damages, below.

- 6.5. The Contractor shall submit a written Corrective Action Plan to the Department within five (5) business days of receiving notification as specified in Section 7, Notifications and Remedies for Liquidated Damages., for review and approval prior to implementation of the corrective action plan.
- 6.6. The Contractor agrees that as determined by the Department, failure to provide services that meet the performance standards in Section 4, Performance Standards, shall result in in liquidated damages as specified in Section 7, Notifications and Remedies for Liquidated Damages. The Department's decision to assess liquidated damages must be reasonable, based in fact and made in good faith.
- 6.7. The remedies specified in Section 7, Notifications and Remedies for Liquidated Damages, shall apply until the failure is cured or resulting dispute is resolved in the Contractor's favor.
- 6.8. Liquidated damages in the amount of \$500 per month for failure to meet the Minimum Performance Measures identified in Section 4.
- 6.9. The amount of liquidated damages assessed by the Department to the Contractor shall need exceed the price limitation in Form P-37, General Provisions, block 1.8, Price Limitation.

**7. Notifications and Remedies for Liquidated Damages.**

- 7.1. Prior to the imposition of liquidated damages or any other remedies under this Contract, including termination for breach, the Department shall issue written notice of remedies that shall include, as applicable:
  - 7.1.1. A citation to the Contract provision violated.
  - 7.1.2. The remedies to be applied and the date the remedies shall be imposed.
  - 7.1.3. The basis for the Department's determination that the remedies shall be imposed.
  - 7.1.4. A request for a Corrective Action Plan.
  - 7.1.5. The timeframe and procedure for the Contractor to dispute the Department's determination. The Contractor's dispute of liquidated damages or remedies shall not stay the effective date of the proposed liquidated damages or remedies.
  - 7.1.6. If the failure is not resolved within the cure period, liquidated damages may be imposed retroactively to the date of failure to perform and continue until

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the failure is cured or any resulting dispute is resolved in the Contractor's favor.

- 7.2. In connection with any action taken or decision made by the Department with respect to this Contract, within ninety (90) days following the action or decisions, the Contractor may protest such action or decision by the delivery of a notice of protest to the Department and by which the Contractor may protest said action or decision and/or request an informal hearing with the Director of the Bureau of Drug and Alcohol Services.
- 7.2.1. The Contractor shall provide the Department with an explanation of its position protesting the Department's action or decision.
- 7.2.2. The Director shall determine a time that is mutually agreeable to the parties during which they may present their views on the disputed issues. It is understood that the presentation and discussion of the disputed issues will be informal in nature.
- 7.2.3. The Director shall provide written notice of the time, format and location of the presentation.
- 7.2.4. At the conclusion of the presentations, the Director shall consider all evidence and shall render a written recommendation as soon as practicable, but in no event more than thirty (30) calendar days after the conclusion of the presentation.
- 7.2.5. The Director may appoint a designee to hear and determine the matter.

Exhibit A-1 Sentinel Event Policy

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| <b>SENTINEL EVENT POLICY</b>               | Effective Date: September 2010<br>Revised Date: February 2014 |
| <b>Policy Number:</b>                      | DHHS Policy: PR 10-01   |

**I. Purpose**

The Department of Health and Human Services' (DHHS) Sentinel Event Policy is part of a comprehensive quality assurance program and establishes the reporting and review requirements of sentinel events involving individuals served by the Department. Both community providers and components of DHHS which provide direct care services shall report sentinel events as directed by this policy.

**II. Statutory Authority**

In support of its commitment to quality in the delivery of health and human services to the citizens of New Hampshire, the Department will review sentinel events as part of its quality assurance activities. Statutory authority for reviews of sentinel events is set forth in NH RSA 126-A:4, IV:

RSA 126-A:4 Department Established.

IV. The department may establish a quality assurance program.

- (a) Any quality assurance program may consist of a comprehensive ongoing system of mechanisms for monitoring and evaluating the appropriateness of services provided to individuals served by the department or any of its contract service providers so that problems or trends in the delivery of services are identified and steps to correct problems can be taken.
- (b) Records of the department's quality assurance program including records of interviews, internal reviews or investigations, reports, statements, minutes, and other documentation except for individual client medical records, shall be confidential and privileged and shall be protected from direct or indirect discovery, subpoena, or admission into evidence in any judicial or administrative proceeding, except as provided in subparagraphs IV (c) or (d).
- (c) In case of legal action brought by the department against a contract service provider or in a proceeding alleging repetitive malicious action and personal injury brought against a contract service provider, the quality assurance program's records may be discoverable.
- (d) The department may refer any evidence of fraudulent or other criminal behavior gathered by the quality assurance program to the appropriate law enforcement authority.
- (e) No employees of the department or employees of a contract service provider or vendor shall be held liable in any action for damages or other relief arising from the providing of information to a quality assurance program or in any judicial or administrative procedure relating to the DHHS' quality assurance program.

**III. Goals**

The goals of this sentinel event reporting and review policy are:

- 1. To have a positive impact in improving care and service delivery; and
- 2. To understand the causes that underlie sentinel events, and make changes to internal and external systems and processes to reduce the probability of such events in the future.

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#### **IV. Definition**

The Joint Commission defines sentinel event as "an unexpected occurrence involving death or serious physical or psychological injury, or the risk thereof. Serious injury specifically includes loss of limb or function. The phrase 'or the risk thereof' includes any process variation for which a recurrence would carry a significant change of a serious adverse outcome."

##### Client-centered sentinel events, involving victims and/or perpetrators, include:

1. (a) An unanticipated death, not including homicide or suicide; or
- (b) permanent loss of function; or
- (c) risk thereof, not related to the natural course of an individual's illness or underlying condition, resulting from such causes including, but not limited to:
  - o a medication error,
  - o an unauthorized departure or abduction from a facility providing care, or
  - o a delay or failure to provide services;
2. a. Homicide, i.e., the person is the victim of a homicide;
2. b. Suicide or suicide attempt, i.e., self-injurious behavior with a non-fatal outcome accompanied by evidence (either explicit or implicit) that the person intended to die;
3. Rape or any other sexual assault, i.e., the person is the victim of rape or sexual assault;
4. A serious physical or psychological injury, i.e., one that jeopardizes a person's health, or risk thereof, that is associated with the planning and delivery of care.

##### Agency-involved sentinel events:

5. High profile events which may involve media coverage and/or police involvement when the police involvement is related to a crime or suspected crime and not primarily to provide assistance in a potentially unsafe situation

#### **V. Applicability**

A. Reportable sentinel events shall be those sentinel events that involve individuals who:

- Are receiving Department funded services<sup>1</sup>, as described in B and C below;
- Have received Department funded services within the preceding 30 days;
- Have been evaluated by a service provider within the preceding 30 days; or
- Are the subject of a Child or Adult Protective Services report.

B. The following community providers shall be required to report sentinel events:

- Community Mental Health Centers (Bureau of Behavioral Health);
- Area Agencies (Bureau of Developmental Services); and

<sup>1</sup> For purposes of this policy, enrollment in a medical or cash public assistance program, such as Medicaid, Aid to the Needy Blind, Food Stamps, or Financial Assistance to Needy Families, shall not be considered a department funded service or program.

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- Case Management Agencies (Bureau of Elderly and Adult Services)

C. The following DHHS divisions and bureaus which provide direct care services, shall be required to report sentinel events:

1. Division of Community Based Care
  - Bureau of Drug and Alcohol Services;
  - Bureau of Elderly and Adult Services: Adult Protection Program (APSWs); and
  - New Hampshire Hospital
  
2. Office of Human Services
  - Bureau of Homeless and Housing
  
3. Division for Children Youth and Families
  - Bureau of Child Protection (CPSWs)
  - Bureau of Juvenile Justice Services
    - a. Juvenile Probation and Parole Services (including all community programs) (JPPOs)
    - b. Sununu Youth Services Center

**VI. Notification**

**A. Immediate Verbal Notification**

Upon the discovery of a sentinel event by a community provider or by a DHHS division or bureau (whether by direct report by a provider, other mandatory reporting mechanisms, or a more general discovery) identified in the Applicability section above, that person or entity shall provide immediate verbal notification to the appropriate DHHS Division Director or designee.

Immediate verbal notification shall be provided by direct telephone contact. If direct telephone contact is not possible, a voice-mail or e-mail message shall be left.

The following information shall be provided:

- The reporting individual's name, phone number, and agency/organization;
- Name and date of birth (DOB) of the individual(s) involved in the event;
- Location, date, and time of the event; and
- Description of the event, including what, when, where, how, and other relevant information, as well as the identification of any other individuals involved.

Date: Jm  
Contractor Initials: 1/20/16

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**Note: Protected health information shall not be left in a voice-mail or e-mail message.**

*Internal Process:* Upon receiving notification of a sentinel event, the Division Director, or any other Department representative who receives the notification, shall report the event to the Department's Quality Improvement Director and the appropriate Department's Associate or Deputy Commissioners either by direct telephone contact, voice-mail or e-mail.

**B. Completion of the *Sentinel Event Reporting Form* and E-Studio Notification**

Written notification of the sentinel event shall be provided by the reporting person or designated agency staff to the appropriate DHHS Division and/or Bureau Directors within 72 hours of the event. Written notification shall be via a completed "Sentinel Event Reporting Form," and uploaded to the protected E-Studio application, available at <https://nh.same-page.com>.<sup>2</sup>

Each section of the *Sentinel Event Reporting Form* must be completed following the form's instructions, i.e., *Sentinel Event Reporting Form-Instructions*.

Additional information regarding the sentinel event shall be reported as it becomes available and upon Department request and also uploaded to the E-studio application. Such information may include additional details as they are learned, a change in the status of the situation, or links to relevant newspaper articles.

The process for providing additional information is to either:

- o Download the original *Sentinel Event Reporting Form* to a computer and edit it by adding the additional information in the Part V. Follow-Up Information section. Rename the revised *Sentinel Event Reporting Form* as follows:
  - SE BBH Riverbend John S 01022012 rev. 01302012
- o Or, upload a separate document, such as a newspaper article, which must have a file name to ensure it will be connected to the correct *Sentinel Event Reporting Form*:
  - SE BBH Riverbend John S 01102012 follow up

*Internal Process:* The Division / Bureau Director's designee shall review the E-Studio submissions for completeness, accuracy, and whether the reported event meets the criteria of a sentinel event as defined in this policy. Upon determining that a submitted *Sentinel Event Reporting Form* is a complete, accurate, and applicable sentinel event report, the Division / Bureau Director's designee shall notify the Division / Bureau Director, the Department's Quality Improvement Director and the appropriate Associate or Deputy Commissioner(s) of a complete report via E-Studio by selecting the appropriate names and "e-team" provided in the E-Studio application

<sup>2</sup> Users shall be trained on and approved for E-Studio use, per the "E-Studio Training Protocol."

Date:                     

Contractor Initials:

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### C. Confidentiality

Both community providers and Department components that report sentinel events shall comply with applicable confidentiality laws, HIPAA requirements, and their own policies and procedures regarding the reporting of confidential information and protected health information.

### VII. Mandatory Reporting

Reporting sentinel events under the provisions of this policy shall not replace the mandatory reporting requirements of RSA 161-F:42-57 and RSA 169-C:29 with regard to abuse, neglect, self-neglect, or exploitation.

### VIII. Sentinel Event Review

Each agency is expected to complete its own review of a reportable sentinel event consistent with the applicable DHHS administrative rules and its agency policies regarding incidents and events that are consistent with this policy's definition of a sentinel event and that involve individuals that are receiving, or who have recently received, Department funded services, i.e., within the previous 30 days, as described in this policy (section V).

#### A. Authority

The Commissioner, Deputy Commissioner, Associate Commissioner, or their designees, shall assign responsibility to the DHHS Quality Improvement Director to conduct reviews of selected sentinel events. The DHHS Quality Improvement Director shall select a qualified staff person to conduct sentinel event reviews when the Quality Improvement Director is unavailable.

Sentinel events to be reviewed include those:

1. Requested by the Office of the Commissioner, a Division or Bureau Director, or the DHHS Quality Improvement Director; or
2. That, given the available information, the DCBCS Quality Leadership Team identifies those sentinel events in which more than one agency/system was involved with the individual's care and, in which there is preliminary evidence of potentially one or more problematic systemic issues.

#### B. Notice

The DHHS Quality Improvement Director or designee shall inform the appropriate division's Bureau Administrator and the DCBCS Bureau's Quality Leadership Team Representative, when applicable, via e-mail that a Sentinel Event Review is being scheduled. For sentinel event

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|--|---|
| NH Department of Health and Human Services | Page 6 of 7   |
| <b>SENTINEL EVENT POLICY</b>               | Effective Date: September 2010<br>Revised Date: February 2014 |
| <b>Policy Number:</b>                      | DHHS Policy: PR 10-01   |

reviews involving one or more DCBCS bureaus, the DCBCS Quality Leadership Team is responsible for the following:

1. Invitation to the Sentinel Event Review, indicating the date, time, and location of the review;
2. The Department participants who are required to attend the review;
3. Information about the sentinel event, including who the event involves and the reason for the review;
4. The agencies or providers involved, e.g., community providers and/or Department divisions and bureaus, and who should be invited to attend; and
5. Instructions on how to prepare for the review, as follows:
  - Identify and invite other Department and provider-level participants;
  - Identify who among the invitees shall be the presenter(s);
  - Gather information, as applicable from sources such as site visits, interviews with presenters, as applicable, and clinical record reviews;
  - Provide relevant documentation, such as Division, facility, and service provider reports, notes, correspondence, policies, and Individual Service Plans and/or Support Plans. This shall be the responsibility of the individual or entity who actually has the documentation. Documentation shall be brought to the review for reference, but shall not be copied, distributed, or otherwise maintained by the review process.

**C. Sentinel Event Review**

1. The review shall include:
  - Case presentation(s);
  - Review of the event (including a review of relevant documentation); and
  - Identification of systemic factors, opportunities for improvement and recommendations for follow-up activity, as applicable.
2. The case presentation shall include: demographic information, description of the precipitating event, a clinical description of the individual involved, the immediate action taken by the agency when the incident occurred, any other administrative/operational issues relevant to the event, and a description of any identified opportunities for improvement. (See "Sentinel Event Review Presentation".)
2. The review of the event shall identify recommendations for follow-up activity to address identified systemic issues, if any.
3. No minutes of the review proceedings shall be taken, maintained or distributed.
4. Records of the identification of systemic factors, and opportunities for improvement and recommendations for follow-up activity(ies) will be kept without the identification of individuals or specific community agencies.

Date: 1/20/16  
Contractor Initials: SM

Exhibit A-1 Sentinel Event Policy

|  |   |
|--|---|
| NH Department of Health and Human Services | Page 7 of 7   |
| <b>SENTINEL EVENT POLICY</b>               | Effective Date: September 2010<br>Revised Date: February 2014 |
| <b>Policy Number:</b>                      | DHHS Policy: PR 10-01   |

**E. Confidentiality**

Pursuant to RSA 126-A:4, IV, any and all records of or prepared solely for the Sentinel Event Review shall be confidential and privileged

Sentinel Event Policy - February 2014 revision - final

Page 7 of 7

Date: 1/20/16  
Contractor Initials: JM



Exhibit B

**Method and Conditions Precedent to Payment**

1. The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. This contract is funded with general and federal funds. Department access to supporting funding for this project is dependent upon the criteria set forth in the Catalog of Federal Domestic Assistance (CFDA) (<https://www.cfda.gov>) #93.959 US Department of Health and Human Services; Substance Abuse and Mental Health Services Administration; Block Grants for Prevention and Treatment of Substance Abuse; Substance Abuse Block Grant (SABG).
3. The Contractor shall use and apply all contract funds for authorized direct and indirect costs to provide services in Exhibit A, Scope of Services, in accordance with Exhibit B-1, Budget and Exhibit B-2, Budget.
4. Payment for services provided in accordance with Exhibit A, Scope of Services, shall be made as follows:
  - 4.1. Payments shall be made on cost reimbursement and fee-for-service basis only, for allowable costs, expenses and fees in accordance with Exhibits B-1, Budget through Exhibit B-2, Budget.
  - 4.2. Allowable costs and expenses shall include those expenses detailed in Exhibit B-1, Budget and Exhibit B-2, Budget
  - 4.3. The Contractor shall submit monthly invoices using invoice forms provided by the Department.
  - 4.4. The Contractor shall submit supporting documentation and required reports in Exhibit A, Scope of Services, Section 3, Data and Reporting Requirements, that support evidence of actual expenditures, in accordance with Exhibit B-1, Budget and Exhibit B-2, Budget for the previous month by the tenth (10th) working of the current month.
  - 4.5. The Contractor shall submit invoices for services outlined in Exhibit A, Scope of Services in accordance with budget line items in Exhibit B-1, Budget and Exhibit B-2, Budget preferably by e-mail on Department approved invoices to:

Linda Colby  
Bureau of Drug and Alcohol Services  
Department of Health and Human Services  
105 Pleasant Street, 3<sup>rd</sup> Floor North  
Concord, NH 03301

[lcolby@dhhs.state.nh.us](mailto:lcolby@dhhs.state.nh.us)

*Jm*

1/20/16

**New Hampshire Department of Health and Human Services  
Substance Use Disorder Regional Access Point Services**



**Exhibit B**

- 4.6. Payments shall be made on fee-for-service basis for Continuous Recovery Monitoring services detailed in Exhibit A, Scope of Services, Section 2.9, in accordance with Exhibits B-1, Budget through Exhibit B-2, Budget.
- 4.7. The Contractor shall bill the Department for Continuous Recovery Monitoring services detailed in Exhibit A, Scope of Services, Section 2.9 on a fee-for-service basis as follows:
  - 4.7.1. Attempted or completed contacts shall be billed at a rate of \$15.00 per contact for up to four (4) contacts per month per client.
  - 4.7.2. The maximum billable amount per client shall not exceed \$60.00 per month.
  - 4.7.3. Unsuccessful contact with the client for thirty (30) consecutive days shall result in no further billing until such time client is successfully contacted, at which time billing limitation in Section 4.7.2 shall apply.
5. 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. A final payment request shall be submitted no later than forty (40) days from the Form P37, General Provisions, Contract Completion Date, Block 1.7.
7. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.
8. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budgets in Exhibit B-1 and Exhibit B-2 and within the price limitation, can be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.
9. When the contract price limitation is reached, the program shall continue to operate at full capacity at no charge to the State of New Hampshire for the duration of the contract period.

Exhibit B-1 Budget

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

Bidder/Program Name: Southwestern Community Services, Inc.

Budget Request for: Substance Use Disorder Regional Access Point Services

Budget Period: February 1, 2018 through June 30, 2018

| Use Item                               | 2017                | 2018               | 2019                | 2020        | 2021        | 2022        | 2023        | 2024        | 2025        | 2026        | 2027        | 2028        | 2029        | 2030        |
|--|---------------------|--------------------|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1. Total Salary/Wages                  | \$ 21,854.00        | \$ 2,880.00        | \$ 24,714.00        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 2. Employee Benefits                   | \$ 14,210.00        | \$ 1,800.00        | \$ 16,010.00        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 3. Consultants                         | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 4. Equipment                           | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Rental                                 | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Repair and Maintenance                 | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Purchase/Depreciation                  | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 5. Supplies                            | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Educational                            | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Lab                                    | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Pharmacy                               | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Medical                                | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Office                                 | \$ 825.00           | \$ 81.00           | \$ 708.00           | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 6. Travel                              | \$ 825.00           | \$ 81.00           | \$ 708.00           | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 7. Occupancy                           | \$ 1,113.00         | \$ 144.00          | \$ 1,257.00         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 8. Current Expenses                    | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Telephone                              | \$ 1,000.00         | \$ 129.00          | \$ 1,129.00         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Postage                                | \$ 417.00           | \$ 54.00           | \$ 471.00           | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Subscriptions                          | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Audit and Legal                        | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Insurance                              | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Board Expenses                         | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 9. Software                            | \$ 1,867.00         | \$ 206.00          | \$ 1,872.00         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 10. Marketing/Communications           | \$ 2,083.00         | \$ 286.00          | \$ 2,348.00         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 11. Staff Education and Training       | \$ 2,083.00         | \$ 286.00          | \$ 2,362.00         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 12. Subcontract/Agreements             | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 13. Other (specific details mandatory) | \$ -                | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Photocopying                           | \$ 417.00           | \$ 53.00           | \$ 470.00           | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Fee-for-Service @ 315/Contact          | \$ 10,100.00        | \$ -               | \$ 10,100.00        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| <b>TOTAL</b>                           | <b>\$ 66,174.84</b> | <b>\$ 6,981.88</b> | <b>\$ 82,158.88</b> | <b>\$ -</b> |

Indirect As A Percent of Direct 10.8%

Contractor Initials: *am*  
Date: 1/20/18

Exhibit B-2 Budget

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

Bidder/Program Name: Southwestern Community Services, Inc.

Budget Request for: Substance Use Disorder Regional Access Point Services

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

| Line Item                              | 2016                 | 2017                | 2018                 | 2019        | 2020        | 2021        | 2022        | 2023        | 2024        | 2025        |
|--|----------------------|---------------------|----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1. Total Salary/Wages                  | \$ 52,400.00         | \$ 6,800.00         | \$ 59,200.00         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 2. Employee Benefits                   | \$ 34,247.00         | \$ 4,450.00         | \$ 38,697.00         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 3. Consultants                         | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 4. Equipment                           | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Rental                                 | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Repair and Maintenance                 | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Purchase/Depreciation                  | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 5. Supplies                            | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Educational                            | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Lab                                    | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Pharmacy                               | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Medical                                | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Office                                 | \$ 1,800.00          | \$ 193.00           | \$ 1,993.00          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Travel                                 | \$ 1,500.00          | \$ 193.00           | \$ 1,693.00          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 7. Occupancy                           | \$ 2,670.00          | \$ 344.00           | \$ 3,014.00          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 8. Current Expenses                    | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Telephone                              | \$ 2,400.00          | \$ 309.00           | \$ 2,709.00          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Postage                                | \$ 1,000.00          | \$ 129.00           | \$ 1,129.00          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Subscriptions                          | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Audit and Legal                        | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Insurance                              | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Bond Expenses                          | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 9. Software                            | \$ 4,000.00          | \$ 518.00           | \$ 4,518.00          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 10. Marketing/Communications           | \$ 5,042.00          | \$ 650.00           | \$ 5,692.00          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 11. Staff Education and Training       | \$ 5,000.00          | \$ 593.00           | \$ 5,593.00          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 12. Subcontract/Agreements             | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| 13. Other (specific details mandatory) | \$ 1,000.00          | \$ 129.00           | \$ 1,129.00          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Photocopying                           | \$ -                 | \$ -                | \$ -                 | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Fee-For-Service @ \$15/Contact         | \$ 24,300.00         | \$ -                | \$ 24,300.00         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| <b>TOTAL</b>                           | <b>\$ 136,988.00</b> | <b>\$ 14,386.00</b> | <b>\$ 151,374.00</b> | <b>\$ -</b> |

Indirect As A Percent of Direct 10.6%

Contractor Initials: *SM*  
Date: 1/20/16



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**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

*gm*

11/20/14



- 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.

*gm*

1/20/16



**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 Division 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 Governor and Executive Council approval.



**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



- 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: Southwestern Community Services, Inc.

1/20/16

Date

John A. Manning  
Name: John A. Manning

Title: Chief Executive Officer

Exhibit D – Certification regarding Drug Free  
Workplace Requirements  
Page 2 of 2

Contractor Initials JM  
Date 1/20/16



**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.

1/20/16  
Date

Contractor Name: Southwestern Community Services, Inc.

John A. Manning  
Name: John A. Manning  
Title: Chief Executive Officer

Exhibit E – Certification Regarding Lobbying

Contractor Initials gm

Date 1/20/16



**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 (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.

1/20/16  
Date

Contractor Name: Southwestern Community Services, Inc.  
Name: John A. Manning  
Title: Chief Executive Officer



**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

*Jm*

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

1/20/16

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.

1/20/16  
Date

Contractor Name: Southwestern Community Services, Inc.  
*J.A. Manning*

Name: John A. Manning  
Title: Chief Executive Officer

Exhibit G

Contractor Initials

*JM*

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

6/27/14  
Rev. 10/21/14

Page 2 of 2

Date 1/20/16



**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.

1/20/16  
Date

Contractor Name: Southwestern Community Services, Inc.

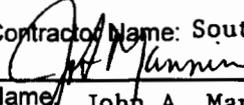
  
Name: John A. Manning  
Title: Chief Executive Officer

Exhibit H - Certification Regarding  
Environmental Tobacco Smoke  
Page 1 of 1

Contractor Initials JM  
Date 1/20/16



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.



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

3/2014

Contractor Initials

*JM*

Date

1/20/14



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

*JM*

1/20/16



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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1/20/14



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.

NH DHHS  
 The State  
Kathleen Adams  
 Signature of Authorized Representative  
Kathleen Adams  
 Name of Authorized Representative  
Associate Commissioner  
 Title of Authorized Representative  
 Date 1/25/16

Southwestern Community Services, Inc.  
 Name of the Contractor  
[Signature]  
 Signature of Authorized Representative  
John A. Manning  
 Name of Authorized Representative  
Chief Executive Officer  
 Title of Authorized Representative  
January 20, 2016  
 Date

3/2014

Contractor Initials JM  
 Date 1/20/16



**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.

1/20/16  
Date

Contractor Name: Southwestern Community Services, Inc.  
Name: John A. Manning  
Title: Chief Executive Officer

Contractor Initials JM  
Date 1/20/16



**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: 081251381
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:

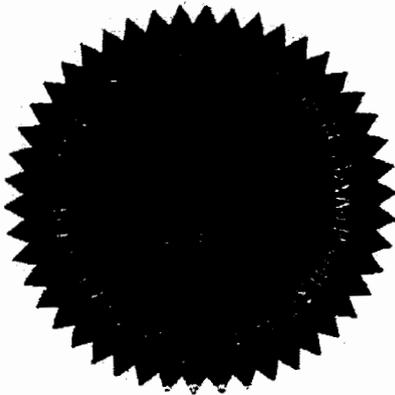
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

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

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 SOUTHWESTERN COMMUNITY SERVICES, INC. is a New Hampshire nonprofit corporation formed May 19, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto  
set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 3<sup>rd</sup> day of April, A.D. 2015

A handwritten signature in black ink, appearing to read "William M. Gardner", written in a cursive style.

William M. Gardner  
Secretary of State