



Jeffrey A. Meyers  
Commissioner

Christine L. Santaniello  
Director

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STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF ECONOMIC & HOUSING STABILITY

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9474 1-800-852-3345 Ext. 9474  
Fax: 603-271-4230 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

May 28, 2019

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

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Division of Economic and Housing Stability, to enter into **sole source** agreements with the vendors below to provide Permanent Housing and Coordinated Entry Programs and Supportive Services to homeless individuals and families through the Federal Continuum of Care Program in an amount not to exceed \$1,606,764, effective July 1, 2019, upon Governor and Executive Council approval, through June 30, 2020. 100% Federal Funds.

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
Community Action Partnership Strafford County	Coordinated Entry	177200-B004	Statewide	\$38,524
Community Action Program Belknap-Merrimack Counties, Inc.	Coordinated Entry	177203-B003	Statewide	\$86,722
FIT/NHH, Inc.	Concord Community Leasing II Permanent Housing	157730-B001	Concord	\$99,046
FIT/NHH, Inc.	Concord Permanent Housing	157730-B001	Concord	\$68,585
The Lakes Region Mental Health Center, Inc.	McGrath Street Permanent Housing	154480-B001	Laconia	\$99,835
Southwestern Community Services, Inc.	Permanent Housing Cheshire County	177511-R001	Cheshire & Sullivan Counties	\$85,230
Southwestern Community Services, Inc.	Coordinated Entry	177511-R001	Statewide	\$86,552
Southwestern Community Services, Inc.	Shelter Plus Care Permanent Housing	177511-R001	Cheshire & Sullivan Counties	\$281,824
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Family Housing I Permanent Housing	174116-R001	Western Rockingham County	\$267,435

Vendor Name	Project Name	Vendor #	Location	SFY 2020 Amount
The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management	Permanent Housing I	174116-R001	Western Rockingham County	\$273,230
Tri-County Community Action Program, Inc.	Coordinated Entry	177195-B009	Statewide	\$130,822
Tri-County Community Action Program, Inc.	Permanent Supportive Housing I, Expansion	177195-B009	Grafton, Coos, and Carroll Counties	\$88,959
			<b>Total:</b>	<b>\$1,606,764</b>

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

**05-95-42-423010-7927 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: HUMAN SERVICES, HOMELESS & HOUSING, HOUSING- SHELTER PROGRAM**

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102-500731	Contracts for Program Services	TBD	\$1,606,764
			<b>Total</b>	<b>\$1,606,764</b>

**EXPLANATION**

These requests are **sole source** because federal regulations require the Department to specify each vendor's name during the annual, federal Continuum of Care Program renewal application process, prior to the grant award being issued. The U.S. Department of Housing and Urban Development (HUD) reviews the applications and subsequently awards funding based on its criteria. The application process and timing of grant terms do not align with state or federal fiscal years. The start date of a grant is based on the month in which each grant's original federal agreement was issued. This results in Continuum of Care Program grant start dates, and subsequent renewal approval requests, occurring in various months throughout the year.

The attached agreements represent twelve (12) of twenty-nine (29) total agreements, many of which have renewal dates dispersed throughout the calendar year, with vendors who are located throughout the state to ensure ongoing, statewide delivery of housing services through New Hampshire's Continuum of Care Program.

The purpose of these requests is for the provision of Permanent Housing and Coordinated Entry Programs that shall deliver rental/leasing assistance, service access, supportive services and associated administrative services targeted to serve approximately three-thousand (3000) participants from July 1, 2019 through June 30, 2020.



Using the "Housing First" model and the development of Stabilization and Crisis Management plans, the Vendors will facilitate participant's movement into sustained permanent housing while providing connections with community and mainstream services to maximize participant's ability to live more independently.

HUD established the Continuum of Care concept to support communities in their efforts to address the problems of housing and homelessness in a coordinated, comprehensive, and strategic fashion. The Continuum of Care serves three main purposes:

- A strategic planning process for addressing homelessness in the community.
- A process to engage broad-based, community-wide involvement in addressing homelessness on a year-round basis.
- An opportunity for communities to submit an application to the U.S. Department of Housing and Urban Development for resources targeting housing and support services for homeless individuals and families.

The following performance measures/objectives will be used to measure contract compliance and vendor performance:

- Annual compliance reviews shall be performed that include the collection of data relating to compliance with administrative rules and contractual agreements.
- Statistical reports shall be submitted on a semi-annual basis from all funded vendors, including various demographic information and income and expense reports including match dollars.
- All vendors funded for rapid re-housing, transitional, permanent or coordinated entry housing, or outreach/supportive services will be required to maintain timely and accurate data entry in the New Hampshire Homeless Management Information System, unless they are required by law to use an alternate means of data collection. The NH Homeless Management Information System will be the primary reporting tool for outcomes and activities of shelter and housing programs funded through this contract.

As referenced in Exhibit C-1 of each of these contracts, the Department reserves the right to extend each agreement for up to two (02) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Executive Council.

Should the Governor and Executive Council not authorize these requests, Permanent Housing, and Coordinated Entry Programs and Supportive Services for New Hampshire homeless individuals and families may not be available in their communities, and there may be an increase in demand for services placed upon the region's local welfare authorities. It may also cause individuals and/or families to become homeless.

Source of funds: 100% Federal Funds from the U.S. Department of Housing and Urban Development, Office of Community Planning and Development, Catalog of Federal Domestic Assistance Number (CFDA) #14.267.

Area served: Statewide

In the event that the Federal funds become no longer available, General funds will not be requested to support these programs.

Respectfully submitted,



Jeffrey A. Meyers  
Commissioner

Subject: Continuum of Care, Coordinated Entry Program, SS-2020-BHS-05-Coord-03

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

**AGREEMENT**

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

**GENERAL PROVISIONS****1. IDENTIFICATION.**

1.1 State Agency Name Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name Community Action Partnership of Strafford County		1.4 Contractor Address 642 Central Avenue Dover, NH 03820 Mailing Address: P.O. Box 160, Dover, NH 03821-0160	
1.5 Contractor Phone Number (603)435-2500	1.6 Account Number 05-95-42-423010-7927 102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$38,524
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature <i>E.A. Andrew Parker</i>		1.12 Name and Title of Contractor Signatory <i>Betsy Andrew Parker, CEO</i>	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Strafford</u> On <u>May 23, 2019</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace <i>Kathleen Morrison</i>			
1.13.2 Notary or Justice of the Peace <i>Kathleen Morrison, Notary</i>			
State Agency Signature <i>Christina Walsby</i>		1.15 Name and Title of State Agency Signatory <i>Christina Walsby, Director, DE18</i>	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: <i>Christina Walsby</i> On: <u>June 4, 2019</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

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

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

**4. CONDITIONAL NATURE OF AGREEMENT.**

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

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

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

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

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

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

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

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

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

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

**7. PERSONNEL.**

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

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

Agreement. This provision shall survive termination of this Agreement.

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

## **8. EVENT OF DEFAULT/REMEDIES.**

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

## **9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

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

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

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

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

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

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

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

## **14. INSURANCE.**

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

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

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

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

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

#### 15. WORKERS' COMPENSATION.

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

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

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

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

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

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

#### 19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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



Exhibit A

**SCOPE OF SERVICES**

**Coordinated Entry Program**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:

NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301

- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports (BHS), has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding; has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.7. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.
- 1.8. Failure to submit required reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by BHS.

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Exhibit A

**2. Scope of Services**

- 2.1. Based on the continued receipt/availability of federal funds from HUD Continuum of Care Program, the Contractor shall provide a Coordinated Entry program that shall serve approximately three-hundred (300) homeless individuals or individuals at imminent risk of homelessness.
- 2.2. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 2.3. The Contractor shall support the primary goal of this program which is to identify and engage unsheltered homeless persons and persons at imminent risk of homelessness, and to provide basic interventions such as food and referrals to services and to facilitate their movement to shelter, permanent housing and maximum self-sufficiency.
- 2.4. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations, or at imminent risk of homelessness. The Contractor must obtain and retain appropriate documentation.
- 2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.
- 2.6. The contractor shall participate in their regional Coordinated Entry process.

**3. Program Reporting Requirements**

- 3.1. The Contractor shall submit the following reports:
  - 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract/Grant Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and
  - 3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

**4. Contract Administration**

- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.
- 4.3. All contract records (originals or copies made by microfilming, photocopying, or other similar methods) shall be retained for a period of five (5) years or as required by state or federal law, following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

*[Handwritten Signature]*

*[Handwritten Date: 5/23/19]*





Exhibit A

**5. Performance Measures**

- 5.1. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and all terms and conditions, and amendments thereto, as detailed in the relevant fiscal year Notice of Funding Available (NOFA) CoC Project Application approved by HUD; and
  - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
  - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

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5/23/19



New Hampshire Department of Health and Human Services  
Continuum of Care Program

Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Coordinated Entry Program**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
  - 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0096L1T001803
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Coordinated Entry
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$38,524
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Leasing Expenses: \$0.000
    - 1.2.8.2. Rental Assistance: \$0,000
    - 1.2.8.3. Operating Expenses: \$0,000
    - 1.2.8.4. Supportive Services: \$37,584
    - 1.2.8.5. Administrative Expenses: \$940
    - 1.2.8.6. Total program amount: \$38,524
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
  - 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:

NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301

*Eup*  
Date 5/23/19



**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.
- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule: Review by the State**

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
  - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
  - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
  - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
  - 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.

*[Handwritten Signature]*  
Date 5/23/19



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- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.

**3.4.5. Schedule of Payments:**

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingsupportsinvoices@dhhs.nh.gov](mailto:housingsupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.

**3.5. Review of the State Disallowance of Costs:**

- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

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**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, and may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;

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**Exhibit B**

- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;
- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.
- 5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
- 5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
- 5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

**5.5. Administrative Costs:**

5.5.1. Eligible administrative costs include:

- 5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and
- 5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
  - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
    - 5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:

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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

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**5.6.1. Requirements:**

- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

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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;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:

- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
- 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
- 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.

- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
- 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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Exhibit C



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

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



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

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

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

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

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

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

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

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

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



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

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

**20. Contract Definitions:**

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





## REVISIONS TO STANDARD CONTRACT LANGUAGE

### 1. Revisions to Form P-37, General Provisions

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

#### 4. CONDITIONAL NATURE OF AGREEMENT.

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

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

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

### 2. Renewal

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

*Eup*



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

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

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

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

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

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

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

New Hampshire Department of Health and Human Services  
Exhibit D



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

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

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

5/23/19  
Date

Vendor Name: Community Action Partnership of  
Strafford County  
EA Andrews Park  
Name: Betsey Andrews Parker  
Title: CEO

Vendor Initials: EAP  
Date: 5/23/19



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-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.

Vendor Name: *Community Action Partnership of  
Stratford County*  
*EA Anders Parker*  
Name: *Betsy Andrews Parker*  
Title: *CEO*

5/23/19  
Date



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

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

**INSTRUCTIONS FOR CERTIFICATION**

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



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.

Vendor Name: Community Action Partnership of  
Strafford County

5/23/19  
Date

E.A. Andrew Parker  
Name: Betsy Andrews Parker  
Title: CEO



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

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

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

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

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

Exhibit G

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

Vendor Initials

*[Signature]*

Date *5/23/19*

New Hampshire Department of Health and Human Services  
Exhibit G



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

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

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

5/23/19  
Date

Vendor Name: Community Action Partnership of  
Stratford County  
EA Andrews Parker  
Name: Betsey Andrews Parker  
Title: CEO

Exhibit G

Vendor Initials

EAP

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

Date 5/23/19





**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

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

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

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

Vendor Name: Community Action Partnership of  
Strafford County

5/23/19  
Date

Betsy Andrews Parker  
Name: Betsy Andrews Parker  
Title: CEO



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

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

**(1) Definitions.**

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

3/2014

Vendor Initials

*EAR*  
Date 5/23/19



Exhibit I

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

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

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

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Date *5/23/19*



Exhibit I

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

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

**(3) Obligations and Activities of Business Associate.**

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

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

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

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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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Vendor Initials cup

Date 5/23/19



Exhibit I

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

**(4) Obligations of Covered Entity**

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

**(5) Termination for Cause**

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

**(6) Miscellaneous**

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



Exhibit I

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

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

Department of Health and Human Services

The State

Christine Santanello

Signature of Authorized Representative

Christine Santanello

Name of Authorized Representative

Director, DEHS

Title of Authorized Representative

5/28/19

Date

Community Action Partnership of Strafford County

Name of the Vendor

Betsy Andrews Parker

Signature of Authorized Representative

Betsy Andrews Parker

Name of Authorized Representative

CEO

Title of Authorized Representative

5/23/19

Date

EAP



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

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

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

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

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

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

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

Vendor Name: Community Action Partnership of  
Stratford County

5/23/19  
Date

EA Andrew Parker  
Name: Betsy Andrews Parker  
Title: CEO

Vendor Initials EAP  
Date 5/23/19





**FORM A**

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

1. The DUNS number for your entity is: 099356586
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO \_\_\_\_\_ YES

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

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

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

\_\_\_\_\_ NO \_\_\_\_\_ YES

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

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

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

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



A. Definitions

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

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

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

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



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

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

#### **I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR**

##### **A. Business Use and Disclosure of Confidential Information.**

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



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

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

## II. METHODS OF SECURE TRANSMISSION OF DATA

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

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

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

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

#### A. Retention

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

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# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements



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

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

#### B. Disposition

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

#### IV. PROCEDURES FOR SECURITY

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

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

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New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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*5/23/19*

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

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

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

## V. LOSS REPORTING

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

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

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

*Eup*

5/23/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements

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

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

**VI. PERSONS TO CONTACT**

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

*EAP*

5/23/19

State of New Hampshire  
Department of State

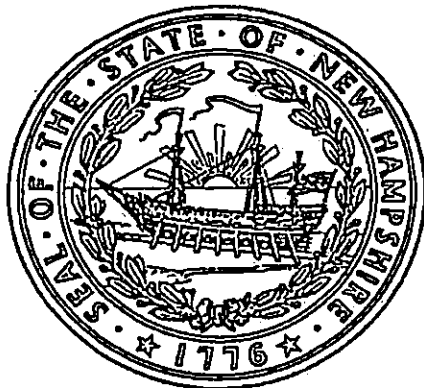
ORIGINAL

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 25, 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: 65583

Certificate Number : 0004489362



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 5th day of April A.D. 2019.

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

William M. Gardner  
Secretary of State

## CERTIFICATE OF VOTE

I, Jean Miccolo, do hereby certify that:  
(Name of the elected Officer of the Agency: cannot be contract signatory)

1. I am a duly elected Officer of Community Action Partnership of Strafford County.  
(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 17, 2018:  
(Date)

**RESOLVED:** That the Betsey Andrews Parker, CEO  
(Title of Contract Signatory)

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

3. The foregoing resolutions have not been amended or revoked, and remain in full force and effect as of  
the 23 day of May, 2019.  
(Date Amendment Signed)

4. Betsey Andrews Parker is the duly elected Chief Executive Officer  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Jean Miccolo  
Jean Miccolo

STATE OF NEW HAMPSHIRE

County of Strafford

The forgoing instrument was acknowledged before me this 23<sup>rd</sup> day of May, 2019,

By Jean Miccolo  
(Elected Officer of the Agency)

Kathleen Morrison  
(Notary Public – Kathleen Morrison)



Commission Expires: August 5<sup>th</sup> 2020



# CERTIFICATE OF LIABILITY INSURANCE

ORIGINAL

DATE (MM/DD/YYYY)

04/18/2019

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

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

<b>PRODUCER</b> CGI Business Insurance 171 Londonderry Turnpike Hooksett / NH 03106		<b>CONTACT NAME:</b> Teri Davis <b>PHONE (A/C, No, Ext):</b> (866) 841-4800 <b>FAX (A/C, No):</b> (803) 822-4818 <b>E-MAIL ADDRESS:</b> TDavis@CGIBusinessInsurance.com	
<b>INSURED</b> Community Action Partnership of Strafford County DBA: Strafford CAP PO Box 160 Dover NH 03821-1080		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Hanover Insurance Company <b>INSURER B:</b> Eastern Alliance Insurance Group <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	

## COVERAGES

CERTIFICATE NUMBER: 18/19 Master

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDITIONAL SUBROGATION	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		ZHVA192135	12/31/2018	12/31/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMPIOP AGG \$ Included Professional Liability \$ 1,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY		AWVA158930	12/31/2018	12/31/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ NIL		UHVA192136	12/31/2018	12/31/2019	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	01-0000133794-00	12/31/2018	12/31/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Business Property		ZHVA192135	12/31/2018	12/31/2019	Blanket Limit \$900,150

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

Workers Comp: 3A State: NH

## CERTIFICATE HOLDER

## CANCELLATION

State of NH, DHHS, Contracts and Procurement Unit 129 Pleasant St, Brown Bldg Concord NH 03301-3857	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	---

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## MISSION

To educate, advocate and assist people  
in Strafford County to help meet  
their basic needs and promote  
self-sufficiency



## VISION

Working to eliminate poverty in  
Strafford County

# *Financial Statements*

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## **COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**FOR THE YEARS ENDED  
DECEMBER 31, 2017 AND 2016  
AND  
INDEPENDENT AUDITORS' REPORTS**

***Leone,  
McDonnell  
& Roberts***  
PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**DECEMBER 31, 2017 AND 2016**

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To the Board of Directors of  
Community Action Partnership of Strafford County  
Dover, New Hampshire

## **INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related 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 December 31, 2017.

### **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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 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 auditors' 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 Community Action Partnership of Strafford County as of December 31, 2017 and 2016, and its cash flows for the years then ended, and the changes in its net assets for the year ended December 31, 2017 in accordance with accounting principles generally accepted in the United States of America.

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

We have previously audited Community Action Partnership of Strafford County's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 15, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Other Matters**

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2018, on our consideration of Community Action Partnership of Strafford County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Community Action Partnership of Strafford County's internal control over financial reporting and compliance.

*Leone, McDonnell & Roberts*  
*Professional Association*

June 21, 2018  
Wolfeboro, New Hampshire

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2017 AND 2016**

	<b><u>2017</u></b>	<b><u>2016</u></b>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 361,179	\$ 517,916
Accounts receivable	1,094,461	1,191,955
Contributions receivable	115,800	-
Tax credits receivable	172,000	8,000
Inventory	11,532	8,724
Prepaid expenses	9,609	19,677
	<u>1,764,581</u>	<u>1,746,272</u>
Total current assets		
<b>NONCURRENT ASSETS</b>		
Security deposits	5,350	24,140
Property, net of accumulated depreciation	1,195,445	927,051
Other noncurrent assets	12,500	12,500
	<u>1,213,295</u>	<u>963,691</u>
Total noncurrent assets		
<b>TOTAL ASSETS</b>	<b><u>\$ 2,977,876</u></b>	<b><u>\$ 2,709,963</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Demand note payable	\$ 105,377	\$ 72,673
Accounts payable	217,582	363,064
Accrued payroll and related taxes	137,448	141,753
Accrued compensated absences	100,965	79,490
Refundable advances	391,376	438,285
Other current liabilities	20,789	-
	<u>973,537</u>	<u>1,095,265</u>
Total liabilities		
<b>NET ASSETS</b>		
Unrestricted		
Undesignated	1,260,844	1,204,103
Board designated	307,315	307,315
	<u>1,568,159</u>	<u>1,511,418</u>
Total unrestricted		
Temporarily restricted	436,180	103,280
	<u>2,004,339</u>	<u>1,614,698</u>
Total net assets		
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 2,977,876</u></b>	<b><u>\$ 2,709,963</u></b>

See Notes to Financial Statements

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2017 Total</u>	<u>2016 Total</u>
<b>CHANGE IN NET ASSETS</b>				
<b>REVENUES AND OTHER SUPPORT</b>				
Grant revenue	\$ 7,454,864	\$ -	\$ 7,454,864	\$ 7,531,691
Fees for service	333,487	-	333,487	258,396
Rent revenue	19,472	-	19,472	11,718
Public support	147,071	342,260	489,331	216,229
In-kind donations	735,069	-	735,069	577,850
Interest	127	-	127	1,312
Fundraising	87,215	-	87,215	64,282
Other revenue	(2,106)	-	(2,106)	3,091
Total revenues and support	8,775,199	342,260	9,117,459	8,664,569
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u>9,360</u>	<u>(9,360)</u>	<u>-</u>	<u>-</u>
Total revenues, support, and net assets released from restrictions	<u>8,784,559</u>	<u>332,900</u>	<u>9,117,459</u>	<u>8,664,569</u>
<b>EXPENSES</b>				
<b>Program services</b>				
Child services	3,973,078	-	3,973,078	3,812,180
Community services	780,471	-	780,471	606,156
Energy assistance	2,154,833	-	2,154,833	2,135,921
Housing	409,543	-	409,543	374,836
Weatherization	391,107	-	391,107	247,856
Workforce development	150,178	-	150,178	178,651
Total program services	7,859,210	-	7,859,210	7,355,600
<b>Supporting activities</b>				
Management and general	790,496	-	790,496	732,223
Fundraising	78,112	-	78,112	64,919
Total expenses	<u>8,727,818</u>	<u>-</u>	<u>8,727,818</u>	<u>8,152,742</u>
<b>CHANGE IN NET ASSETS</b>	56,741	332,900	389,641	511,827
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>1,511,418</u>	<u>103,280</u>	<u>1,614,698</u>	<u>1,102,871</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 1,568,159</u>	<u>\$ 436,180</u>	<u>\$ 2,004,339</u>	<u>\$ 1,614,698</u>

See Notes to Financial Statements

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 389,641	\$ 511,827
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	84,399	53,517
(Increase) decrease in assets:		
Accounts receivable	97,494	(477,626)
Contributions receivable	(115,800)	-
Tax credits receivable	(164,000)	(8,000)
Inventory	(2,808)	-
Prepaid expenses	10,068	(18,377)
Security deposits	18,790	527
Increase (decrease) in liabilities:		
Accounts payable	(145,482)	280,139
Accrued payroll and related taxes	(4,305)	20,739
Accrued compensated absences	21,475	(2,388)
Refundable advances	(46,909)	(29,071)
Other current liabilities	<u>20,789</u>	<u>(24,399)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>163,352</u>	<u>306,888</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	<u>(352,793)</u>	<u>(502,144)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(352,793)</u>	<u>(502,144)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net borrowings (repayments) on demand note payable	<u>32,704</u>	<u>(728)</u>
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<u>32,704</u>	<u>(728)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(156,737)	(195,984)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>517,916</u>	<u>713,900</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 361,179</u>	<u>\$ 517,916</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid during the year for interest	<u>\$ 6,251</u>	<u>\$ 3,322</u>

See Notes to Financial Statements

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2017  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	Child Services	Community Services	Energy Assistance	Housing	Weatherization	Workforce Development	Total Program Services	Intermediate (Allocation) Pools	Management and General	Fundraising	2017 Total	2016 Total
Payroll	\$ 1,884,887	\$ 304,780	\$ 286,047	\$ 57,922	\$ 47,329	\$ 76,824	\$ 2,657,789	\$ 113,337	\$ 515,173	\$ 27,803	\$ 3,314,102	\$ 3,229,192
Payroll taxes	155,402	22,972	21,982	4,723	3,560	6,367	215,036	8,269	40,468	2,095	265,860	286,776
Fringe benefits	174,365	35,623	40,839	5,302	6,208	11,453	273,790	12,164	31,427	2,865	320,246	286,949
Weatherization material, fuel and client assistance	85,880	22,329	1,724,551	169,525	300,928	14,291	2,317,502	-	-	-	2,317,502	2,114,286
In-kind expenses	458,927	195,086	-	26,061	5,392	-	723,466	-	-	11,603	735,069	577,850
Consultants and contract labor	262,576	9,498	8,664	106,135	620	971	386,464	16,167	53,898	274	456,803	134,484
Consumable supplies	208,950	90,209	2,402	1,858	1,650	4,860	310,930	14,436	17,595	3,621	346,582	358,493
Rent	290,038	22,415	29,557	8,301	8,999	25,361	382,671	(251,905)	36,180	3,520	170,466	145,634
Repairs and maintenance	10,630	11,520	10,318	6,107	-	951	39,526	86,873	22,481	7,152	156,032	78,635
Utilities	98,527	5,329	10,082	13,009	1,150	4,049	132,146	(9,375)	14,858	457	138,086	142,579
Insurance	89,440	5,657	1,792	5,276	3,189	1,248	106,902	11,401	17,975	194	136,172	175,933
Meetings, events and training	70,875	10,488	2,353	235	7,909	29	91,887	386	36,358	3,117	131,748	40,742
Depreciation	52,337	25,910	98	3,733	-	2,320	84,396	-	-	-	84,396	34,361
Travel	80,430	8,541	3,471	877	1,644	927	75,860	(14,582)	11,315	2,324	74,947	53,517
Copying and postage	8,400	7,553	9,317	26	98	147	25,541	20	13,865	5,142	44,568	24,364
Retirement	12,886	2,149	1,156	428	475	257	17,354	261	7,936	-	25,571	14,861
Equipment and computer	7,094	(8,091)	4,028	24	991	93	6,139	12,537	4,934	38	23,648	148,448
Interest expense	-	3,314	-	-	2,937	-	6,251	-	-	-	8,251	2,449
Indirect costs	-	-	-	-	-	-	-	-	(34,921)	-	(34,921)	271,832
Property taxes	-	-	-	-	-	-	-	-	-	-	-	3,322
Other program support	2,434	3,191	173	-	30	-	5,828	-	954	7,906	14,688	26,233
<b>Total expenses</b>	<b>\$ 3,973,078</b>	<b>\$ 780,471</b>	<b>\$ 2,154,833</b>	<b>\$ 409,543</b>	<b>\$ 391,107</b>	<b>\$ 150,178</b>	<b>\$ 7,859,210</b>	<b>\$ -</b>	<b>\$ 790,496</b>	<b>\$ 78,112</b>	<b>\$ 6,727,818</b>	<b>\$ 8,152,742</b>

See Notes to Financial Statements

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

**NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization**

Community Action Partnership of Strafford County (the Agency) is a 501(c)(3) private New Hampshire non-profit organization established under the provisions of the Equal Opportunity Act of 1964. Without services provided by the Agency, many local residents would be without a means to provide for their basic needs, including food, education, child care, utilities assistance, transportation, housing, emergency shelter and access to other services. The mission of the Agency is to educate, advocate and assist people in Strafford County to help meet their basic needs and promote self-sufficiency. The vision of the Agency is to eliminate poverty in Strafford County through compassion, education, self-sufficiency, transparency, accountability, team work, client focus and professionalism.

In addition to its administrative office located in Dover, the Agency maintains its outreach capacity by operating program offices in Farmington, Milton, Rochester, Dover and Somersworth. The Agency is funded by Federal, state, county and local funds, as well as United Way grants, public utilities, foundation and charitable grant funds, fees for service, private business donations, and donations from individuals. The Agency is governed by a tripartite board of directors made up of elected officials, community leaders from for-profit and non-profit organizations and residents who are low income. The board is responsible for assuring that the Agency continues to assess and respond to the causes and conditions of poverty in its community, achieve anticipated family and community outcomes, and remain administratively and fiscally sound. The Agency administers a wide range of coordinated programs to more than 15,000 people annually, and the programs are designed to have a measureable impact on poverty and health status among the most vulnerable residents: those under the age of 6, the elderly and those living in poverty. This coordinated approach is accomplished by providing a broad array of services that are locally defined, planned and managed with community agencies.

**Basis of Accounting**

The financial statements have been prepared using the accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) of the United States.

**Financial Statement Presentation**

The financial statement presentation follows the recommendations of the Accounting Standard Codification No. 958-210, *Financial Statements of Not-For-Profit Organizations*. Under FASB ASC No. 958-210, the Agency 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. The classes of net assets are determined by the presence or absence of donor 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 Agency.

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.

At December 31, 2017 and 2016 the Agency had unrestricted and temporarily restricted net assets.

#### **Refundable Advances**

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services are performed or expenditures are incurred.

#### **Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restriction. However, if a restriction is fulfilled in the same period in which the contribution is received, the Agency reports the support as unrestricted.

#### **Contributed Services**

Donated services are recognized as contributions in accordance with FASB ASC No. 958, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance non-financial assets or (b) require specialized skills and would otherwise be purchased by the Agency.

Volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC No. 958 were not met.

#### **Fair Value of Financial Instruments**

Accounting Standard Codification No. 825, "Financial Instruments," requires the Agency to disclose estimated fair value for its financial instruments. The carrying amounts of cash, accounts receivable, inventory, prepaid expenses, accounts payable, accrued expenses, and refundable advances approximate fair value because of the short maturity of those instruments.

#### **Inventory**

Inventory materials are fixtures for installation and recorded at cost or contributed value, using the first-in, first-out method.



**Property and Depreciation**

Property and equipment, which have a cost greater than \$5,000, are capitalized at cost or, if donated, at the approximate fair value at the date of donation. Specific grants and awards may have a threshold lower than this amount and that program will abide by those guidelines. Assets are depreciated over their estimated useful lives using the straight-line method as follows:

Buildings and improvements	15 - 40 years
Furniture, equipment and machinery	3 - 10 years
Vehicles	5 - 7 years

Depreciation expense aggregated \$84,399 and \$53,517 for the years ended December 31, 2017 and 2016, respectively.

**Accrued Earned Time**

The Agency has accrued a liability of \$100,965 and \$79,490 at December 31, 2017 and 2016, respectively, for future compensated leave time that its employees have earned and which is vested with the employee.

**Income Taxes**

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Agency to be other than a private foundation. The Agency is also exempt from the New Hampshire Business Enterprise Tax.

Accounting Standard Codification No. 740, "Accounting for Income Taxes", establishes the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. Management has analyzed the Agency's tax position taken on its information returns for the years 2014 through 2017 and has concluded that no additional provision for income taxes is necessary in the Agency's financial statements.

**Cash and Cash Equivalents**

The Agency considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

**Use of 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.

**Advertising Expenses**

The Agency expenses advertising costs as they are incurred. Total advertising costs for the years ended December 31, 2017 and 2016 amounted to \$22,984 and \$21,352, respectively.

**In-kind Donations**

The Agency pays below-market rent for the use of certain facilities. In accordance with generally accepted accounting principles, the difference between amounts paid for the use of the facilities and the fair value of the rental space has been recorded as an in-kind donation and as an in-kind expense in the accompanying financial statements. The estimated fair value of the donation was determined to be \$232,667 and \$322,524 for the years ended December 31, 2017 and 2016, respectively.

The Agency also receives contributed professional services that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these services was determined to be \$86,313 and \$49,673 for the years ended December 31, 2017 and 2016, respectively.

The Agency also receives contributed food commodities and other goods that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these food commodities and goods was determined to be \$121,757 and \$294,332, respectively, for the year ended December 31, 2017. For the year ended December 31, 2016, the estimated fair value of these food commodities and goods was determined to be \$159,190 and \$46,463, respectively.

**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. PROPERTY**

As of December 31, 2017 and 2016, property consisted of the following:

	<u>2017</u>	<u>2016</u>
Land, buildings and improvements	\$ 1,268,065	\$ 926,666
Furniture, equipment and machinery	539,213	522,213
Vehicles	249,779	249,779
Construction in progress	<u>-</u>	<u>5,607</u>
Total	2,057,057	1,704,265
Less accumulated depreciation	<u>861,612</u>	<u>777,214</u>
Net property	<u>\$ 1,195,445</u>	<u>\$ 927,051</u>

**NOTE 3. 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 December 31, 2017 and 2016. The Agency has no policy for charging interest on overdue accounts.

**NOTE 4. CONTRIBUTIONS RECEIVABLE**

Contributions receivable represent promises to give, which have been made by donors but have not yet been received by the Agency. The Agency considers contributions receivable fully collectible; accordingly, no allowance for contributions receivable has been recorded.

Total unconditional promises to give were as follows at December 31, 2017:

Within one year	\$ 52,400
In two to five years	26,400
Thereafter	<u>37,000</u>
	<u>\$ 115,800</u>

**NOTE 5. TAX CREDIT PROGRAM**

The New Hampshire Community Development Finance Authority's Tax Credit Program allows New Hampshire businesses to contribute to not-for-profit community, housing and economic development projects and receive a 75% New Hampshire state tax credit that can be applied against New Hampshire business profits, business enterprise and insurance premium taxes. Through this Tax Credit Program, the Agency recognized contribution revenue of \$164,000 and \$8,000 for the years ended December 31, 2017 and 2016, respectively. At December 31, 2017 and 2016, the Agency had tax credits receivable of \$172,000 and \$8,000, respectively.

**NOTE 6. PLEDGED ASSETS**

As described in Note 7, all assets of the Agency are pledged as collateral under the Agency's demand note payable agreement.

**NOTE 7. DEMAND NOTE PAYABLE**

The Agency has available a revolving line of credit with a bank in the amount of \$250,000. The note is payable upon demand, but in the absence of demand, is due in September 2018. Interest is stated at the prime rate plus 1% which resulted in an interest rate of 5.50% and 4.75% at December 31, 2017 and 2016, respectively. The note is collateralized by all the assets of the Agency.

**NOTE 8. TEMPORARILY RESTRICTED NET ASSETS**

At December 31, 2017 and 2016, temporarily restricted net assets consisted of the following:

	<u>2017</u>	<u>2016</u>
Bank of New Hampshire - Summer Meals	\$ 3,094	\$ 971
Building Campaign - Pledges	121,908	-
Building Campaign - Tax Credits	172,000	8,000
Envoy Mortgage - Summer Meals	1,500	-
Fuel Vendor - Returned of Federal Funds	6,123	4,219

Holy Rosary Credit Union - Homelessness	207	-
Hub - Family Resource Center	27,892	27,892
Individual Donor - Heat & Hot Water	2,868	-
Individual Donors Grab N Go – Summer Weekend Meals	1,418	-
Municipal - Homelessness	6,838	-
Municipal - Homelessness	4,500	-
New Hampshire Charitable – Thomas Haas Heat & Hot Water	11,719	-
New Hampshire Charitable – Thomas Haas Heat & Hot Water	8,000	-
New Hampshire Charitable Foundation – Bundled Services	37,305	20,247
New Hampshire Charitable Foundation – Homelessness	1,000	-
Nute Charitable Trust - Fuel Assistance	1,500	-
Optima Bank - Security Deposits	18,425	27,620
Share Our Strength – Summer Meals	-	13,995
Split Interest Clients - Security Deposits	5,385	-
Split Interest Clients - Security Deposits	2,450	-
United Way - Homelessness	<u>2,048</u>	<u>336</u>
Total	<u>\$ 436,180</u>	<u>\$ 103,280</u>

**NOTE 9. LEASE COMMITMENTS**

Facilities occupied by the Agency for its community service programs are rented under the terms of various operating leases. For the years ended December 31, 2017 and 2016, the annual lease/rent expense for the leased facilities was \$155,065 and \$120,523, respectively. Certain equipment is leased by the Agency under the terms of various operating leases.

The approximate future minimum lease payments on the above leases are as follows:

<u>Year Ended December 31</u>	<u>Amount</u>
2018	\$ 91,347
2019	23,857
2020	20,078
2021	19,633
2022	<u>15,697</u>
Total	<u>\$ 170,612</u>

**NOTE 10. RETIREMENT PLAN**

The Agency maintains a 403(b) Plan and Trust (the Plan) covering substantially all employees. Employee contributions to the Plan are made at predetermined rates elected by employees. Additionally, the Agency provides a matching contribution equal to 25% of the employee's contribution up to 5% of the employee's compensation. Effective April 1, 2016, the Agency instituted an auto enrollment feature mandating a minimum 1% employee contribution; however employees reserve the right to decline the auto enrollment. Employer matching contributions for the years ended December 31, 2017 and 2016 totaled \$25,570 and \$24,366, respectively.

**NOTE 11. CONCENTRATION OF RISK**

A large percentage of the Agency's total revenue was received from two contractors, the Federal Government and the State of New Hampshire. It is always considered to be at least reasonably possible that either contractor could be lost in the near term; however, Management feels this risk is of no particular concern at this time.

**NOTE 12. CONCENTRATION OF CREDIT RISK**

The Agency maintains its cash balances at several financial institutions in New Hampshire. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Agency maintains an agreement with its primary financial institution to collateralize the balances in excess of \$250,000.

**NOTE 13. CONTINGENCIES**

The Agency receives grant funding from various sources. Under the terms of these agreements, the Agency is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Agency 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 as of December 31, 2017 and 2016.

**NOTE 14. 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 June 21, 2018, the date the December 31, 2017 financial statements were available for issuance.

**SUPPLEMENTARY INFORMATION**

**(See Independent Auditors' Report)**

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b>U.S. Department of Agriculture</b>				
Child and Adult Care Food Program	10 558	State of New Hampshire Department of Education	4300-ZZZ	\$ 114,860
Child and Adult Care Food Program	10 558	State of New Hampshire Department of Education	At-Risk After School Care Centers	\$ 82,842
Child Nutrition Cluster				
Summer Food Service Program for Children	10 550	State of New Hampshire Department of Education	4300-ZZZ	71,308
Food Distribution Cluster				
Emergency Food Assistance Program (Food Commodities)	10 509	Beths-Israel Community Action Partnership	None	104,848
Total U.S. Department of Agriculture				\$ 433,448
<b>U.S. Department of Housing and Urban Development</b>				
Supportive Housing for the Elderly	14 157	Dover Housing Authority	Dover Housing Authority	\$ 25,818
CDBG Entitlement Grants Cluster				
Community Development Block Grants / Entitlement Grants	14 218	City of Dover, New Hampshire	City of Dover	\$ 37,152
Community Development Block Grants / Entitlement Grants	14 218	City of Rochester, New Hampshire	City of Rochester	\$ 53,348
Community Development Block Grants / State's Program and Non-Entitlement Grants in New	14 228	New Hampshire Community Development Finance Authority	18-210-CDFA	84,908
Community Development Block Grants / State's Program and Non-Entitlement Grants in New	14 228	New Hampshire Community Development Finance Authority	18-408-EDWD1	17,832
Emergency Solutions Grant Program	14 231	State of New Hampshire Department of Health and Human Services	06-06-42-423010-7827	28,730
Supportive Housing Program	14 235	State of New Hampshire Department of Health and Human Services	010-082-7178-102-0415	34,180
Supportive Housing Program	14 238	Community Partners / Behavioral Health / Services	Community Partners	10,389
Total U.S. Department of Housing and Urban Development				\$ 292,851
<b>U.S. Department of Labor</b>				
WIA Cluster				
WIA Adult Program	17 258	Southern New Hampshire Services, Inc.	2018-0003	\$ 31,956
WIA Dislocated Worker Formula Grants	17 278	Southern New Hampshire Services, Inc.	2018-0003	\$ 34,351
Total U.S. Department of Labor/WIA Cluster				\$ 66,306
<b>U.S. Department of Energy</b>				
Weatherization Assistance for Low-Income Persons	81 042	State of New Hampshire Governor's Office of Energy & Community Services	01-02-02-024010-7708-074-500587	\$ 135,377
Total U.S. Department of Energy				\$ 135,377
<b>U.S. Department of Health &amp; Human Services</b>				
Aging Cluster				
Special Programs for the Aging - Title III, Part B - Grants for Senior Energy	93 044	State of New Hampshire Division of Elderly and Adult services	010-048-7872-812-0352	\$ 1,886
Senior Transportation	93 044	State of New Hampshire Department of Health and Human Services, Nutrition & Trans. Services	06-06-48-48010-78720000-812-500352	\$ 75,318
Maternal, Infant, and Early Childhood Home Visiting Cluster				
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93 505	State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section	06-06-00-002010-5880	186,445
Promoting Safe and Stable Families	93 586	State of New Hampshire, DHHS, Division for Children, Youth and Families	06-095-042-421010-25730000-102-500734-42107308	18,708
TANF Cluster				
Temporary Assistance for Needy Families	93 558	State of New Hampshire, DHHS, Division for Children, Youth and Families	06-095-045-450010-81480000-502-500891-42106803	33,000
Temporary Assistance for Needy Families	93 558	Southern New Hampshire Services, Inc.	13-DHHS-BWWW-CSP-06	\$ 82,831
Low-Income Home Energy Assistance	93 508	State of New Hampshire Governor's Office of Energy & Planning	01-02-02-024010-77080000-074-500587	1,886,043
Low-Income Home Energy Assistance	93 508	State of New Hampshire Governor's Office of Energy & Planning	01-02-02-024010-77080000-500587 02-RRP18A	\$ 275,640
Community Services Block Grant	93 590	State of New Hampshire, DHHS, DFA	010-045-7148-003-0415	516,960
Head Start	93 800	Direct Funding	01C-000002 & 01H-0000702	3,182,798
Stephens Tubbs Jones Child Welfare Program	93 848	State of New Hampshire, DHHS, Division for Children, Youth and Families	06-095-042-421010-20080000-102-500734-42106802	740
Social Services Block Grant	93 867	State of New Hampshire, DHHS, Division for Children, Youth and Families	06-095-042-421010-20080000-102-500734-42106803	70,172
Maternal and Child Health Services Block Grant to the States	93 064	State of New Hampshire, DHHS, Division for Children, Youth and Families	06-095-090-602010-51000000-102-500731-60004006	\$ 4,800
Total U.S. Department of Health & Human Services				\$ 8,271,225
<b>TOTAL</b>				<b>\$ 7,189,867</b>

See Notes to Schedule of Expenditures of Federal Awards

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**NOTE 1      BASIS OF PRESENTATION**

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Community Action Partnership of Strafford County under programs of the federal government for the year ended December 31, 2017. 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 Community Action Partnership of Strafford County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

**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.

**NOTE 3      INDIRECT COST RATE**

Community Action Partnership of Strafford County 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.

**NOTE 5      SUBRECIPIENTS**

Community Action Partnership of Strafford County had no subrecipients for the year ended December 31, 2017.



**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**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  
Community Action Partnership of Strafford County  
Dover, 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 financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of cash flows, and the related notes to the financial statements for the years then ended, and the related statements of activities and functional expenses for the year ended December 31, 2017, and have issued our report thereon dated June 21, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Action Partnership of Strafford County'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action Partnership of Strafford County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency as item 2017-001.

#### **Compliance and Other Matters**

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

#### **Community Action Partnership of Strafford County's Response to Findings**

Community Action Partnership of Strafford County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Community Action Partnership of Strafford County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

#### **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.

*Leon, McDonnell & Roberts*  
*Professional Association*

June 21, 2018  
Wolfeboro, New Hampshire

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**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  
Community Action Partnership of Strafford County  
Dover, New Hampshire

**Report on Compliance for Each Major Federal Program**

We have audited Community Action Partnership of Strafford County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Action Partnership of Strafford County's major federal programs for the year ended December 31, 2017. Community Action Partnership of Strafford County'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Community Action Partnership of Strafford County'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 the audit 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). 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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, Community Action Partnership of Strafford County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

### **Report on Internal Control Over Compliance**

Management of Community Action Partnership of Strafford County 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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's internal control over compliance.

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

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

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

*Leah McDannell & Roberts*  
*Professional Association*

June 21, 2018  
Wolfeboro, New Hampshire

## **COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

### **SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2017**

#### **A. SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unmodified opinion on whether the financial statements of Community Action Partnership of Strafford County were prepared in accordance with GAAP.
2. One significant deficiency disclosed during the audit of the financial statements is 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*. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Community Action Partnership of Strafford County, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Community Action Partnership of Strafford County 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 were: U.S. Department of Health and Human Services, Low-Income Home Energy Assistance Program, CFDA 93.568, and Community Services Block Grant, CFDA 93.569.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Community Action Partnership of Strafford County was determined to be a low-risk auditee.

#### **B. FINDINGS – FINANCIAL STATEMENTS AUDIT**

##### **2017-001 General Ledger Close and Adjusting Journal Entries**

Condition: A significant quantity of adjusting journal entries were provided by the Organization during the audit. Significant adjusting entries related to the following areas: accrued payroll, pledges receivable and pledge contributions. The adjusting entries were provided by management and in certain cases identified by the auditor.

Criteria: Internal controls should be in place to ensure that the activity of the Organization is being recorded in a timely and accurate manner.

Cause: Controls are not in place to ensure all required month and year end journal entries are being recorded in a timely and accurate manner.

Effect: Financial information utilized by management in making decisions may not be timely or accurate.

Recommendation: Procedures should be implemented to ensure all required month and year end journal entries are being recorded in a timely and accurate manner.

Views of Responsible Officials and Planned Corrective Action: The Organization is strengthening month end and year end checklist procedures to include additional documentation of completion, backups recorded to 365 and review of entries to ensure timely and accurate journal entries. In addition, the fiscal department is fully staffed to provide the oversight as well as work required to perform the tasks.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS  
AUDIT**

None

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

There were no findings or questioned costs that were required to be reported in the Schedule of Findings and Questioned Costs for the year ended December 31, 2016.



### **2019 Board of Directors**

Becky Sherburne, Chair  
Hope Morrow Flynn, Vice Chair  
Alan Brown, Treasurer  
Jean Miccolo, Secretary  
Alison Dorow  
Marci Theriault  
Petros Lazos  
Terry Jarvis  
Kristen Collins  
Vickie Routhier  
Thomas Levasseur  
Don Chick  
Erin Zajicek  
Cindy Brown  
Jason Thomas  
Alli Morris  
Maureen Staples

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Community Action Partnership of Strafford County  
Administrative & Weatherization Office, 642 Central Avenue, Dover, NH 603-435-2500  
Mailing address: P.O. Box 160, Dover, NH 03821-0160

#### **Outreach Offices:**

61 Locust Street, Dover 603-460-4237  
527 Main Street, Farmington 603-460-4313

#### **Head Start Centers:**

62A Whittier Street, Dover 603-285-9460  
120 Main Street, Farmington 603-755-2883  
55 Industrial Drive, Milton 603-652-0990  
150 Wakefield Street, Rochester 603-285-9461  
184 Maple St. Ext., Somersworth 603-817-5458



# **COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY HOMELESS OUTREACH SPECIALIST POSITION DESCRIPTION**

<b>Job Title:</b>	<b>Homeless Outreach Specialist</b>
<b>Program/Dept:</b>	<b>Weatherization, Housing, Economic and Workforce Development</b>
<b>Reports To:</b>	<b>Community and Housing Development Director</b>
<b>FLSA Status:</b>	<b>Regular/Full-time/Non-Exempt</b>
<b>Probationary Period:</b>	<b>Ninety (90) days</b>
<b>Salary Range:</b>	<b>Updated annually</b>

## **GENERAL DESCRIPTION**

Work as part of a team identifying and providing services to individuals and families who are unsheltered homeless through direct street outreach activities and through reports/referrals from shelters, police, churches, town welfare officers, human service providers and others. Needs to be self-motivated, a quick study, able to work with little supervision, good time manager, good with detail work and able to relate to a wide variety of clients and community resource people.

## **EDUCATION and/or EXPERIENCE**

B.S. Degree in Social Work with 2-3 years of progressive responsibility preferred but will consider candidates with a degree in related Human Services field and/or 3-4 years of related experience. Additional experience and/or training with substance abuse and mental health disabilities preferred. Must be computer proficient and familiarity with New Hampshire HMIS data entry systems is desirable. Individual needs good empathy skills as well as good verbal and written skills.

## **DUTIES AND RESPONSIBILITIES**

- Identify clients who are unsheltered homeless through direct street outreach activities and through reports/referrals from shelters, police, churches, town welfare officers, human service providers and others.
- Initiate contact and establish a working interaction with unsheltered homeless for the purpose of providing assistance, attaining adequate shelter, and accessing needed services.
- Work closely with Coordinated Access and the Housing Specialist to identify homeless clients who are eligible to obtain shelter and/or housing
- Take appropriate action to deal with homeless emergency situations.
- Assist homeless with obtaining transportation to shelter or services.
- Establish and maintain positive, productive working relationships with mental health agencies, town welfare offices, police departments, local shelters, businesses and other providers of services and resources to the homeless to discuss case and service needs as appropriate.
- Participate in appropriate workshops, trainings, meetings and Homeless Services Continuums.
- Work within budget constraints.
- Maintain client records, activity logs and complete reports and maintain confidential information appropriately and within stated time frames.
- Conduct intake interviews of clients who are seeking emergency housing to gather information on the reason for the client's homelessness, socio-economic history, previous treatment, service experiences, special problems and needs, interests, motivation and pattern of responsibility

# **COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY HOMELESS OUTREACH SPECIALIST POSITION DESCRIPTION**

- Familiarity with rental subsidy programs such as HARP, Section 8, VA or HUD 202 programs; and connecting clients to such programs when necessary.
- Complete applications for alternative/support services, such as Nursing Homes, attendant care, intensive case management and behavioral health housing when applicable
- Utilize HMIS to enter enrolled clients.
- Utilize CSST system for conducting Housing Support in accordance with Contract and funding rules.
- Participate in Community Committees / Roundtables as assigned.

## **SUPERVISORY RESPONSIBILITIES**

- Not Applicable

## **GENERAL EXPECTATIONS**

- Respects confidentiality of information about agency staff, personnel issues, and other program operations.
- Strong commitment to maintaining confidentiality
- Plan, assign, coordinate, organize and prioritize work.
- Models direct, positive, honest, and respectful behavior in every aspect of work with children, families, staff and community members.
- Energetically engages people, issues and work.
- Applies the highest ethical standards to oneself in interactions with others on a daily basis.
- Supports others in their efforts to be productive, effective and successful in work and life.
- Actively participates in teambuilding, which includes sharing ideas and mutual support of team members.
- Consistently uses interpersonal skills that are appropriate for individual styles, personalities, cultures, the nature of the work, and the environment in which the work is being done.
- Practices honest, respectful and direct communication as well as active listening.

## **EMPLOYMENT SCREENING**

Valid Driver's License and insured vehicle (100/300 minimum coverage) for use on the job or acceptable alternative, driving record check, criminal record check, randomized drug screening.

**Head Start, Early Head Start, Childcare, and Home Visiting Programs are also subject to the following:** Head Start and child care licensing requires a criminal record check and finger printing to be completed prior to employment. An initial physical examination record, including a TB screening must be obtained within 60 days of hire, updated every three years and kept on file with Human Resources. If a TB screening indicates high risk, results of a TB test must be kept on file including any treatment received. An initial driving record check will be conducted. License information will also be submitted to the agency's automobile insurance carrier.

## **MISSION VISION & VALUES**

**Our Mission:** To educate, advocate and assist people in Strafford County to help meet their basic needs and promote self-sufficiency.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY  
HOMELESS OUTREACH SPECIALIST  
POSITION DESCRIPTION**

**Our Vision:** To eliminate poverty in Strafford County.

**Our Values:** Compassion, Education, Sufficiency, Transparency, Accountability, Teamwork,  
Client Focus and Professionalism.

**ACKNOWLEDGEMENT:**

- I have read and understand the explanation and position description.
- I have the ability to complete the functions and duties outlined in the position description.
- The job description is intended to convey information essential to understanding the scope of the position and it is not intended to be an exhaustive list of skills, efforts, duties, responsibilities or working conditions associated with the position.
- If I have any questions regarding the information I have read or the interpretation of any requirements, I will bring them to the attention of my supervisor.

**Date:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

**Name printed:** \_\_\_\_\_

**Community Action Partnership of Strafford County**

**Key Personnel**

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Open Position	C.E. Coordinator	31,200.00	100%	31,200.00

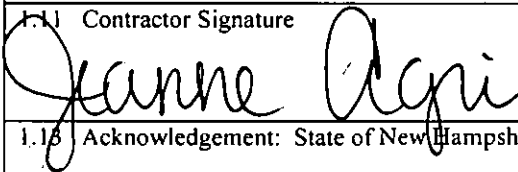
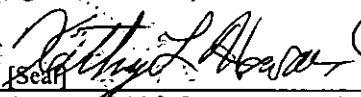
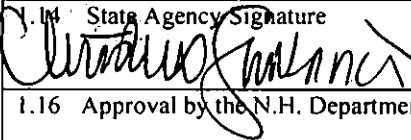

Subject: Continuum of Care, Coordinated Entry Program, SS-2020-BHS-05-Coord-01

**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 Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Community Action Program Belknap-Merrimack Counties, Inc.		1.4 Contractor Address 2 Industrial Park Drive PO Box 1016 Concord, NH 03302-1016	
1.5 Contractor Phone Number (603)225-3295	1.6 Account Number 05-95-42-423010-7927 102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$86,722
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Jeanne Agri, Executive Director	
1.13 Acknowledgement: State of New Hampshire County of Merrimack On 5/23/2019, 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  KATHY L. HOWARD Notary Public, NH My Commission Expires October 17, 2023			
1.13.2 Name and Title of Notary or Justice of the Peace Kathy L. Howard			
1.14 State Agency Signature  Date: 5/28/19		1.15 Name and Title of State Agency Signatory Christine Sankari, Director, DEAS	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: June 4, 2019			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

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

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

**4. CONDITIONAL NATURE OF AGREEMENT.**

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

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

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

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

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

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

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

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

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

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

**7. PERSONNEL.**

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

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

Agreement. This provision shall survive termination of this Agreement.

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

## **8. EVENT OF DEFAULT/REMEDIES.**

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

## **9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

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

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

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

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

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

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

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

## **14. INSURANCE.**

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

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

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

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

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

#### **15. WORKERS' COMPENSATION.**

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

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

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

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

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

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

#### **19. CONSTRUCTION OF AGREEMENT AND TERMS.**

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

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

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

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

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

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





Exhibit A

**SCOPE OF SERVICES**

**Coordinated Entry Program**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:  
  
NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports (BHS), has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.7. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.
- 1.8. Failure to submit required reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by BHS.

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Exhibit A

**2. Scope of Services**

- 2.1. Based on the continued receipt/availability of federal funds from HUD Continuum of Care Program, the Contractor shall provide a Coordinated Entry program that shall serve approximately two-hundred (200) homeless individuals or individuals at imminent risk of homelessness.
- 2.2. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 2.3. The Contractor shall support the primary goal of this program which is to identify and engage unsheltered homeless persons and persons at imminent risk of homelessness, and to provide basic interventions such as food and referrals to services and to facilitate their movement to shelter, permanent housing and maximum self-sufficiency.
- 2.4. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations, or at imminent risk of homelessness. The Contractor must obtain and retain appropriate documentation.
- 2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.
- 2.6. The contractor shall participate in their regional Coordinated Entry process.

**3. Program Reporting Requirements**

- 3.1. The Contractor shall submit the following reports:
  - 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract/Grant Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and
  - 3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

**4. Contract Administration**

- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.
- 4.3. All contract records (originals or copies made by microfilming, photocopying, or other similar methods) shall be retained for a period of five (5) years or as required by state or federal law, following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.



Exhibit A

**5. Performance Measures**

- 5.1. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and all terms and conditions, and amendments thereto, as detailed in the relevant fiscal year Notice of Funding Available (NOFA) CoC Project Application approved by HUD; and
  - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
  - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

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New Hampshire Department of Health and Human Services  
Continuum of Care Program

Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Coordinated Entry Program**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
  - 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0096L1T001803
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Coordinated Entry
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$86,722
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Leasing Expenses: \$1,272
    - 1.2.8.2. Rental Assistance: \$0,000
    - 1.2.8.3. Operating Expenses: \$0,000
    - 1.2.8.4. Supportive Services: \$83,335
    - 1.2.8.5. Administrative Expenses: \$2,115
    - 1.2.8.6. Total program amount: \$86,722
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
  - 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:  
NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301



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- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.
- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule: Review by the State**

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
  - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
  - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
  - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
  - 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.



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- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.
- 3.4.5. Schedule of Payments:
- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingsupportsinvoices@dhhs.nh.gov](mailto:housingsupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.
- 3.5. Review of the State Disallowance of Costs:
- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.



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**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, and may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;



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- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;
- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);





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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

**5.4. Rental Assistance**

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.



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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.
- 5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
- 5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
- 5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

**5.5. Administrative Costs:**

5.5.1. Eligible administrative costs include:

- 5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and
- 5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
  - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
  - 5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:



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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

**5.6. Leasing:**

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

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**5.6.1. Requirements:**

- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.



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- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.



### **SPECIAL PROVISIONS**

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

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



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

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

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

New Hampshire Department of Health and Human Services  
Exhibit C



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

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





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

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

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

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

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

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

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

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

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

New Hampshire Department of Health and Human Services  
Exhibit C



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

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

**20. Contract Definitions:**

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



**REVISIONS TO STANDARD CONTRACT LANGUAGE**

**1. Revisions to Form P-37, General Provisions**

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

**4. CONDITIONAL NATURE OF AGREEMENT.**

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

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

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

**2. Renewal**

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



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

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

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

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

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

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

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

New Hampshire Department of Health and Human Services  
Exhibit D



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

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

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

Vendor Name:  
Community Action Program Belknap-Merrimack Counties, Inc.

5/23/2019  
Date

  
Name: Jeanne Agri  
Title: Executive Director



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-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.

Vendor Name:  
Community Action Program Belknap-Merrimack Counties, Inc.

5/23/2019  
Date

  
Name: Jeanne Agri  
Title: Executive Director



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

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

**INSTRUCTIONS FOR CERTIFICATION**

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

New Hampshire Department of Health and Human Services  
Exhibit F



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

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

**PRIMARY COVERED TRANSACTIONS**

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

**LOWER TIER COVERED TRANSACTIONS**

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

Vendor Name:  
Community Action Program Belknap-Merrimack Counties, Inc.

  
Name: Jeanne Agri  
Title: Executive Director

5/23/2019  
Date





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

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

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

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

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

Exhibit G

Vendor Initials JA

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

New Hampshire Department of Health and Human Services  
Exhibit G

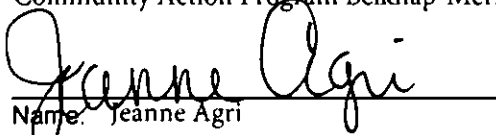


In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for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

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

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

Vendor Name:  
Community Action Program Belknap-Merrimack Counties, Inc.

  
Name: Jeanne Agri  
Title: Executive Director

5/23/2019  
Date

Exhibit G

Vendor Initials JA

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



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

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

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

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

Vendor Name:  
Community Action Program Belknap-Merrimack Counties, Inc.

  
Name: Jeanne Agri  
Title: Executive Director

5/23/2019  
Date



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

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

**(1 Definitions.**

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



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.

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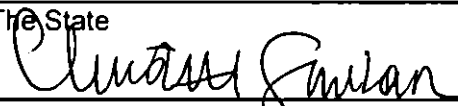
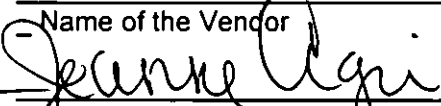




Exhibit I

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

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

Department of Health and Human Services	Community Action Program Belknap-Merrimack Counties, Inc.
The State	Name of the Vendor
	
Signature of Authorized Representative	Signature of Authorized Representative
Christine Santaniello	Jeanne Agri
Name of Authorized Representative	Name of Authorized Representative
Director, D&H	Executive Director
Title of Authorized Representative	Title of Authorized Representative
5/28/19	5/23/2019
Date	Date

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

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

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

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

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

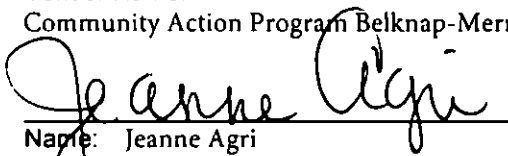
The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees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

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

Vendor Name:

Community Action Program Belknap-Merrimack Counties, Inc.

5/23/2019  
Date

  
Name: Jeanne Agri  
Title: Executive Director

New Hampshire Department of Health and Human Services  
Exhibit J



**FORM A**

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

1. The DUNS number for your entity is: 07-399-7405
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO        YES

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

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

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

       NO        YES

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

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

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

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

# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements



#### A. Definitions

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

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

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

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

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# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements



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

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

#### I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

##### A. Business Use and Disclosure of Confidential Information.

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

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# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements



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

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

## II. METHODS OF SECURE TRANSMISSION OF DATA

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

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

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

#### A. Retention

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

# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements



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

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

#### B. Disposition

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

#### IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
  1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

JA

# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements



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

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

#### V. LOSS REPORTING

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

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

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

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

**Exhibit K**

**DHHS Information Security Requirements**

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

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

**VI. PERSONS TO CONTACT**

**A. DHHS Privacy Officer:**

DHHSPrivacyOfficer@dhhs.nh.gov

**B. DHHS Security Officer:**

DHHSInformationSecurityOffice@dhhs.nh.gov

QA

# State of New Hampshire

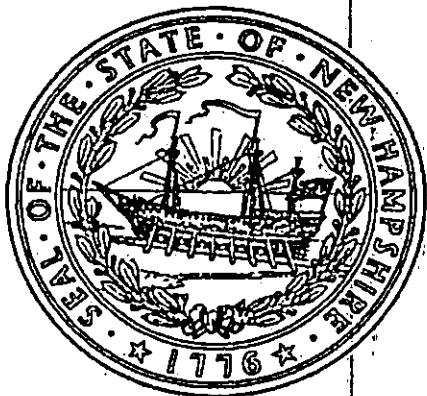
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that COMMUNITY ACTION PROGRAM BELKNAP AND MERRIMACK COUNTIES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 28, 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: 63021

Certificate Number: 0004500588



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 April A.D. 2019.

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

William M. Gardner  
Secretary of State

**Community Action Program Belknap-Merrimack Counties, Inc.**

**CERTIFICATE OF VOTE**

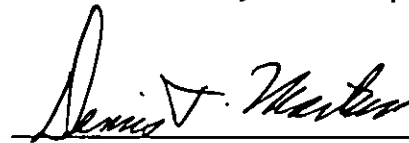
I, Dennis T. Martino, Secretary-Clerk of Community Action Program Belknap-Merrimack Counties, Inc. (hereinafter the "Corporation"), a New Hampshire corporation, hereby certify that: (1) I am the duly elected and acting Secretary-Clerk of the Corporation; (2) I maintain and have custody and am familiar with the minute books of the Corporation; (3) I am duly authorized to issue certificates with respect to the contents of such books; (4) that the Board of Directors of the Corporation have authorized, on 01/10/2019, such authority to be in force and effect until 6/30/2020 (contract termination date), (see attached)

The person(s) holding the below listed position(s) are authorized to execute and deliver on behalf of the Corporation any contract or other instrument for the sale of products and services:

Jeanne Agri, Executive Director  
Michael Tabory, Deputy Director  
Steven E. Gregoire, Budget Analyst  
Sara A. Lewko, President, Board of Directors

(5) The meeting of the Board of Directors was held in accordance with New Hampshire, (state of incorporation) law and the by-laws of the Corporation; and (6) said authorization has not been modified, amended or rescinded and continues in full force and effect as of the date hereof. Excerpt of dated minutes or copy of article or section of authorizing by-law must be attached.


IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the corporation this 23rd day of May, 2019.

  
Secretary-Clerk

STATE OF NEW HAMPSHIRE  
COUNTY OF MERRIMACK

On this 23rd day of May, 2019, before me, Kathy L. Howard the undersigned Officer, personally appeared Dennis T. Martino who acknowledged her/himself to be the Secretary-Clerk of Community Action Program Belknap-Merrimack Counties, Inc., a corporation and that she/he as such Secretary-Clerk being authorized to do so, executed the foregoing instrument for the purposes therein contained.

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

  
Kathy L. Howard, Notary Public  
Notary Public/Justice of the Peace

Commission Expiration Date:

KATHY L. HOWARD Notary Public, NH  
My Commission Expires October 17, 2023

**COMMUNITY ACTION PROGRAM  
BELKNAP-MERRIMACK COUNTIES, INC.**

**CORPORATE RESOLUTION**

The Board of Directors of Community Action Program Belknap-Merrimack Counties, Inc. authorizes the Executive Director, Deputy Director, Budget Analyst, Chief Accountant, President, Vice-President(s) or Treasurer of the Agency to sign contracts and reports with the State of New Hampshire, Departments of the Federal Government, which include all federal #269 and #272 Forms, and public or private nonprofit agencies *including, but not limited to, the following:*

- Department of Administrative Services for food distribution programs
- Department of Education for Nutrition programs
- Department of Health and Human Services
  - Bureau of Elderly and Adult Services for elderly programs
  - Bureau of Homeless and Housing Services for homeless/housing programs
  - Division of Children, Youth, and Families for child care programs
  - Division of Family Assistance for Community Services Block Grant
  - Division of Public Health Services for public health programs
- Department of Justice for child advocacy/therapy programs
- Department of Transportation-Public Transportation Bureau for transportation programs
- Public Utilities Commission for utility assistance programs
- Workforce Opportunity Council for employment and job training programs
- Department of Natural and Cultural Resources
- New Hampshire Office of Strategic Initiatives (OSI) for Low Income Energy Assistance, Weatherization, SEAS and Block Grant programs
- New Hampshire Community Development Finance Authority
- New Hampshire Housing Finance Authority
- New Hampshire Secretary of State
- U.S. Department of Health and Human Services
- U.S. Department of Housing and Urban Development
- U.S. Department of the Treasury – Internal Revenue Service
- and other departments and divisions as required

This Resolution authorizes the signing of all supplementary and subsidiary documents necessary to executing the authorized contracts as well as any modifications or amendments relative to said contracts or agreements.

This Resolution was approved by the Board of Directors of Community Action Program Belknap-Merrimack Counties, Inc. on January 10, 2019, and has not been amended or revoked and remains in effect as of the date listed below.

5/23/2019

Date



Dennis T. Martino  
Secretary/Clerk

SEAL



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
04/18/2019

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

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

<b>PRODUCER</b> FIA/Cross Insurance 1100 Elm Street Manchester NH 03101		<b>CONTACT NAME:</b> Karen Shaughnessy <b>PHONE (A/C, No, Ext):</b> (603) 669-3218 <b>FAX (A/C, No):</b> (603) 645-4331 <b>E-MAIL ADDRESS:</b> kshaughnessy@crossagency.com	
<b>INSURED</b> Community Action Programs, Belknap-Merrimack Counties Inc. P. O. Box 1016 Concord NH 03302		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Philadelphia Ins Co <b>INSURER B:</b> Granite State Health Care and Human Services Self- <b>INSURER C:</b> Federal Ins Co <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	
		<b>NAIC #</b> 20281	

## COVERAGES

CERTIFICATE NUMBER: 18-19 AII/19-20 WC & D&O

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	ADOL	SUBR	INSR	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:					PHPK1887527	10/01/2018	10/01/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMPIOP AGG \$ 3,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY					PHPK1887541	10/01/2018	10/01/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000					PHUB649174	10/01/2018	10/01/2019	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N			N/A	HCHS20190000100(3a.) NH	02/01/2019	02/01/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Directors & Officers Liability					82471794	04/01/2019	04/01/2020	Limit 1,000,000

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

Confirmation of Coverage.

## CERTIFICATE HOLDER

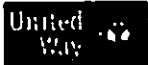
State of New Hampshire Department of Health & Human S 129 Pleasant Street Concord NH 03301
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## CANCELLATION

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

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# Community Action Program Belknap-Merrimack Counties, Inc.



P.O. Box 1016 ♦ 2 Industrial Park Drive ♦ Concord, NH 03302-1016  
Phone (603) 225-3295 ♦ Toll Free (800) 856-5525 ♦ Fax (603) 228-1898 ♦ Web [www.bm-cap.org](http://www.bm-cap.org)

## COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.

(Approved by Agency Board of Directors on 02/24/05  
as part of the Agency Bylaws.)

### STATEMENT OF PURPOSE

The purpose the corporation includes providing assistance for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals to become fully self-sufficient through planning and coordinating the use of a broad range of federal, state, local, and other assistance (including private resources) related to the elimination of poverty; the organization of a range of services related to the needs of low-income families and individuals, so that these services may have a measurable and potentially major impact on the causes of poverty and may help the families and individuals to achieve self-sufficiency; the maximum participation of residents of the low-income communities and members of the groups served to empower such residents and members to respond to the unique problems and needs within their communities; and to secure a more active role in the provision of services for private, religious, charitable, and neighborhood-based organizations, individual citizens, and business, labor, and professional groups, who are able to influence the quantity and quality of opportunities and services for the poor.

CAPBMCI Statement of Purpose

<b>ALTON</b> Senior Center ..... 575-7182 Prospect View Housing ..... 575-5111	<b>CONCORD</b> Area Center ..... 225-6289 Head Start ..... 224-6482 Early Head Start ..... 224-6482 Concord Area ..... 225-6282 South-of-Woods ..... 225-6282 Concord Area Transit ..... 225-1899 Moosehead Pond Place ..... 225-6289 WGCSPV ..... 225-6289 Workplace Success ..... 225-6289	<b>FRANKLIN</b> Area Center ..... 224-3444 Head Start ..... 224-3191 Early Head Start ..... 224-3191 Senior Center ..... 224-4151 Riverside Housing ..... 224-4248	<b>LACONIA</b> Area Center ..... 224-6212 Head Start ..... 225-6234 Early Head Start ..... 225-6234 Senior Center ..... 224-7989 Family Planning ..... 224-6482 Prenatal ..... 224-6482 Workplace Success ..... 224-6287	<b>NEWBURY</b> Newbury Commons Housing ..... 763-6389	<b>PITTSFIELD</b> Senior Center ..... 225-6482 Head Start ..... 225-6218 Early Head Start ..... 225-6218
<b>BELMONT</b> Senior Center ..... 357-6857 Heritage View Housing ..... 357-6871	<b>KEARSARGE VALLEY</b> Area Center ..... 225-6287 Head Start ..... 225-6289 North Ridge Housing ..... 225-6289	<b>MERRIDITH</b> Area Center ..... 275-6289	<b>OSSIPEE</b> Family Planning ..... 225-7982 Prenatal ..... 225-7982	<b>PEMBROKE</b> Village of Pasture Perfect Housing ..... 603-6242	<b>SUNCOOK</b> Area Center ..... 603-7634 Senior Center ..... 603-6234
<b>BRADFORD</b> Senior Center ..... 225-6164	<b>EPSOM</b> Meadow Brook Housing ..... 726-6289				<b>TILTON</b> Senior Center ..... 227-6281

*Financial Statements*

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**COMMUNITY ACTION PROGRAM  
BELKNAP – MERRIMACK COUNTIES, INC.**

**FINANCIAL STATEMENTS  
FOR THE YEARS ENDED FEBRUARY 28, 2018 AND 2017  
AND  
INDEPENDENT AUDITORS' REPORT**

**COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.**

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**Leone,  
McDonnell  
& Roberts**

PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

WOLFEBORO • NORTH CONWAY  
DOVER • CONCORD  
STRATHAM

To the Board of Directors  
Community Action Program Belknap-Merrimack Counties, Inc.  
Concord, New Hampshire

**INDEPENDENT AUDITORS' REPORT**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Community Action Program Belknap-Merrimack Counties, Inc. (a nonprofit organization), which comprise the statements of financial position as of February 28, 2018 and 2017, and the related 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 February 28, 2018.

**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.

**Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 auditors' 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 Community Action Program Belknap-Merrimack Counties, Inc. as of February 28, 2018 and February 28, 2017, 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 Community Action Program Belknap-Merrimack Counties, Inc.'s 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 30, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended February 28, 2017, is consistent, in all material respects, with the audited financial statements from which it was derived.

### **Other Matters**

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2019, on our consideration of Community Action Program Belknap-Merrimack Counties, 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 Community Action Program Belknap-Merrimack Counties, Inc.'s internal control over financial reporting and compliance.

*Leone McDermott & Roberts*  
*Professional Association*

Concord, New Hampshire  
January 8, 2019

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**STATEMENTS OF FINANCIAL POSITION  
FEBRUARY 28, 2018 AND 2017**

	<b><u>2018</u></b>	<b><u>2017</u></b>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 1,751,685	\$ 1,732,344
Accounts receivable	2,993,405	2,161,972
Inventory	26,567	21,530
Prepaid expenses	88,287	94,315
Investments	98,753	85,225
Total current assets	<u>4,958,697</u>	<u>4,095,386</u>
<b>PROPERTY</b>		
Land, buildings and improvements	4,634,220	4,618,289
Equipment, furniture and vehicles	<u>6,227,722</u>	<u>5,838,444</u>
Total property	10,861,942	10,456,733
Less accumulated depreciation	<u>6,936,808</u>	<u>6,818,622</u>
Property, net	<u>3,925,134</u>	<u>3,638,111</u>
<b>OTHER ASSETS</b>		
Due from related party	<u>139,441</u>	<u>139,441</u>
Total other assets	<u>139,441</u>	<u>139,441</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 9,023,272</u></b>	<b><u>\$ 7,872,938</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Current portion of notes payable	\$ 172,745	\$ 163,753
Accounts payable	1,443,697	847,707
Accrued expenses	1,056,676	1,019,426
Refundable advances	<u>1,187,333</u>	<u>1,159,331</u>
Total current liabilities	3,860,451	3,190,217
<b>LONG TERM LIABILITIES</b>		
Notes payable, less current portion shown above	<u>962,781</u>	<u>1,151,156</u>
Total liabilities	<u>4,823,232</u>	<u>4,341,373</u>
<b>NET ASSETS</b>		
Unrestricted	3,497,187	2,887,454
Temporarily restricted	<u>702,853</u>	<u>644,111</u>
Total net assets	<u>4,200,040</u>	<u>3,531,565</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 9,023,272</u></b>	<b><u>\$ 7,872,938</u></b>

See Notes to Financial Statements

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED FEBRUARY 28, 2018  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED FEBRUARY 28, 2017**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2018 Total</u>	<u>2017 Total</u>
<b>REVENUES AND OTHER SUPPORT</b>				
Grant awards	\$ 17,935,847	\$ -	\$ 17,935,847	\$ 15,822,185
Other funds	1,538,501	2,870,131	4,408,632	4,769,775
In-kind	1,147,978	-	1,147,978	1,100,528
United Way	30,517	-	30,517	43,751
Realized gain on sale of property	-	-	-	20,250
Total revenues and other support	20,652,843	2,870,131	23,522,974	21,756,489
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u>2,811,389</u>	<u>(2,811,389)</u>	<u>-</u>	<u>-</u>
Total	<u>23,464,232</u>	<u>58,742</u>	<u>23,522,974</u>	<u>21,756,489</u>
<b>EXPENSES</b>				
Salaries and wages	8,295,198	-	8,295,198	7,973,527
Payroll taxes and benefits	2,054,965	-	2,054,965	1,997,820
Travel	281,239	-	281,239	277,832
Occupancy	1,222,773	-	1,222,773	1,134,026
Program services	7,979,371	-	7,979,371	7,104,507
Other costs	1,636,269	-	1,636,269	1,512,410
Depreciation	236,706	-	236,706	225,631
In-kind	1,147,978	-	1,147,978	1,100,528
Total expenses	<u>22,854,499</u>	<u>-</u>	<u>22,854,499</u>	<u>21,326,281</u>
<b>CHANGE IN NET ASSETS</b>	609,733	58,742	668,475	430,208
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>2,887,454</u>	<u>644,111</u>	<u>3,531,565</u>	<u>3,101,357</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 3,497,187</u>	<u>\$ 702,853</u>	<u>\$ 4,200,040</u>	<u>\$ 3,531,565</u>

See Notes to Financial Statements

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED FEBRUARY 28, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 668,475	\$ 430,208
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	236,706	225,631
Gain on sale of property	-	(20,250)
(Increase) decrease in current assets:		
Accounts receivable	(831,433)	481,783
Inventory	(5,037)	8,393
Prepaid expenses	6,028	6,609
Increase (decrease) in current liabilities:		
Accounts payable	595,990	(335,107)
Accrued expenses	37,250	45,752
Refundable advances	28,002	37,296
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>735,981</u>	<u>880,315</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property	(523,729)	(127,048)
Investment in partnership	(13,528)	(12,919)
Proceeds from sale of property	-	20,250
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(537,257)</u>	<u>(119,717)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long term debt	(179,383)	(152,251)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(179,383)</u>	<u>(152,251)</u>
<b>NET INCREASE IN CASH</b>	19,341	608,347
<b>CASH BALANCE, BEGINNING OF YEAR</b>	<u>1,732,344</u>	<u>1,123,997</u>
<b>CASH BALANCE, END OF YEAR</b>	<u>\$ 1,751,685</u>	<u>\$ 1,732,344</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid during the year for interest	<u>\$ 73,582</u>	<u>\$ 109,150</u>

See Notes to Financial Statements



**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED FEBRUARY 28, 2018  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED FEBRUARY 28, 2017**

	<u>Program</u>	<u>Management</u>	<u>2018 Total</u>	<u>2017 Total</u>
Salaries and wages	\$ 8,026,291	\$ 268,907	\$ 8,295,198	\$ 7,973,527
Payroll taxes and benefits	1,948,839	106,126	2,054,965	1,997,820
Travel	279,829	1,410	281,239	277,832
Occupancy	1,107,004	115,769	1,222,773	1,134,026
Program Services	7,979,371	-	7,979,371	7,104,507
Other costs:				
Accounting fees	24,915	27,549	52,464	48,888
Legal fees	5,137	-	5,137	45,447
Supplies	236,553	26,718	263,271	259,191
Postage and shipping	49,153	1,052	50,205	55,100
Equipment rental and maintenance	1,680	-	1,680	5,503
Printing and publications	3,643	27,649	31,292	13,967
Conferences, conventions and meetings	13,730	9,544	23,274	27,628
Interest	68,274	5,308	73,582	109,150
Insurance	123,457	35,257	158,714	158,030
Membership fees	19,045	8,668	27,713	19,672
Utility and maintenance	185,882	64,390	250,272	123,416
Computer services	21,517	17,179	38,696	36,678
Other	645,081	14,888	659,969	609,740
Depreciation	231,959	4,747	236,706	225,631
In-kind	1,147,978	-	1,147,978	1,100,528
Total functional expenses	<u>\$ 22,119,338</u>	<u>\$ 735,161</u>	<u>\$ 22,854,499</u>	<u>\$ 21,326,281</u>

See Notes to Financial Statements

**COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED FEBRUARY 28, 2018**

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization**

Community Action Program Belknap – Merrimack Counties, Inc. (the Organization) is a New Hampshire nonprofit organization that serves nutritional, health, living and support needs of the low income and elderly clients in the two county service areas, as well as state wide. These services are provided with the financial support of various federal, state, county and local organizations.

**Basis of Accounting**

The financial statements are prepared on the accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) of the United States.

**Financial Statement Presentation**

Financial statement presentation follows the recommendations of the FASB in its Accounting Standard Codification No. 958 *Financial Statements of Not-For-Profit Organizations*. Under FASB ASC No. 958, 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. The classes of net assets are determined by the presence or absence of donor restrictions. As of February 28, 2018 the Organization had no permanently restricted net assets and had temporarily restricted net assets of \$702,853.

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 February 28, 2017, from which the summarized information was derived.

**Income Taxes**

The Organization is organized as a nonprofit corporation and is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Internal Revenue Service has determined them to be other than a private foundation.

The Organization files information returns in the United States and the State of New Hampshire. The Organization is no longer subject to examinations by tax authorities for years before 2014.

Accounting Standard Codification No. 740 (ASC 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. The Organization has analyzed its tax position taken on its information returns for the years (2014 through 2017), and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

### **Property**

Property and equipment is recorded at cost or, if donated, at the approximate fair value at the date of the donation. Assets purchased with a useful life in excess of one year and exceeding \$5,000 are capitalized unless a lower threshold is required by certain funding sources. Depreciation is computed on the straight-line basis over the estimated useful lives of the related assets as follows:

Buildings and improvements	40 years
Equipment, furniture and vehicles	3 - 7 years

### **Use of Estimates**

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect certain 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. The Organization maintains its cash in bank deposit accounts, 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.

### **Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restriction. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.

### **Contributed Services**

Donated services are recognized as contributions in accordance with FASB ASC No. 958, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance non-financial assets or (b) require specialized skills, and would otherwise be purchased by the Agency.

Volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC No. 958 were not met.

### **In-Kind Donations / Noncash Transactions**

Donated facilities, services and supplies are reflected as revenue and expense in the accompanying financial statements, if the criteria for recognition is met. This represents the estimated fair value for the service, supplies and space that the Organization might incur under normal operating activities. The Organization received \$1,147,978 in donated facilities, services and supplies for the year ended February 28, 2018 as follows:

The Organization receives contributed professional services that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these services was determined to be \$292,141 for the year ended February 28, 2018.

The Organization also receives contributed food commodities and other goods that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these food commodities and goods was determined to be \$846,237 for the year ended February 28, 2018.

The Agency pays below-market rent for the use of certain facilities. In accordance with generally accepted accounting principles, the difference between amounts paid for the use of the facilities and the fair market value of the rental space has been recorded as an in-kind donation and as an in-kind expense in the accompanying financial statements. The estimated fair value of the donation was determined to be \$9,600 for the year ended February 28, 2018.

### **Advertising**

The Organization expenses advertising costs as they are incurred. Total advertising costs for the year ended February 28, 2018 totaled \$32,655.

### **Inventory**

Inventory consists of weatherization supplies and work in process and is valued at the lower of cost or net realizable value, using the first-in, first-out method.

## **2. 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 February 28, 2018. The Organization has no policy for charging interest on overdue accounts.

## **3. REFUNDABLE ADVANCES**

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or incurred. Funds received in advance of grantor conditions being met aggregated \$1,187,333 as of February 28, 2018.

4. **RETIREMENT PLAN**

The Organization has a qualified contributory pension plan which covers substantially all employees. The cost of the plan is charged to programs administered by the Organization. The expense of the plan for the year ended February 28, 2018 totaled \$202,725.

5. **LEASED FACILITIES**

Facilities occupied by the Organization for its community service programs are leased under various operating leases. The lease terms range from month to month to twenty years. For the year ended February 28, 2018, the annual lease expense for the leased facilities was \$479,964.

The approximate future minimum lease payments on the above leases are as follows:

<u>Year Ended</u> <u>February 28</u>	<u>Amount</u>
2019	\$ 449,443
2020	405,088
2021	339,230
2022	88,762
2023	88,762
Thereafter	<u>1,053,765</u>
Total	<u>\$ 2,425,050</u>

6. **ACCRUED EARNED TIME**

The Organization has accrued a liability for future annual leave time that its employees have earned and vested with the employees in the amount of \$369,827 at February 28, 2018.

7. **BANK LINE OF CREDIT**

The Organization has a \$200,000 revolving line of credit agreement (the line) with a bank that is due on demand. The line calls for monthly variable interest payments based on the Wall Street Journal Prime Rate (4.50% for the year ended February 28, 2018) plus 1%, but not less than 6% per annum. The line is secured by all the Organization's assets. There was no outstanding balance on the line at February 28, 2018.

8. **LONG TERM DEBT**

Long term debt consisted of the following as of February 28, 2018:

5.75% note payable to a financial institution in monthly installments for principal and interest of \$13,912 through July 2023. The note is secured by property of the Organization for Lakes Region Family Center.

\$ 773,551

3.00% note payable to the City of Concord for leasehold improvements in monthly installments for principal and interest of \$747 through May 2027. The note is secured by property of the Organization for the agency administrative building renovations.

71,843

7.00% note payable to a bank in monthly installments for principal and interest of \$4,842 through May 2023. The note is secured by a first real estate mortgage and assignment of rents and leases on property located in Concord, New Hampshire for Early Head Start.

290,132

Total

1,135,526

Less amounts due within one year

172,745

Long term portion

\$ 962,781

The scheduled maturities of long-term debt as of February 28, 2018 were as follows:

**Year Ending  
February 28**

**Amount**

2019

\$ 172,745

2020

183,269

2021

194,445

2022

206,317

2023

281,158

Thereafter

97,592

\$ 1,135,526

**9. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of February 29, 2018:

Land

\$ 168,676

Building and improvements

4,465,544

Equipment and vehicles

6,227,722

10,861,942

Less accumulated depreciation

6,936,808

Property and equipment, net

\$ 3,925,134

Depreciation expense for the year ended February 28, 2018 was \$236,706.

10. **CONTINGENCIES**

The Organization receives grant funding from various 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 expenditures were found not to have been made 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 as of February 28, 2018.

During the year ended February 28, 2018, the Corporation for National and Community Service (CNCS) conducted a monitoring of its program and found that the Organization was not in full compliance with the program requirements. As a result, CNCS disallowed \$37,000 of grant expenditures. The Organization returned the funds in full during April 2018.

11. **CONCENTRATION OF RISK**

For the year ended February 28, 2018, approximately \$11,000,000 (47%) of the Organization's total revenue was received from the Department of Health and Human Services. The future scale and nature of the Organization is dependent upon continued support from this department.

12. **TEMPORARILY RESTRICTED NET ASSETS**

At February 28, 2018, temporarily restricted net assets consisted of the following unexpended, purpose restricted donations:

**Restricted Purpose**

Senior Center	\$ 127,746
Elder Services	390,089
NH Rotary Food Challenge	5,067
Common Pantry	5,912
Community Crisis	3,578
Caring Fund	14,272
Agency-FAP	14,746
Agency-H/S	140,978
Other Programs	<u>465</u>
	<u>\$ 702,853</u>

13. **RELATED PARTY TRANSACTIONS**

The Organization is related to the following corporation as a result of common management:

<b><u>Related Party</u></b>	<b><u>Function</u></b>
CAPBMC Development Corporation	Real Estate Development

There was \$139,441 due from CAPBMC Development Corporation at February 28, 2018.

The Organization serves as the management agent for the following organizations:

<u>Related Party</u>	<u>Function</u>
Belmont Elderly Housing, Inc.	HUD Property
Epsom Elderly Housing, Inc.	HUD Property
Alton Housing for the Elderly, Inc.	HUD Property
Pembroke Housing for the Elderly, Inc.	HUD Property
Newbury Elderly Housing, Inc.	HUD Property
Kearsarge Elderly Housing, Inc.	HUD Property
Riverside Housing Corporation	HUD Property
Sandy Ledge Limited Partnership	Low Income Housing Tax Credit Property
Twin Rivers Community Corporation	Property Development
Ozanam Place, Inc.	Transitional Supportive Services
TRCC Housing Limited Partnership I	Low Income Housing Tax Credit Property

The services performed by the Organization included, marketing, accounting, tenant selection (for the HUD properties), HUD compliance (for the HUD properties), and maintenance of property.

The total amount due from the related parties (collectively) at February 28, 2018 was \$114,032 and is included in accounts receivables.

#### 14. RECLASSIFICATION

Certain amounts and accounts from the prior year financial statements have been reclassified to enhance the comparability with the presentation of the current year.

#### 15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Community Action Program Belknap-Merrimack Counties, Inc. has also invested money relating to its Fix-it program in certain mutual funds. The fair value of the mutual funds totaled \$97,753 at February 28, 2018.

ASC Topic No. 825-10, 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 FASB ASC 820, 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, FASB ASC 820 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 FASB ASC 820 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.

At February 28, 2018, the Organization's investments were classified as Level 1 and were based on fair value.

Fair Value Measurements using Significant Observable Inputs (Level 1)

Beginning balance – mutual funds,	\$ 84,225
Total gains (losses) - realized /unrealized	9,528
Purchases	<u>4,000</u>
Ending Balance – mutual funds	<u>\$ 97,753</u>

The carrying amount of cash, current assets, other assets and current liabilities, approximates fair value because of the short maturity of those instruments.

The Organization invested \$1,000 during the year ended February 28, 2018 in a Partnership, The Lakes Region Partnership for Public Health.

**16. FISCAL AGENT**

Community Action Program Belknap-Merrimack Counties, Inc. acts as the fiscal agent for the following community organizations: Franklin Community Services Building (Franklin), the Common Pantry (Laconia), the Caring Fund (Meredith), the NH Food Pantry Coalition, the NH Rotary Food Challenge and FGP/SCP Association Region 1. The Agency provides the management and oversight of the revenues received (donations) and the expenses (utilities, food and emergency services).

**17. SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the statement of financial position date, but before the 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. Non-recognized 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 January 8, 2019, the date the financial statements were available to be issued.

**SUPPLEMENTAL INFORMATION**

**(See Independent Auditors' Report)**

**COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED FEBRUARY 28, 2018**

FEDERAL GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS THROUGH NAME	IDENTIFYING NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUB-RECIPIENTS
<b>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					
Head Start	93.600		01CH2002-03-01/01CH2002-04-01	\$ 4,116,021	
Low Income Home Energy Assistance Program	93.568	State of New Hampshire	Q-18/17B1NHJIEA	3,824,932	
Low Income Home Energy Assistance Program-WX	93.568	State of New Hampshire	Q-18/17B1NHJIEA	113,089	
Low Income Home Energy Assistance Program-HRRP	93.568	State of New Hampshire	Q-18/17B1NHJIEA	253,291	
			TOTAL	4,191,292	
Community Services Block Grant	93.598	State of New Hampshire	Q-17B1NHCOBR	573,108	
Social Services Block Grant-Home Delivered & Congregate	93.667	State of New Hampshire	05-95-48-481010-9256	285,852	
Social Services Block Grant-Service Link	93.667	State of New Hampshire	945-500387	5,920	
			TOTAL	294,772	
<b>TANF CLUSTER</b>					
Temporary Assistance for Needy Families-Family Planning	93.558	State of New Hampshire	05-95-45-450010-6146	29,305	
Temporary Assistance for Needy Families-Workplace Success	93.558	Southern New Hampshire Services	05-95-45-450010-61270000	244,177	
			CLUSTER TOTAL	273,482	
<b>AGING CLUSTER</b>					
Title III, Part B-Senior Transportation	93.044	State of New Hampshire	05-95-48-481010-7872	136,211	
Title III, Part B-SEAS	93.044	State of New Hampshire	Q-18/17B1NHJIEA	5,678	
Title III, Part C-Congregate Meals	93.045	State of New Hampshire	05-95-48-481010-7872	195,868	
Title III, Part C-Home Delivered	93.045	State of New Hampshire	05-95-48-481010-7872	386,025	
NSIP	93.053	State of New Hampshire	1066477	259,389	
			CLUSTER TOTAL	984,202	
<b>CHILD CARE AND DEVELOPMENT FUND CLUSTER</b>					
Child Care & Development Block Grant	93.575	State of New Hampshire		377,106	
Child Care Mandatory & Matching Funds of the CCDF	93.598	State of New Hampshire		25,102	
			CLUSTER TOTAL	403,208	
<b>MEDICAID CLUSTER</b>					
Medical Assistance Program-Veterans Independent Program	93.778	Gateways Community Services		37,029	
Family Planning - Services	93.217	State of New Hampshire	05-95-40-802010-5530	61,401	
HIV Preventative Activities - Health Dept. Based-Family Planning	93.940	State of New Hampshire	U62P8003655	6,779	
<b>MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING CLUSTER</b>					
ACA - Maternal, Infant, & Early Childhood Home Visiting Program	93.506	State of New Hampshire	05-95-40-802010-0831	100,416	
Maternal & Child Health Services Block Grant to the States	93.994	State of New Hampshire	05-95-40-802010-5190	10,431	
National Family Caregiver Support, Title III, Part E-Service Link	93.052	State of New Hampshire	102-600731	40,552	
Special Programs for Aging, Title IV-Service Link	93.048	State of New Hampshire	102-600731	24,561	
CMS Research Demonstrations & Evaluations	93.779	State of New Hampshire	102-600731	16,818	
Medicare Enrollment Assistance Program	93.071	State of New Hampshire	102-600731	9,186	
			MHI TOTAL	\$ 11,173,280	
<b>US DEPARTMENT OF AGRICULTURE</b>					
Special Suppl. Nutrition Program for Women, Infants & Children	10.557	State of New Hampshire	15154NH743W5003	\$ 743,425	
Senior Farmers Market	10.578	State of New Hampshire	15154NH063Y8303	79,303	
Child & Adult Care Food Program	10.558	State of New Hampshire	NONE PROVIDED	237,797	
<b>CHILD NUTRITION CLUSTER</b>					
Summer Food Service Program For Children	10.559	State of New Hampshire	NONE PROVIDED	167,483	

See Notes to Schedule of Expenditures of Federal Awards

Continued

FEDERAL GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS THROUGH NAME	IDENTIFYING NUMBER	FEDERAL EXPENDITURES	PASSED THROUGH TO SUB-RECIPIENTS
<b>FOOD DISTRIBUTION CLUSTER</b>					
Commodity Supplemental Food Program	10.565	State of New Hampshire	15154NH014Y0005	724,422	\$ 536,805
Emergency Food Assistance Program-Administration	10.568	State of New Hampshire	81750000	181,212	
Emergency Food Assistance Program	10.569	State of New Hampshire	81750000	<u>1,562,630</u>	<u>1,562,630</u>
			CLUSTER TOTAL	2,468,264	\$ 2,098,435
			USDA TOTAL	<u>\$ 3,086,252</u>	
<b>CORPORATION FOR NATIONAL &amp; COMMUNITY SERVICES</b>					
<b>FOSTER GRANDPARENTS/SENIOR COMPANION CLUSTER</b>					
Senior Companion Program	94.016		18SCAN001	\$ 350,074	
			CNCS TOTAL	<u>\$ 350,074</u>	
<b>US DEPARTMENT OF TRANSPORTATION</b>					
Formula Grants for Rural Areas-Concord Transit	20.509	State of New Hampshire-Department of Transportation	NH-18-XD46	\$ 532,899	
Formula Grants for Rural Areas-Winterseaside Transit	20.509	State of New Hampshire-Department of Transportation	NH-18-XD46	<u>16,200</u>	
			TOTAL	<u>549,099</u>	
<b>TRANSIT SERVICES PROGRAMS CLUSTER</b>					
Enhanced Mobility of Seniors & Ind. W/Disabilities-CAT	20.513	State of New Hampshire-Department of Transportation	NH-18-XD43	9,130	
Enhanced Mobility of Seniors & Ind. W/Disabilities-CAT	20.513	State of New Hampshire-Department of Transportation	Bus 1906 and 1908	94,826	
Enhanced Mobility of Seniors & Ind. W/Disabilities-Rural Transportation	20.513	State of New Hampshire-Department of Transportation	NH-18-XD43	74,764	
Enhanced Mobility of Seniors & Ind. W/Disabilities-Rural Transportation	20.513	State of New Hampshire-Department of Transportation	2 buses	118,575	
Enhanced Mobility of Seniors & Ind. W/Disabilities-Volunteer Drivers	20.513	Merrimack County	NH-65-XD01	<u>72,898</u>	
			CLUSTER TOTAL	370,281	
			DOT TOTAL	<u>\$ 919,880</u>	
<b>US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>					
Supportive Housing Program-Outreach	14.236	State of New Hampshire	06-65-42-423010-7927-102-600731	\$ 88,882	
Supportive Housing Program-Homesless	14.236	State of New Hampshire	NONE PROVIDED	27,988	
Supportive Housing Program	14.236	State of New Hampshire	06-65-42-423010-7927-102-600731	<u>85,782</u>	
			TOTAL	<u>202,642</u>	
Emergency Solutions Grant	14.231	State of New Hampshire	06-65-42-423010-7927-102-600731	83,911	
Continuum of Care Program	14.267	State of New Hampshire	06-65-42-423010-7927-102-600731	83,044	
			HUD TOTAL	<u>\$ 369,597</u>	
<b>US DEPARTMENT OF ENERGY</b>					
Weatherization Assistance for Low Income Persons	81.042	State of New Hampshire	EE0006188	\$ 187,695	
			DOE TOTAL	<u>\$ 187,695</u>	
<b>US DEPARTMENT OF LABOR</b>					
Senior Community Service Employment Program	17.235	State of New Hampshire	1044701	\$ 366,620	
<b>WIA/WIOA CLUSTER</b>					
WIA/WIOA - Adult Program	17.258	Southern New Hampshire Services	0610-63360000-102-600731	71,334	
WIA/WIOA - Dislocated Worker Formula Grants	17.278	Southern New Hampshire Services	0610-63360000-102-600731	<u>86,341</u>	
			CLUSTER TOTAL	<u>138,675</u>	
			DOL TOTAL	<u>\$ 535,295</u>	
			TOTAL	<u>\$ 17,208,853</u>	<u>\$ 2,098,435</u>

See Notes to the Schedule of Expenditures of Federal Awards

**COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED FEBRUARY 28, 2018**

**NOTE 1      BASIS OF PRESENTATION**

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Community Action Program Belknap-Merrimack Counties, Inc. under programs of the federal government for the year ended February 28, 2018. 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 Community Action Program Belknap-Merrimack Counties, 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3      INDIRECT COST RATE**

Community Action Program Belknap-Merrimack Counties, Inc. has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 4      FOOD COMMODITIES**

Nonmonetary assistance is reported in the Schedule at the fair value of the commodities received and disbursed.

**Leone,  
McDonnell  
& Roberts**

PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

WOLFEBORO • NORTH CONWAY  
DOVER • CONCORD  
STRATHAM

**COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.**

**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  
Community Action Program Belknap-Merrimack Counties, Inc.  
Concord, 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 financial statements of Community Action Program Belknap-Merrimack Counties, Inc. (a nonprofit organization), which comprise the statement of financial position as of February 28, 2018, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 8, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Action Program Belknap-Merrimack Counties, 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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Program Belknap-Merrimack Counties, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action Program Belknap-Merrimack Counties, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

*Leone McDonnell & Roberts*  
*Professional Association*

Concord, New Hampshire  
January 8, 2019

**COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.**

**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  
Community Action Program Belknap-Merrimack Counties, Inc.  
Concord, New Hampshire

**Report on Compliance for Each Major Federal Program**

We have audited Community Action Program Belknap-Merrimack Counties, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Action Program Belknap-Merrimack Counties, Inc.'s major federal programs for the year ended February 28, 2018. Community Action Program Belknap-Merrimack Counties, 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Community Action Program Belknap-Merrimack Counties, 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 the audit 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). 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 Community Action Program Belknap-Merrimack Counties, 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 Community Action Program Belknap-Merrimack Counties, Inc.'s compliance.



### **Opinion on Each Major Federal Program**

In our opinion, Community Action Program Belknap-Merrimack Counties, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended February 28, 2018.

### **Report on Internal Control Over Compliance**

Management of Community Action Program Belknap-Merrimack Counties, 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 Community Action Program Belknap-Merrimack Counties, 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 Community Action Program Belknap-Merrimack Counties, 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*Leone McDonnell & Roberts*  
*Professional Association*

Concord, New Hampshire  
January 8, 2019

**COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED FEBRUARY 28, 2018**

**SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unmodified opinion on whether the financial statements of Community Action Program Belknap-Merrimack Counties, Inc. were prepared in accordance with generally accepted accounting principles.
2. No significant deficiencies relating to the audit of the 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*. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Community Action Program Belknap-Merrimack Counties, Inc., which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and On Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Community Action Program Belknap-Merrimack Counties, Inc. expresses an unmodified opinion on all major programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs include:  
U.S. Department of Health and Human Services, Low Income Home Energy Assistance Program 93.568, Head Start 93.600, Corporation for National and Community Service, Senior Companion Program, 94.016
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Community Action Program Belknap-Merrimack Counties, Inc. was determined to be a low-risk auditee.

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS AUDIT**

None



**COMMUNITY ACTION PROGRAM**  
**BELKNAP-MERRIMACK COUNTIES, INC.**  
EMPOWERING COMMUNITIES SINCE 1966

**October 2018**

## **BOARD OF DIRECTORS**

Each Community Action Agency has a governing board consisting of at least one-third democratically selected representatives of low-income people and exactly one-third local public officials or their designees, with the remainder being representatives of business, industry, labor, religious, social welfare and other private groups in the community.

### **Officers**

**Sara A. Lewko, President**

**Vacant, Vice President**

**Dennis Martino, Secretary**

**Kathy Goode, Treasurer**

### **Directors**

**Heather Brown**

**Nicolette Clark**

**Theresa M. Cromwell**

**Susan Koerber**

**Bill Johnson**

**David Siff**

**Christine Averill**

**Donna Barnett**

**Heidi Williams**

**Safiya Wazir**

# *Jeanne Agri*

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## **PROFESSIONAL PROFILE**

Versatile and experienced leader with highly developed communication skills: written, verbal and presentational. Adept in coaching and mentoring employees and colleagues as evidenced by my selection by the National Office of Head Start to serve as a mentor for new Head Start Directors. Committed to continuous improvement of activities to ensure they meet outcomes approved by the board through strategic planning, creating goal-oriented systems and conformance with all local, state and federal guidance.

## **WORK EXPERIENCE**

**Community Action Program Belknap-Merrimack Counties, Concord, NH**

*Executive Director*

2018-present

- Assures the organization has long-range strategy which makes consistent and timely progress towards meeting the Agencies overall mission
- Responsible for the general supervision of all grant awards, ensuring that all statutory, regulatory, and /or program and financial requirements are met, that generally accepted accounting principles are applied, and that all program and financial policies and procedures are adhered to.
- Provide leadership in developing programs, organizational structures and financial systems that carry out the instructions and policies authorized by the Board
- Establish sound working relationships and cooperative arrangements with community groups, organizations and all funding sources important to the development of the agency and programs.
- See that the Board Director is kept fully informed and up to date on the condition of the organization and all important Federal, State or local requirements impacting on the Agency and/or its programs.

**Southern New Hampshire Services, Manchester, NH**

*Education and Nutrition Operations Director*

2016 - 2018

- Coordinate, manage and monitor workings of Child Development, Women Infant and Children, and Literacy Programs, as well as development of an agency wide Two-Generational Approach to services
- Formulate, improve and implement departmental and organizational policies and procedures to maximize output. Monitor adherence to rules, regulations, and procedures
- Assist in the recruitment and placement of required staff; establishment of organizational structure; delegation of tasks and accountabilities
- Supervise staff, including establishment of work schedules and monitoring and evaluating performance in partnership with Executive Director
- Assist in development of strategic plans for operational activity; implement and manage operational plans

*Director of Child Development Programs*

2001-2016

- Hire, coach and evaluate the performance of Program Managers, Specialists, Coordinators, Center Directors, Teachers and Head Start support staff
- Provide coaching, and learning opportunities for all employees focused on promoting, supporting and improving early development of children from the prenatal stage to five years of age using research - based practices
- Plan and implement strategic interventions with Program Managers, Specialists, Coordinators and Center Directors for sites needing administrative support and direction
- Plan, coordinate and facilitate regular leadership meetings for evaluating and strengthening systems to maintain the highest quality of services in compliance with Head Start Performance Standards
- Develop internal structures, systems, and policies supporting major content areas of Head Start program including education, health, mental health, social services, parent involvement, nutrition, disabilities, and transportation

- Collaborate with managers and internal fiscal department in the monitoring and control of component budgets; identification and interpretation of Head Start and community needs; conformance to the Performance Standards and other regulatory requirements
- Work in partnership with internal departments to support project goals and meet customer expectations
- Establish and maintain relationships and collaborations with public school districts, systems of higher education, and other community agencies and partners
- Ensure adequate systems in place to maintain the highest quality of services to children and families in compliance with Head Start Performance Standards
- Ensure consistency in service delivery across the program with attention to inclusive practices and integration of component areas; encourage continuous improvement of systems.

*Quality Assurance Director/Co-Director for Child Development Programs* 1999-2001

- Established and managed a robust monitoring, analysis and evaluation system with well-defined results, milestones, and targets inclusive of Continuous Quality Improvement practices
- Monitored for quality and compliance at Grantee and Delegate level
- Worked closely with program Director to review, track and assess monitoring compliance throughout program operations
- Developed and implements a written quality assurance and performance evaluation plan in conjunction with Governing Board, Policy Council
- Interpreted and evaluated a variety of information to present it in meaningful oral or written form for varied audiences and provide reliable analysis leading to sound decision-making

*Area Manager /Education Manager* 1997-1999

- Supervision of various Child Care sites including direct supervision of Center Directors/Site Managers
- Coordinate personal and professional development and training plans for staff and ensure teaching staff progress towards educational requirements as supported by the Performance Standards
- Documented and administered both positive and negative feedback and utilize Performance Improvement Plans when warranted.

*Child Care Center Director/Site Manager* 1995-1997

- Supervised, mentored, coach and administered work plans and directives to staff
- Communicated areas of performance improvement to staff and promote training that reflected individual needs of staff members and the team as a whole
- Ensure program compliance with codes of state and local licensing agencies and grant requirements

**New Hampshire Technical College, Nashua, NH**

*Instructor* 1995-1997

- Taught Child Growth & Development and assisted in curriculum development for Early Childhood Education Program
- Planned and organized instruction to maximize documented student learning
- Employed appropriate teaching and learning strategies to communicate subject matter to students
- Modified, where applicable, instructional methods and strategies to meet diverse student needs

## **EDUCATION**

**Southern New Hampshire University, Manchester, NH**

Master's in Business Administration

June 2017

**Notre Dame College, Manchester, NH**

Bachelors of Arts in Elementary Education

1981

# **JODY S. MARLEY**

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## ***JOB QUALIFICATIONS***

Twenty years of management/leadership experience accompanied by excellent forecasting, budgeting and accounting skills. I am results driven and strive to set and attain goals for myself and my staff. I promote independent thinking and problem-solving. I encourage others to grow in all areas of their personal and professional lives.

## ***CAREER OBJECTIVES***

- To use my outstanding leadership abilities and business skills to enhance quality programs for my employer.
- To ensure the efficient and effective use of employees and maintain employee/customer satisfaction.

## ***CAREER EXPERIENCES***

**Community Action Program-Belknap-Merrimack Counties, Inc. Concord, NH Feb 2018-present**  
**Senior Accountant – Non-Profit Agency – annual budget \$23,000,000**

- Direct supervision of 2 employees
- Oversight of all grant funding
- Review and approve all Journal Entries, Bank Reconciliations, AP Entries
- Prepare audit workpapers for annual audits
- Pull down federal funding from PMS system
- Provide monthly financial statements to banks and Board of Directors
- Prepare quarterly and annual funding reports through PMS and EGRANTS
- Review bi-weekly payroll
- Maintains and updates fiscal manuals, policies and procedures as needed

**Crawford County Drug & Alcohol Executive Commission Meadville, PA Nov 2016 – Nov 2018**  
**Chief Fiscal Officer/HR Manager– Non-Profit Agency – annual budget \$3,000,000**

- Direct supervision of 3 employees
- Managed all grant funding sources – 16 funding streams
- Responsible for conversion of DOS accounting system to new system – Blackbaud
- Assisted in the conversion from manual Healthcare billing to using a software system – Celerity
- Responsible for the conversion from manual payroll to the ECCA payroll system
- Prepared budgets for organization, local, state and federal agencies
- Prepared monthly financial reports for Board of Directors
- Prepared audit information for outside auditors
- Oversight of the billing process to ensure proper billing of insurance claims
- Handled all Human Resource functions of the agency, interviewing, on-boarding, benefits

- Prepared cost allocation plans, implementation of plans, and updates as necessary when new funding streams were recognized, and as employee positions changed or were added
- Wrote and updated accounting policies and procedures, and assisted on updating agency manual
- Ensured internal controls were in place and continuously monitored

**Boys and Girls Club of the SunCoast      Largo, FL      Feb 2016-Nov 2016**  
**Chief Financial Officer – Non-Profit Agency – annual budget \$3,500,000**

- Filed monthly grant reports to pull down funding
- Managed grants and assisted in development of new funding streams
- Processed payroll (ADP), Accounts Payables and Accounts Receivables
- Prepared financial statements for Board of Directors
- Wrote allocation plan for staff
- Prepared annual budgets
- Prepared and provided analytical reports for CEO and Board of Directors

**Lutheran Services Florida – Head Start/Early Head Start      Largo, FL      January 2015-Feb 2016**  
**Acting VP of Finance/Director of Internal Controls**  
**Senior Director of Finance –Pinellas County Head Start/Early Head Start**

Responsible for oversight of financial team for Head Start/Early Head Start programs in Duval County, Palm Beach County, and Pinellas County. Total budgets exceed \$60M. Responsibilities include, but are not limited to the following:

- Developed high performance financial staff structure.
- Key staff in the conversion from old software program to new program.
- Consolidated monthly financial statements for Board of Directors and Executive Director
- Prepared cost allocation plans
- Prepared and maintain statewide budget
- Developed COSO internal controls process
- Monitored finance offices
- Prepared risk analysis
- Wrote comprehensive finance Policies and Procedures
- Team leader for Audit and Federal Reviews
- Monitored administrative cost rates as to not exceed 15%
- Assisted with development of county budgets
- Reviewed and approved contracts and leases
- Prepared budget analysis and variance reports
- Wrote budget for 2016 grant year
- Developed cost allocation plan to correctly allocate expenditures between funding streams
- Prepared Financial Statements for Policy Council and Board of Directors
- Directly supervised staff of 2 employees – Accounts Payable, Grants Administrator
- Oversaw correct allocations of 267 employees through ADP program
- Prepared budget analysis on a monthly basis
- Developed internal controls for finance office
- Wrote policy for finance offices
- Prepared and filed all required Head Start semi-annual and annual reports

**Crawford County Commissioners      Meadville, PA      July 2009-December 2014**

**CFO/HR Manager – Crawford County, Pennsylvania (Promotion)**

**Chief Fiscal Officer – Human Services Division of Crawford County**

Responsible for oversight of all financial and Human Resource operations of Crawford County – a 6<sup>th</sup> Class county in northwestern Pennsylvania. The total county budget exceeds \$65M annually. Responsibilities include, but are not limited to the following:

- Lead dynamic team of financial staff: 15 staff accountants, fiscal technicians and fiscal assistants.
- Prepared audit schedules, and accruals for yearly County audit by external auditors.
- Oversight of county grants management and reporting requirements.
- Oversight of accounts payable, accounts receivable, grant applications and payroll operations for the county.
- Responsible for budget preparation working with all county departments.
- Accountable for county pension plan for county employees
- Developed employee benefit plans, with an annual savings of \$3M per year for benefits costs
- Financial management representative for union negotiations – 7 unions
- Asset management and depreciation
- All county insurances for General Liability, Workers' Compensation, Fleet Insurance
- Bond management for issuance of bonds and subsequent debt payment schedules.
- Developed and implemented policies and procedures for the County.
- Negotiated healthcare renewals and developed rates for employees
- Developed salary scales for non-union staff
- Settled contracts with 7 unions, handling grievances and negotiating contracts
- Wrote personnel policies for County
- Managed County pension fund reconciliations for outside auditors
- 4 successful audits with no findings
- Prepared audit schedules and reconciliations – seven audits completed within two years, with significantly reduced findings each year.
- Grant management of eight Federal and State programs.
- Oversight of fiscal reporting to DPW and other state and federal agencies on quarterly and annual basis.
- Direct supervision eight employees – realigning duties and responsibilities based on skills and strengths.
- Assisted in the decision-making process of software development for the agency.
- Cash flow maintenance – average daily balance \$6.8M
- Budget forecasting and preparation using Excel and Eden software programs keeping spending under budget for three years. (zero based budgeting process – non-profit programs)
- Oversight of Accounts Receivables of \$22M and Payables of \$22M.
- Developed cost allocation plans, desk procedures, and fiscal policies for county.
- Responsible for oversight of the billing and accounts receivable department.

**PENNCREST School District      Saegertown, PA      Dec 1994- July 2006**

**Director/Financial Manager – Day Care/Head Start programs**

**Fiscal Manager – Day Care/Head Start programs**

Responsible for all fiscal operations of the Preschool and Head Start divisions of school district. Promoted to Director within two years of initial hire date. Combined preschool enrollment was over 175 students.



- Restructured programs to operate more cost effectively.
- Developed Pre-Kindergarten programs for the three preschools.
- Managed Keystone Stars program for preschools – receiving two stars at one location and four stars at the other.
- Successful oversight of the accreditation process for preschools.
- Responsible for 1.5M budget
- Prepared all financial statements and reports for school board and auditors
- Developed and implemented fund-raising activities for preschools
- Supervised, trained and evaluated staff of fifteen.
- Designed spreadsheet programs to streamline accounting systems
- Successfully wrote federal and state grants for programs – grant amounts exceeded \$400K.
- Prepared payroll reconciliations for staff of 32 employees
- Managed all accounts payables and receivables in excess of \$400K
- Reconciled bank statements

### ***EDUCATION***

B.S. Accounting    3.88 GPA    Mercyhurst College                      Summa Cum Laude  
M.A. Org Leadership 3.82 GPA    Mercyhurst College

### ***COMPUTER SKILLS***

Eden	MAS90	AS400	Quickbooks	I-Cams (CAPPS)	KRONOS
Excel	PowerPoint	Word	Peachtree	Promise Fiscal Systems	SharePoint
MIP (Abila)	Navision	Financial Edge	Celerity Billing	ECCA Payroll Systems	
ADP Payroll systems					

# **Elizabeth Heyward**

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## **Highlights**

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- Fundraising and event planning
- Relationship building expert
- Deadline-driven
- Donor database management
- Exceptional multi-tasker
- Decisive problem solver
- Organized and efficient
- Motivated team player
- Cross-functional team management

## **Experience**

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### **Community Services Director- August 2017-Present**

- Responsible for the planning, scheduling, implementation and monitoring of the Fuel and Electric Assistance Programs.
- Responsible for the development of internal operating procedures for the Fuel and Electric Assistance Programs compliance with agency and funding requirements
- Responsible for the development of the operating budget for Fuel and Electric Assistance Programs and area center structure with compliance with agency and funding source requirements.
- Responsible for the management, training, supervision and evaluation of Fuel and Electric Assistance and area center staff.
- Responsible for compiling and maintaining accurate records of programs statistics, financial reports, reimbursement requests for agency and various funding sources.
- Responsible for developing and implementing outreach plans and centralize client intake for Fuel and Electric Assistance Programs and other agencies services provided through the area center structure. This will be done in conjunction with agency program and area center directors.
- Responsible for securing adequate funding for Fuel and Electric Assistance Programs and local funding of area center system by local cities and towns.
- Responsible for providing public relations and information related to Fuel and

Electric Assistance Programs and area center services.

- Responsible for coordinating with other program and area center directors on grant development by other agency programs and services to meet local community needs.
- Responsible for preparing, writing, and organizing proposals and applications for Fuel and Electric Assistance Programs and area center programs.
- Responsible for the development and implementation of the information and referral system used by the area center staff.
- Responsible for the development and implementation of a community needs assessment for the Agency and communities served.
- Assist in planning, development and implementation of a data collections software package with the state and other local CAP agencies.

**Director of Mission Advancement- June 2016- July 2017**

- Work with the Executive Director and other members of senior leadership to develop the annual operating budget and identify the financial needs of the organization that must be met by fundraising;
- Create and manage the annual development plan that encompasses individual and institutional giving (foundations, corporation and partners);
- Track key metrics, where success is measured by growth in contributor numbers, donor retention and dollars raised;
- Manage the development budget and assist the Executive Director in developing individual Board member fundraising plans;
- Manage the portfolio of donor prospects, including identifying, researching, qualifying, cultivating and soliciting gifts from individuals, corporations, and foundations.
- Support the Executive Director in major gift cultivation and solicitation efforts through research, planning, strategy, moves management process.
- Collaborate with the Executive Director to create individualized stewardship plans for top contributors, including customized donor reports and donor recognition.
- Manage the annual giving program, including communications, appeals, and stewardship.
- Personally acknowledge contributors and the impact of their gifts.
- Manage budget [expenses and revenues] and staff on charitable gaming activities and placement and sales of vending machines.
- Effectively position/prepare the Executive Director and Board members for interactions with major contributors and prospects.

- Provide ongoing inspiration, support, resources and training in fundraising to the Board and staff.
- Manage the Development and Communications staff for message management and effective use of the contributor database, moves management and other tools, including cause-related marketing, cultivation events, etc.
- Collaborate with other GBS staff in the timely development of written communications such as annual appeals, direct mail and advertising.
- Travel to meet with top contributors in addition to fundraising events and board meetings.

#### **Director of Community Relations-March 2015-June 2016**

- Treasure of the Private Provider Network in Concord NH.
- Assist in all fundraising events for Great Bay. Including plan, and execution.
- Provide active representation at local and state level events and meetings.
- Stay current and report back on recent state and federal disability news.
- Increase community awareness of the organization, client services, and business opportunities,
- Assist with the newsletter, media presentations, marketing materials, and fundraising events.
- Make presentations at High Schools PTA's, and parent groups.
- Seek out other venues where groups of parents attend meetings..
- Meet with area Special Education Directors,
- Develop an active Business Advisory Council.

#### **Associate Director of Programs and Services September 2013- March 2015-Great Bay Services**

- Oversees Clinical Services. Supervises Case Managers and Nurses. Oversees Individual Service Plans, progress notes and other program documentation. Assures coordination between case managers and appropriate program staff.
- Conducts interdisciplinary staff meetings with case managers, nurses, residential managers and community center staff to assure coordination of services, client concerns, incidents and trends. Facilitates problem solving and is solution focused.
- Oversees Employment, Day and Residential Services. Reviews consumer progress, written reports and assures coordination between all assigned managers.
- Supervises all direct care program managers.
- Is responsible for the hiring and dismissal of all direct care staff.

- Responsible for orientation and training of program staff.
  - Oversees Residential Managers
  - Acts as liaison with funding and regulatory agencies including Developmental Disabilities of Maine and New Hampshire.
  - Assists in preparation of annual budget for services Responsible for contract management and compliance for all services reporting to the position.
  - Oversees consumer admission, intake, program management, transfer and discharge decisions and procedures.
  - Works in collaboration with and supports the Executive Director on various projects and initiatives.
  - Assists the Executive Director in matters relating to organizational operations.
- Acts as
- back up for the Executive Director in his/her absence.
  - Coordinates orients and oversees placements of volunteers and interns.

Program Manager for Employment Services October 2011- August 2013-Great Bay Services

Community Employment Coordinator: Great Bay Services, November 2008- October 2011

Secretary: Leddy Center for the Performing Arts, July 2008- March 2009

Marketing and Communications Intern: Amphenol TCS, October 2007- August 2008

## Education

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- MBA in Leadership: SNHU, Manchester NH
- Graduate Certificate in Leadership in a Not for Profit: SNHU, Manchester, NH
- Bachelor of Science in Business Administration , Hesser College, Manchester, NH
- Associates Degree in Public Relations, Hesser College, Manchester, NH

## Skills and Training

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- Constant Contact- Monthly newsletter
- Donor Perfect- Use this for our donor database.
- Attended the CASE Summer Institute in Educational Fundraising
- Microsoft Office- Word, Excel, Publisher, and PowerPoint
- Board of Directors for Epping Community Church

# RAYMOND ALGER

## QUALIFICATION PROFILE

- Results-oriented Manager with experience in social work including assisting adults, children, adolescents, families, and special needs populations.
- Instrumental in designing and implementing innovative modalities concerning social welfare.
- Ensured positive mental and physical health involving individuals and communities.
- Exposure to CPR and first aid medication distribution.
- Developing and ensuring achievement of Individual Education Plan goals.
- Adept in all aspects of incident reporting and supervising court ordered visits.

## EDUCATION

University of Phoenix	2016
Associate of Science, Psychology	
GPA: 3.8	
Cohocton High School	1989
Diploma	

## PROFESSIONAL BACKGROUND

### Housing Stabilization Manager

Belknap-Merrimack Community Action Program 2019-Present

Oversee the site level implementation of the agencies program policies and procedures.

Manage day to day operations of the New Start Program, EHP (Emergency Housing Program), BM-CAP COC RRH (Belknap-Merrimack Continuum of Care Rapid Re-housing) and ESG (Emergency Solution Grant).

### Mental Health Worker III

State of NH, Laconia, NH 2013 to 2018

Documented interactions between resident and family members. Organized psycho-educational groups. Created and introduced community resources.

- Handled all aspects of case planning and case management including updating clinical records, complying to licensing requirements, and evaluating resident progress levels.
- Played a key role in developing behavioral strategies and participating in therapeutic activities based on resident needs.
- Monitored therapeutic crisis intervention strategies and short-term counseling sessions.
- Authored court reports and supervised court ordered visits successfully.
- Assisted clients and staff in planning and providing for daily needs of individuals regarding personal hygiene, feeding and medications. Instructed employees in performing primary client care and house maintenance.

### Operations Manager

New England Salem Children's Trust, Rumney, NH 2007 to 2013

Experienced manager with excellent team abilities. Earned a reputation as a valuable and cooperative coworker by: being fair, honest, and willing to help others when needed; effectively resolving conflicts at appropriate times; and assisting new managers and other staff to become familiar with policy and operations.

- Easily establish rapport with people of all ages, cultures, and beliefs.
- Developed effective internal controls and always operated within budget.
- Effective in stressful situations.
- Helped prioritize work schedules and delegated assignments.
- Ability to assess organizational needs and implement administrative procedures.
- Detail-minded with a good eye for balance and organization. Compiled reports and records.
- Computer literate. Proficient in Microsoft Word and Excel. Designed custom spreadsheet programs for internal use as well as for clients.
- Conceptualized and implemented innovative guidelines and procedures to a clean, safe, and healthy environment for clients that exceeded state and federal requirements.
- Established efficient office procedures, record-keeping, and invoicing systems.
- Excellent mediator, arbitrator, and facilitator.

## TRAINING

Client Rights, Medication Distribution Training, Incident Report Writing, Fire Safety, CPR & First Aid, Defensive Driving, HIPAA

## **JOSHUA FREEMAN**

Results-oriented leader with strong background in hiring, training, management and employee development. Exceptional communication and coaching skills. Effectively motivates employees through consistent feedback, positive reinforcement and leading by example.

### **HIGHLIGHTS**

- Employee onboarding, development and retention - New product launches and trainings - Team building - Multi-media training program development - Fluent in "Earn the Right Sales" process -

### **ACCOMPLISHMENTS**

- Successfully managed all functions related to daily operations of a retail organization. Duties include recruiting, interviewing, hiring and onboarding, the development and implementation of training programs and performance management plans that consistently yield positive results.
- Served in multiple leadership roles, working closely with the executive team to establish organizational goals and maintain forward momentum for the company.
- Workforce management and scheduling oversight for multiple locations including over 50 associates and managers.
- Orchestrated regular meetings and trainings focused on sales best practices and exceeding company and individual goals

### **PROFESSIONAL EXPERIENCE**

#### **Community Action Program of Belknap/Merrimack Counties, Inc**

Concord, NH Homeless Outreach Worker 2/2019 to Current

As a Homeless Outreach Worker my responsibilities include responding to referrals from NH 2-1-1 Services with the goal of providing advice, services and assistance to people experiencing Homelessness or to those whom are at risk of becoming homeless. A typical day may include Visiting with local shelters, welfare officers, food pantries and homeless resource centers and homeless people in an effort to Ingratiate myself while building rapport and trust with the local homeless population.

#### **Waltham Traders/IM Wireless**

Salem, NH District Manager/Trainer 2/2017 to 10/2018

Hire, onboard and manage multiple associates and managers for multiple high-volume locations throughout New England. Developed and implemented company training programs and assisted with the opening of multiple high-profile locations.

#### **GoWireless LLC/INC.**

Derry, NH Manager 3/2015 to 1/2017

Directly developed and managed a large team of sales professionals while overseeing daily operations of the location. Served in a critical role during a company acquisition, contributing to a successful transition with minimal operational disruption.

Bedford, NH Sales Manager/Area Manager 02/2002 to 3/2015

Responsibilities included working in conjunction with the executive team to recruit, interview and hire new consultants and managers while successfully managing multiple high-volume locations. Specialized in building rapport with customers; earning their trust and creating lifelong customers.

**EDUCATION** - Keene State College, Keene, NH

**Community Action Program Belknap-Merrimack Counties, Inc.**

**Department of Health and Human Services  
Office of Human Services**

**Continuum of Care – Coordinated Entry Program  
7/01/2019 – 6/30/2020**

**Key Personnel Salaries and Allocation**

<b>Name</b>	<b>Job Title</b>	<b>Salary</b>	<b>% Paid from this Contract</b>	<b>Amount Paid from this Contract</b>
Jeanne Agri	Executive Director	\$ 140,639	0%	\$ 0
Jody Marley	Senior Accountant	\$ 70,005	0%	\$ 0
Elizabeth Heyward	Community Services Director	\$ 59,000	0%	\$ 0
Raymond Alger	Housing Stabilization Manager	\$ 38,025	0%	\$ 0
Joshua Freeman	Homeless Outreach Intervention Specialist	\$ 29,250	100%	\$ 29,250
Vacant	Homeless Outreach Intervention Specialist	\$ 29,250	100%	\$ 29,250



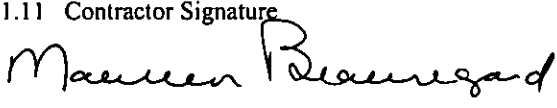
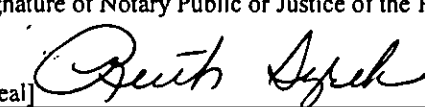
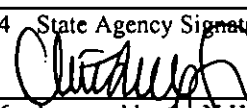

Subject: Continuum of Care, Concord Community Leasing II PH, SS-2020-BHS-04-PERMA-10

**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.**

<b>1.1 State Agency Name</b> NH Department of Health and Human Services		<b>1.2 State Agency Address</b> 129 Pleasant Street Concord, NH 03301-3857	
<b>1.3 Contractor Name</b> FIT/NHNH, Inc.		<b>1.4 Contractor Address</b> 122 Market Street Manchester, NH 03101	
<b>1.5 Contractor Phone Number</b> (603) 641-9441	<b>1.6 Account Number</b> 05-95-42-423010-7927-102-500731	<b>1.7 Completion Date</b> June 30, 2020	<b>1.8 Price Limitation</b> \$99,046
<b>1.9 Contracting Officer for State Agency</b> Nathan D. White, Director		<b>1.10 State Agency Telephone Number</b> 603-271-9631	
<b>1.11 Contractor Signature</b> 		<b>1.12 Name and Title of Contractor Signatory</b> Maureen Beauregard	
<b>1.13 Acknowledgement:</b> State of New Hampshire County of Hillsborough On May 29, 2019, 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.			
<b>1.13.1 Signature of Notary Public or Justice of the Peace</b>  [Seal]		<b>RUTH A. SYREK, Notary Public</b> My Commission Expires September 5, 2023	
<b>1.13.2 Name and Title of Notary or Justice of the Peace</b> Ruth Syrek, Admin. Asst., Notary Public			
<b>1.14 State Agency Signature</b> 		<b>1.15 Name and Title of State Agency Signatory</b> Christine Santanella, Director, DEHS	
<b>1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)</b> By: _____ Director, On: _____			
<b>1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable)</b> By:  On: June 4, 2019			
<b>1.18 Approval by the Governor and Executive Council (if applicable)</b> 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.



Exhibit A

**SCOPE OF SERVICES**

**Permanent Supportive Housing Program**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:  
NH DHHS  
Bureau of Housing Supports (BHS)  
129 Pleasant Street  
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

*MB*



Exhibit A

- 1.10. The Contractor shall support the primary goal of this program which is to facilitate the movement of homeless and chronically homeless individuals and families to permanent housing and maximum self-sufficiency.

**2. Scope of Services**

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Supportive Housing program comprised of six (06) housing units and twelve (12) beds serving homeless individuals and or families, and which includes, but is not limited to:
  - 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
  - 2.2.2. The development of a stabilization plan and crisis management plan with the participant, at intake and, at a minimum, annually. An ongoing Assessment of Housing and Supportive Services is required, with the ultimate goal being assistance to the participant in obtaining the skills necessary to live in the community independently.
- 2.3. The Contractor shall establish and maintain standard operating procedures to ensure CoC program funds are used in accordance with 24 CFR 578 and must establish and maintain sufficient records to enable HUD and BHS to determine Contractor requirement compliance, including:
  - 2.3.1. Continuum of Care Records: The Contractor shall maintain the following documentation related to establishing and operating a CoC:
    - 2.3.1.1. Records of Homeless Status. The Contractor shall maintain acceptable evidence of homeless status in accordance with 24 CFR 576.500(b).
    - 2.3.1.2. Records of at Risk of Homelessness Status: The Contractor shall maintain records that establish "at risk of homelessness" status of each individual or family who receives CoC homelessness prevention assistance, as identified in 24 CFR 576.500(c).
    - 2.3.1.3. Records of Reasonable Belief of Imminent Threat of Harm. The Contractor shall maintain documentation of each program participant who moved to a different CoC due to imminent threat of further domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR 578.51(c)(3). The Contractor shall retain documentation that includes, but is not limited to:
      - 2.3.1.3.1 The original incidence of domestic violence, dating violence, sexual assault, or stalking, only if the original violence is not already documented in the program participant's case file. This may be written observation of the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; medical or dental records; court records or law enforcement records; or written certification by the program participant to whom the violence occurred or by the head of household.

*MB*

May 29, 2019



Exhibit A

- 2.3.1.3.2 The reasonable belief of imminent threat of further domestic violence, dating violence, or sexual assault or stalking, which would include threats from a third-party, such as a friend or family member of the perpetrator of the violence. This may be written observation by the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; current restraining order; recent court order or other court records; law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts; or a written certification by the program participant to whom the violence occurred or the head of household.
- 2.3.1.4. Records of Annual Income. For each program participant who receives housing assistance where rent or an occupancy charge is paid by the program participant, the Contractor must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
  - 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
  - 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, government benefits administrator) or the written certification by the Contractor's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period; or
  - 2.3.1.4.4. To the extent that source documents and third-party verification are unobtainable, the written certification by the program participant of the amount of income that the program participant is reasonably expected to receive over the three (3) month period following the evaluation.
- 2.3.1.5. Program Participant Records. In addition to evidence of homelessness status or at-risk-of-homelessness status, as applicable, the Contractor must keep records for each program participant that document:
- 2.3.1.5.1. The services and assistance provided to that program participant, including evidence that the Contractor has conducted an annual assessment of services for those program participants that remain in the program for more than a year and adjusted the service package accordingly, and including case management services as provided in 24 CFR 578.37(a)(1)(ii)(F); and
  - 2.3.1.5.2. Where applicable, compliance with the termination of assistance requirement in 24 CFR 578.91.
- 2.3.1.6. Housing Standards. The Contractor must retain documentation of compliance with the housing standards in 24 CFR 578.75(b), including inspection reports.
- 2.3.1.7. Services Provided. The Contractor must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were reviewed at least annually and that the service package offered to program participants was adjusted as necessary.

2.4. The Contractor shall maintain records that document compliance with:

- 2.4.1. The Organizational conflict-of-interest requirements in 24 CFR 578.95(c).

*mb*

May 29, 2019



Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 2.4.3. The Other Conflicts requirements in 24 CFR 578.95(d).
- 2.5. The Contractor shall develop, implement and retain a copy of the personal conflict-of-interest policy that complies with the requirements in 24 CFR 578.95, including records supporting any exceptions to the personal conflict-of-interest prohibitions.
- 2.6. The Contractor shall comply and retain documentation of compliance with:
  - 2.6.1. The Homeless Participation requirements in accordance with 24 CFR 578.75(g).
  - 2.6.2. The Faith-based Activities requirements in accordance with 24 CFR 578.87(b).
  - 2.6.3. Affirmatively Furthering Fair Housing by maintaining copies of all marketing, outreach, and other materials used to inform eligible persons of the program in accordance with 24 CFR 578.93(c).
  - 2.6.4. Other Federal Requirements in 24 CFR 578.99, as applicable.
  - 2.6.5. Other Records Specified by HUD. The Contractor must keep other records as specified by HUD.
  - 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the specific confidentiality and security requirements for HMIS data (76 FR 76917), the Contractor shall develop and implement written procedures to ensure:
  - 2.7.1. All records containing protected identifying information of any individual or family who applies for and/or receives Continuum of Care assistance shall be kept secure and confidential as required by this Agreement and state and federal laws and regulations;
  - 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not be made public, except with written authorization of the person responsible for the operation of the project; and
  - 2.7.3. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality;
- 2.8. Period of Record Retention. The Contractor shall ensure all records, originals or copies made by microfilming, photocopying, or other similar methods, pertaining to Continuum of Care funds are retained for five (5) years following the Contract Completion Date and receipt of final payment by the Contractor unless records are otherwise required to be maintained for a period in excess of the five (5) year period according to state or federal law or regulation.

**3. Program Reporting Requirements**

- 3.1. The Contractor shall submit the following reports:
  - 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and

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**Exhibit A**

3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

**4. Contract Administration**

4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.

4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.

**5. Performance Measures**

5.1. The Contractor shall adhere to all terms and conditions as set forth in the HUD New Project Application, federal fiscal year 2018, #SF-424; and

5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.

5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.

5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

**6. Deliverables**

6.1. The Contractor shall implement a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.

6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.

6.2.1. Project outcomes shall include, but are not limited to: <sup>1</sup>

6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.

6.2.1.2. Participants experience increased connections to:

6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;

6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and

6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.

6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

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**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Permanent Supportive Housing Program Funding**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
  - 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0060L1T001806
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing Program
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$99,046
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Supportive Services: \$15,956
      - 1.2.8.2.1 Case Management \$15,956
    - 1.2.8.2. Leasing \$80,780
    - 1.2.8.3. Administrative Expenses: \$2,310
    - 1.2.8.4. Total program amount: \$99,046
    - 1.2.8.5. Vendor Match (25%) \$4,567
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
  - 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:  
NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301

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**Exhibit B**

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.
- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule; Review by the State**

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
  - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
  - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
  - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
  - 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.

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**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.

**3.4.5. Schedule of Payments:**

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingsupportsinvoices@dhhs.nh.gov](mailto:housingsupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.

**3.5. Review of the State Disallowance of Costs:**

- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services, products, required report submissions, as detailed in Exhibits A and B, or NH-HMIS data entry requirements have not been satisfactorily completed in accordance with the terms and conditions of this Agreement.

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**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;

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

- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;
- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);



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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

**5.4. Rental Assistance**

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.
- 5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
- 5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
- 5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

**5.5. Administrative Costs:**

5.5.1. Eligible administrative costs include:

- 5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and
- 5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
  - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
    - 5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:





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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

**5.6. Leasing:**

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

**5.6.1. Requirements:**



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- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.



### **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;

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

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

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

New Hampshire Department of Health and Human Services  
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Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

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



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

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

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

**20. Contract Definitions:**

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





## REVISIONS TO STANDARD CONTRACT LANGUAGE

### 1. Revisions to Form P-37, General Provisions

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

#### 4. CONDITIONAL NATURE OF AGREEMENT.

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

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

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

### 2. Renewal

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

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**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

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

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

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

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

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

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

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New Hampshire Department of Health and Human Services  
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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.

Vendor Name: FIT/NHNNH, Inc.

May 29, 2019  
Date

  
Name: Maureen Beauregard  
Title: President



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

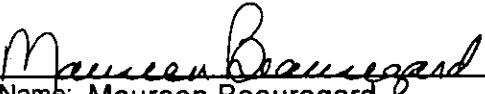
1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-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.

Vendor Name: FIT/NHH, Inc.

May 29, 2019

Date

  
Name: Maureen Beauregard

Title: President



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

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

**INSTRUCTIONS FOR CERTIFICATION**

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

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

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

#### PRIMARY COVERED TRANSACTIONS


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

Vendor Name: FIT/NHNN, Inc.

May 29, 2019  
Date

  
Name: Maureen Beauregard  
Title: President



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

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

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

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

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

Exhibit G

Vendor Initials

A handwritten signature in black ink, appearing to be "MB", written over a horizontal line.

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

New Hampshire Department of Health and Human Services  
Exhibit G



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

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

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

Vendor Name: FIT/NHNNH, Inc.

May 29, 2019  
Date

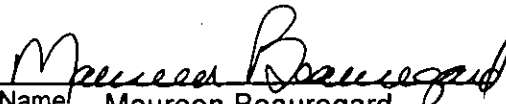
  
Name: Maureen Beauregard  
Title: President

Exhibit G

Vendor Initials



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





**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

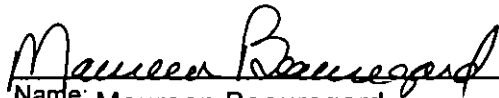
Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care,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

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

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

Vendor Name: FIT/NHNNH, Inc.

May 29, 2019  
Date

  
Name: Maureen Beauregard  
Title: President

Vendor Initials 

Date May 29, 2019



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

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

**(1 Definitions.**

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

*MB*



Exhibit I

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

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

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

*MB*



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

*AD*



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.

3/2014

Vendor Initials

*[Handwritten Signature]*

Date May 29, 2019



Exhibit I

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

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

Department of Health and Human Services

The State

Christine Santaniello  
Signature of Authorized Representative

Christine Santaniello  
Name of Authorized Representative

Director, DHHS  
Title of Authorized Representative

5/30/19  
Date

FIT/NHNH, Inc.

Name of the Vendor

Maureen Beauregard  
Signature of Authorized Representative

Maureen Beauregard  
Name of Authorized Representative

President  
Title of Authorized Representative

May 29, 2019  
Date

MB



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

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

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

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


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

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

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

Vendor Name: FIT/NHNNH, Inc.

May 29, 2019  
Date

  
Name: Maureen Beauregard  
Title: President



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

1. The DUNS number for your entity is: 825360399
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO YES

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

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

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

NO YES

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

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

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

Name: \_\_\_\_\_ Amount: \_\_\_\_\_

Name: \_\_\_\_\_ Amount: \_\_\_\_\_

Name: \_\_\_\_\_ Amount: \_\_\_\_\_

Name: \_\_\_\_\_ Amount: \_\_\_\_\_

Name: \_\_\_\_\_ Amount: \_\_\_\_\_



A. Definitions

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

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

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

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

A handwritten signature in black ink, appearing to be 'MB', is written over the 'Contractor Initials' label.



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

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

#### I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

##### A. Business Use and Disclosure of Confidential Information.

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



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

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

## II. METHODS OF SECURE TRANSMISSION OF DATA

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



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

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

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

#### A. Retention

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

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

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

**B. Disposition**

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

**IV. PROCEDURES FOR SECURITY**

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

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

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

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

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

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

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

## V. LOSS REPORTING

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

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

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

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

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

**VI. PERSONS TO CONTACT**

**A. DHHS Privacy Officer:**

DHHSPrivacyOfficer@dhhs.nh.gov

**B. DHHS Security Officer:**

DHHSInformationSecurityOffice@dhhs.nh.gov

*RB*

# 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 FIT/NHNNH, INC is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 13, 1994. 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: 207982

Certificate Number: 0004088815



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 26th day of April A.D. 2018.

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

William M. Gardner  
Secretary of State

# CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of FIT/NHNNH, 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 May 29, 2019:  
(Date)

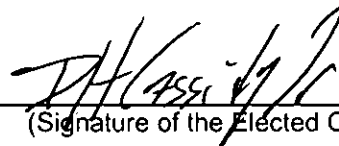
**RESOLVED:** That the President  
(Title of Contract Signatory)

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 29 day of May, 2019.  
(Date Contract Signed)

4. Maureen Beauregard is the duly elected President  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

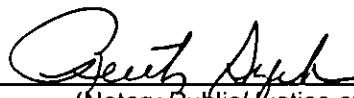
  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 29 day of May, 2019.

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

  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

**RUTH A. SYREK, Notary Public**  
**My Commission Expires September 5, 2023**

Commission Expires: \_\_\_\_\_



FAMIINT-01

DBEAUDOIN

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/18/2019

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

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

PRODUCER Davis & Towle Morrill & Everett, Inc. 115 Airport Road Concord, NH 03301	CONTACT NAME:		
	PHONE (A/C, No, Ext): (603) 225-6611	FAX (A/C, No): (603) 225-7935	
INSURED  FIT/NHNNH, Inc. 122 Market St Manchester, NH 03101	E-MAIL ADDRESS:		
	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Philadelphia Insurance Company		23850
	INSURER B: Granite State Health Care & Human Services Self Insured Group		
	INSURER C:		
	INSURER D:		
INSURER E:			
INSURER F:			

## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC <input type="checkbox"/> OTHER:			PHPK1923495	1/1/2019	1/1/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK1923501	1/1/2019	1/1/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0			PHUB659752	1/1/2019	1/1/2020	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	HCHS20190000102	2/1/2019	2/1/2020	PER STATUTE E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liab			PHPK1923495	1/1/2019	1/1/2020	See Below
B	Worker's Compensatio			HCHS20190000102	2/1/2019	2/1/2020	Excess 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
Professional Liability \$1,000,000 Each Incident/\$3,000,000 Aggregate

The Certificate Holder is included as Additional Insured with respect to the General Liability policy when required by written contract.  
Re: 177 Lake Avenue, 199 Manchester Street, 136 Lowell Street, 163 South Beech Street - all of Manchester, NH and 5 Market Lane, Concord, NH.

## CERTIFICATE HOLDER

## CANCELLATION

Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301

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

AUTHORIZED REPRESENTATIVE

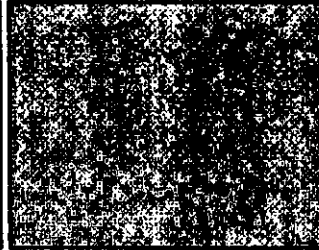
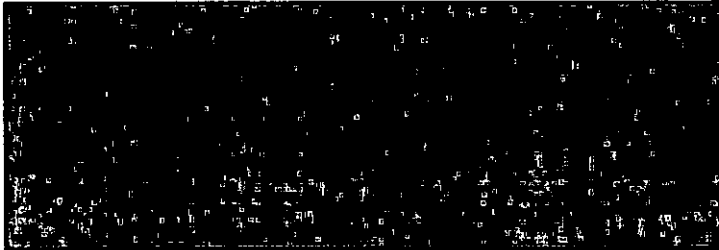
*Donne P. Beaudoin*

***Families in Transition***  
***122 Market Street***  
***Manchester, NH 03101***  
***Tel. 603-641-9441***  
***Fax. 603-641-1244***



### ***Mission***

To provide safe and affordable housing and  
comprehensive social services to individuals  
and families who are homeless or who are at risk of  
becoming homeless, enabling them to gain  
self-sufficiency and respect.



## CONSOLIDATED FINANCIAL STATEMENTS

and

## SUPPLEMENTARY INFORMATION

December 31, 2018

(With Comparative Totals for 2017)

With Independent Auditor's Report





## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
FIT/NHNN, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of FIT/NHNN, Inc. and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2018 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; 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 audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

### ***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2018, and the consolidated changes in their net assets and their consolidated cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.



***Report on Summarized Comparative Information***

We have previously audited the Organization's 2017 consolidated financial statements and, in our report dated March 30, 2018, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

***Other Matter***

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, which consists of the consolidating statement of financial position as of December 31, 2018, and the related consolidating statements of activities and functional expenses for the year then ended, is presented for purposes of additional analysis, rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

***Change in Accounting Principle***

As discussed in Note 1 to the consolidated financial statements, in 2018 the Organization adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities* (Topic 958). Our opinion is not modified with respect to this matter.

*Berry Dunn McNeil & Parker, LLC*

Manchester, New Hampshire  
March 18, 2019

**FIT/NHNN, INC. AND SUBSIDIARIES**

**Consolidated Statement of Financial Position**

**December 31, 2018  
(With Comparative Totals for December 31, 2017)**

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,598,033	\$ 1,062,497
Funds held as fiscal agent	-	96,383
Accounts receivable	52,211	38,380
Grants and contributions receivable	786,343	451,664
Prepaid expenses	80,007	33,229
Due from related parties	35,613	-
Other current assets	<u>48,110</u>	<u>43,097</u>
Total current assets	2,600,317	1,725,250
Replacement reserves	336,578	292,264
Reserve cash designated for properties	718,154	722,130
Investments	1,336,584	-
Investment in related entity	1,000	1,000
Asset held for sale	429,779	-
Property and equipment, net	28,530,819	26,210,337
Development in process	3,605,450	2,090,031
Other assets, net	<u>198,473</u>	<u>50,000</u>
Total assets	\$ <u>37,757,154</u>	\$ <u>31,091,012</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Current portion of long-term debt	\$ 1,116,180	\$ 216,147
Accounts payable	249,907	220,828
Accrued expenses	348,095	217,676
Funds held as fiscal agent	-	96,383
Due to related entity	35,613	-
Line of credit	145,000	-
Other current liabilities	<u>82,475</u>	<u>49,504</u>
Total current liabilities	1,977,270	800,538
Long-term debt, less current portion, net of unamortized deferred costs	<u>13,604,017</u>	<u>11,264,521</u>
Total liabilities	<u>15,581,287</u>	<u>12,065,059</u>
Net assets		
Without donor restrictions - controlling interest	17,744,537	14,563,053
Without donor restrictions - noncontrolling interest	<u>3,243,694</u>	<u>3,565,478</u>
Total without donor restrictions	20,988,231	18,128,531
With donor restrictions	<u>1,187,636</u>	<u>897,422</u>
Total net assets	<u>22,175,867</u>	<u>19,025,953</u>
Total liabilities and net assets	\$ <u>37,757,154</u>	\$ <u>31,091,012</u>

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

**FIT/NHHH, INC. AND SUBSIDIARIES**  
**Consolidated Statement of Activities**  
**Year Ended December 31, 2018**  
**(With Comparative Totals for the Year Ended December 31, 2017)**

	Without Donor Restrictions - Controlling Interest	Without Donor Restrictions - Noncontrolling Interest	Total Without Donor Restrictions	With Donor Restrictions	Total 2018	Total 2017
<b>Revenue and support</b>						
Federal, state and other grant support	\$ 4,601,300	\$ -	\$ 4,601,300	\$ 513,854	\$ 5,115,154	\$ 3,212,747
Rental income, net of vacancies	2,021,465	-	2,021,465	-	2,021,465	1,841,084
Thrift store sales	816,565	-	816,565	-	816,565	685,756
Public support	855,830	-	855,830	-	855,830	439,127
Tax credit revenue	60,000	-	60,000	-	60,000	80,000
Special events	526,910	-	526,910	-	526,910	197,191
Developer fees	66,463	-	66,463	-	66,463	-
VISTA program revenue	93,734	-	93,734	-	93,734	125,742
Unrealized (loss) gain on investments	(168,848)	-	(168,848)	-	(168,848)	1,270
(Loss) gain on disposal of assets	(10,115)	-	(10,115)	-	(10,115)	5,133
Interest income	38,634	-	38,634	-	38,634	31,519
In-kind donations	14,429	-	14,429	-	14,429	61,548
Investment income	99,783	-	99,783	-	99,783	-
Forgiveness of debt	131,267	-	131,267	-	131,267	131,267
Medicaid reimbursements	521,957	-	521,957	-	521,957	411,535
Other income	279,420	-	279,420	-	279,420	91,958
Net assets released from restrictions	292,925	-	292,925	(292,925)	-	-
<b>Total revenue and support</b>	<b>10,043,719</b>	<b>-</b>	<b>10,043,719</b>	<b>220,929</b>	<b>10,264,648</b>	<b>7,315,857</b>
<b>Expenses</b>						
Program activities						
Housing	8,390,926	-	8,390,926	-	8,390,926	6,299,553
Thrift store	686,374	-	686,374	-	686,374	681,291
Total program activities	9,077,300	-	9,077,300	-	9,077,300	6,980,844
Fundraising	1,131,941	-	1,131,941	-	1,131,941	418,486
Management and general	897,234	-	897,234	-	897,234	539,803
<b>Total expenses</b>	<b>11,106,475</b>	<b>-</b>	<b>11,106,475</b>	<b>-</b>	<b>11,106,475</b>	<b>7,939,133</b>
(Deficiency) excess of revenue and support over expenses	(1,062,756)	-	(1,062,756)	220,929	(841,827)	(623,276)
Grants and contributions for capital projects	270,857	-	270,857	289,933	560,790	1,538,770
Net assets released for capital projects	359,812	-	359,812	(359,812)	-	-
Effect of consolidation of affiliates	3,291,787	-	3,291,787	139,164	3,430,951	-
Change in net assets	2,859,700	-	2,859,700	290,214	3,149,914	915,484
Change in net assets attributable to noncontrolling interest in subsidiaries	321,784	(321,784)	-	-	-	-
Change in net assets after reclassification of portion attributable to noncontrolling interest	3,181,484	(321,784)	2,859,700	290,214	3,149,914	915,484
Net assets, beginning of year	14,563,053	3,565,478	18,128,531	897,422	19,025,953	18,110,459
Net assets, end of year	\$ 17,744,537	\$ 3,243,694	\$ 20,988,231	\$ 1,187,636	\$ 22,175,867	\$ 19,025,953

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

# FIT/NHHH, INC. AND SUBSIDIARIES

## Consolidated Statement of Functional Expenses

**Year Ended December 31, 2018**  
**(With Comparative Totals for the Year Ended December 31, 2017)**

	<u>Program Activities</u>			<u>Management and General</u>	<u>2018 Total</u>	<u>2017 Total</u>
	<u>Housing</u>	<u>Thrift Store</u>	<u>Fundraising</u>			
Salaries and benefits						
Salaries and wages	\$ 3,492,775	\$ 316,195	\$ 518,402	\$ 355,442	\$ 4,682,814	\$ 3,168,366
Employee benefits	400,781	24,951	54,002	37,770	517,504	349,575
Payroll taxes	<u>262,810</u>	<u>24,440</u>	<u>39,746</u>	<u>26,593</u>	<u>353,589</u>	<u>234,204</u>
Total salaries and benefits	4,156,366	365,586	612,150	419,805	5,553,907	3,752,145
Other expenses						
Advertising	15,018	25,068	-	18,946	59,032	36,236
Application and permit fees	1,620	-	-	-	1,620	2,015
Bad debts	28,100	-	-	-	28,100	26,124
Bank charges	573	8,847	-	11,445	20,865	17,875
Consultants	19,504	2,847	4,647	2,483	29,481	78,138
Depreciation	933,878	11,093	115,347	51,612	1,111,930	1,003,294
Events	3,550	2,814	160,685	-	167,049	61,181
General insurance	124,791	3,523	14,318	13,248	155,880	153,904
Grant expense	59,149	-	-	-	59,149	-
Interest expense	228,999	714	-	-	229,713	188,473
Management fees	6,622	-	-	-	6,622	6,487
Meals and entertainment	4,740	179	656	547	6,122	5,181
Membership dues	10,790	-	1,741	3,458	15,989	10,022
Merger expenses	-	-	-	137,747	137,747	1,000
Office supplies	282,398	6,460	43,158	38,139	370,155	134,490
Participant expenses	116,915	45	379	379	117,718	99,219
Postage	7,324	9	4,274	1,758	13,365	7,804
Printing	16,755	2,745	19,129	2,088	40,717	24,577
Professional fees	53,906	3,500	-	112,417	169,823	182,974
Related entity expense	(159,398)	159,398	-	-	-	-
Rental subsidies	332,270	-	-	-	332,270	298,272
Repairs and maintenance	370,123	34,325	42,145	16,169	462,762	409,132
Shelter expense	166,891	-	-	-	166,891	-
Staff development	31,588	98	4,008	3,340	39,034	23,136
Taxes	313,613	2,307	-	-	315,920	328,184
Technology support	190,132	2,231	28,782	23,666	244,811	65,457
Telephone	88,992	5,056	10,095	8,778	112,921	90,917
Travel	40,914	3,845	5,191	4,222	54,172	44,486
Utilities	512,260	31,461	52,007	17,767	613,495	444,062
VISTA program	320,859	-	-	-	320,859	359,804
Workers' compensation	<u>111,684</u>	<u>14,223</u>	<u>13,229</u>	<u>9,220</u>	<u>148,356</u>	<u>84,544</u>
Total expenses	\$ <u>8,390,926</u>	\$ <u>686,374</u>	\$ <u>1,131,941</u>	\$ <u>897,234</u>	\$ <u>11,106,475</u>	\$ <u>7,939,133</u>

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

# FIT/NHHH, INC. AND SUBSIDIARIES

## Consolidated Statement of Cash Flows

Year Ended December 31, 2018

(With Comparative Totals for the Year Ended December 31, 2017)

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Change in net assets	\$ 3,149,914	\$ 915,494
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	1,125,127	1,016,491
Grants and contributions for capital projects	(560,790)	(1,538,770)
Effect of consolidation of affiliate, net of cash held by consolidated affiliate of \$326,551	(3,104,400)	-
Forgiveness of debt	(131,267)	(131,267)
Unrealized loss (gain) on investments	168,848	(1,270)
Loss (gain) on disposal of assets	10,115	(5,133)
Decrease (increase) in:		
Accounts receivable	42,130	(16,731)
Grants and contributions receivable	(334,679)	(128,248)
Prepaid expenses	(39,301)	2,609
Other assets	(119,810)	(302)
Increase (decrease) in:		
Accounts payable	(21,258)	51,841
Accrued expenses	84,806	9,744
Due to related party	35,613	-
Other current liabilities	32,971	1,398
Net cash provided by operating activities	<u>338,019</u>	<u>175,856</u>
Cash flows from investing activities		
Repayments of advances to related parties	(35,613)	8,208
Net (deposits to) withdrawals from reserve accounts	(40,338)	57,348
Proceeds from sale of investments	275,024	4,264
Investment in development in process	(1,515,419)	(1,931,040)
Proceeds from disposal of assets	-	5,133
Acquisition of property and equipment	(2,476,109)	(162,691)
Net cash used by investing activities	<u>(3,792,455)</u>	<u>(2,018,778)</u>
Cash flows from financing activities		
Grants and contributions for capital projects	560,790	1,538,770
Net borrowings from line of credit	145,000	-
Proceeds from long-term borrowings	3,507,201	772,009
Payments on long-term debt	(223,019)	(203,120)
Net cash provided by financing activities	<u>3,989,972</u>	<u>2,107,659</u>
Net increase in cash and cash equivalents	535,536	264,737
Cash and cash equivalents, beginning of year	<u>1,062,497</u>	<u>797,760</u>
Cash and cash equivalents, end of year	\$ <u>1,598,033</u>	\$ <u>1,062,497</u>
Supplemental disclosure		
Acquisition of property and equipment through long-term borrowings from seller	\$ -	\$ 60,615
Property and equipment transferred from development in process	\$ <u>2,222,138</u>	\$ -

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

## **FIT/NHNNH, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**December 31, 2018**  
**(With Comparative Totals for December 31, 2017)**

#### **Organization**

Families in Transition, Inc. (FIT or the Organization) is a New Hampshire nonprofit, incorporated on May 13, 1994, to provide housing and comprehensive social services to individuals and families who are homeless or at risk of becoming homeless in certain areas of southern New Hampshire, including Manchester, Concord and Dover.

The Organization directly owns and operates housing programs in facilities located on Amherst Street, Spruce Street, Lake Avenue and Douglas Street in Manchester, New Hampshire. Additional housing facilities are owned and operated by several limited partnerships of which the Organization is the sole general partner. These limited partnerships include Bicentennial Families Concord Limited Partnership (Bicentennial), located at Bicentennial Square in Concord, New Hampshire; Family Bridge Limited Partnership (Family Bridge), located on Second Street in Manchester, New Hampshire; and Family Willows Limited Partnership (Family Willows), located on South Beech Street in Manchester, New Hampshire (collectively referred to as the Limited Partnerships).

In 2008, the Organization created a Community Development Housing Organization, Housing Benefits, Inc. (Housing Benefits). Housing Benefits identifies and develops new housing units and refurbishes existing units to meet the persistent need of combating homelessness. Completed housing units are located on School & Third Street, Lowell Street, Belmont Street, Market Street (Millyard I and Millyard II), Spruce Street and Hayward Street, in Manchester, New Hampshire as well as an additional housing facilities located on Central Avenue in Dover, New Hampshire (Dover), and Lehner Street in Wolfeboro, New Hampshire (Hope House).

In 2012, the Organization became the sole member of Manchester Emergency Housing, Inc. (MEH), a New Hampshire nonprofit corporation providing immediate shelter to homeless families in the Manchester, New Hampshire area. MEH is the only family shelter in Manchester, New Hampshire.

The Organization also owns 100% of Family Outfitters, LLC (Outfitters), a limited liability corporation. At December 31, 2018, Outfitters operated an independent thrift store in Manchester, New Hampshire with the sole purpose of generating an alternate funding stream for the Organization. During 2018, management made the decision to close the Concord, New Hampshire thrift store location.

The Organization has several wholly-owned corporations which include Bicentennial Families Concord, Inc. (Bicentennial Families), Second Street Family Mill, Inc. (Family Mill), and Big Shady Tree, Inc. (Big Shady Tree) (collectively referred to as the General Partners), all of which are New Hampshire corporations. These wholly-owned corporations represent the .01% sole general partners in the Limited Partnerships, whereby Bicentennial Families is a general partner of Bicentennial, Family Mill is a general partner of Family Bridge and Big Shady Tree is a general partner of Family Willows.

In 2012, the Organization became the sole member of The New Hampshire Coalition to End Homelessness (NHCEH), a statewide entity, whose mission is to "eliminate the causes for homelessness through research, education and advocacy".

## FIT/NHNH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

December 31, 2018  
(With Comparative Totals for December 31, 2017)

Effective January 1, 2018, FIT and New Horizons for New Hampshire, Inc. (NHNH) merged to create an integrated system of care that will provide an increased supply of affordable housing for those most in need, sustain positive outcomes through the incorporation of evidence based practices proven to meet identified needs and goals, identify areas for systemic and programmatic improvements through the use of consistent and accurate data to regularly measure success, and provide an integrated system of care that will prevent homelessness when possible and rapidly rehouse those who become homeless, including both the chronically homeless and families with children. The merger resulted in a contribution of net assets of \$3,430,951 as follows:

Cash and cash equivalents	\$ 326,551
Other current assets	63,438
Cash surrender value of life insurance	33,676
Investments	1,780,456
Property and equipment, net	1,396,197
Accounts payable and accrued payroll	(95,950)
Notes payable	<u>(73,417)</u>
Fair value of net assets acquired	<u>\$ 3,430,951</u>

The merger resulted in a contribution because the fair value of the identifiable assets exceeds the fair value of the liabilities assumed and no consideration was transferred from NHNH.

On May 25, 2018, the Organization organized Wilson Street Condominium Association (the Association) and is the majority owner in the Association. The Association was established for the purpose of maintaining and preserving a five unit premise located on Wilson Street in Manchester, New Hampshire.

#### 1. Summary of Significant Accounting Policies

##### Principles of Consolidation

Since the General Partners have control of the Limited Partnerships, in accordance with Financial Accounting Standards Board *Accounting Standards Codification* Topic 810-20-25, *Consolidation*, the financial statements of each of the Limited Partnerships are required to be consolidated with the Organization's consolidated financial statements. The limited partners' ownership interest is reported in the consolidated statements of financial position as noncontrolling interest.

The consolidated financial statements include the net assets of the Organization, the Limited Partnerships, the General Partners, Housing Benefits, MEH, Outfitters, the Association, and NHCEH. All significant inter-entity balances and transactions are eliminated in the accompanying consolidated financial statements.

## **FIT/NHHH, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**December 31, 2018**  
**(With Comparative Totals for December 31, 2017)**

#### **Comparative Information**

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Accordingly, such information should be read in conjunction with the Organization's December 31, 2017 consolidated financial statements, from which the summarized information was derived.

#### **Use of Estimates**

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

#### **Basis of Presentation**

The consolidated financial statements of the Organization have been prepared in accordance with U.S. GAAP, which require the Organization to report information regarding to its consolidated financial position and activities according to the following net asset classification:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as support without donor restrictions in the year of the gift.



## **FIT/NHHH, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

The Organization reports contributions of land, buildings or equipment as support without donor restrictions, unless a donor places explicit restriction on its use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions and reclassified to net assets without donor restrictions when the assets are acquired and placed in service.

#### **Cash and Cash Equivalents**

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limits. Management regularly monitors the financial institutions, together with their respective cash balances, and attempts to maintain the potential risk at a minimum. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant risk on these accounts.

Restricted deposits are those deposits of cash and cash equivalents not generally available for operating costs, but restricted to particular uses including operating and replacement reserves for rental properties as well as certain other social services and programs.

#### **Property and Equipment**

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation less accumulated depreciation. The Organization's capitalization policy requires the capitalization of capital expenditures greater than \$1,000, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from 5 to 30 years. Assets not in service are not depreciated.

#### **Volunteer Services**

A number of volunteers have donated their time to the Organization's various programs and administrative services. The value of these services has not been included in the accompanying consolidated financial statements since the volunteers' time does not meet criteria for recognition. The estimated value of donated time for the years ended December 31, 2018 and 2017 is approximately \$780,000 and \$1,060,000, respectively.

#### **Functional Expense Allocation**

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that allocated include salaries and benefits, depreciation, amortization, office and other expenses, which are allocated based on estimated utilization of support services by functional cost centers.

## **FIT/NHNNH, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

#### **Income Taxes**

The Organization is a tax-exempt Section 170(b)(1)(A)(vi) public charity as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these financial statements.

The standards for accounting for uncertainty in income taxes require the Organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of December 31, 2018 and 2017, the Organization determined that it had no tax positions that did not meet the more-likely-than-not threshold of being sustained by the applicable tax authority. The Organization files an informational return in the United States. This return is generally subject to examination by the federal government for up to three years.

No provision for taxes on income is made in the Limited Partnerships' financial statements since, as partnerships, all taxable income and losses are allocated to the partners for inclusion in their respective tax returns.

The Association is not exempt from income taxes, however, the Internal Revenue Service is prepared to regard any profits realized by the Association from its member activities as reductions of members' contributions towards the operation of the condominium property and not as taxable income of the Association or its members. Accordingly, no provision for income taxes has been made in these consolidated financial statements.

#### **Recently Issued Accounting Pronouncement**

In August 2016, Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), which makes targeted changes to the not-for-profit financial reporting model. The new ASU marks the completion of the first phase of a larger project aimed at improving not-for profit financial reporting. Under the new ASU, net asset reporting is streamlined and clarified. The previous three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." The guidance for classifying deficiencies in endowment funds and on accounting for the lapsing of restrictions on gifts to acquire property, plant, and equipment has also been simplified and clarified. New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements. The ASU also imposes several new requirements related to reporting expenses. The ASU is effective for the Organization for the year ended December 31, 2018.

## FIT/NHHH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

December 31, 2018  
(With Comparative Totals for December 31, 2017)

#### 2. Availability and Liquidity of Financial Assets

As of December 31, 2018, the Organization has working capital of \$1,108,040 and average days (based on normal expenditures) cash on hand of 54.

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on mortgage notes payable, and capital acquisitions not funded through replacement reserves or financed with debt, were as follows:

	<u>2018</u>	<u>2017</u>
Financial assets:		
Cash and cash equivalents	\$ 1,598,033	\$ 1,062,497
Accounts receivable	52,211	38,380
Grants and contributions receivable	786,343	451,664
Investments	<u>1,336,584</u>	<u>-</u>
Total financial assets	3,773,171	1,552,541
Donor-imposed restrictions:		
Restricted funds	<u>(1,187,636)</u>	<u>(897,422)</u>
Financial assets available at year end for current use	\$ <u>2,585,535</u>	\$ <u>655,119</u>

The Organization also has a line of credit available to meet short-term needs.

The Organization has replacement reserves and cash designated reserves for properties as part of its debt financing with New Hampshire Housing Finance Authority (NHHFA) and only available when approved by NHHFA. As a result, these replacement reserves and cash designated reserves for properties are not considered available for general expenditure within the next year and are not reflected in the amount above. The goal for the Organization is to maintain a balanced budget while meeting the requirements of the various financing authorities.

# FIT/NHNNH, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2018  
(With Comparative Totals for December 31, 2017)

### 3. Property and Equipment

Property and equipment consisted of the following:

	<u>2018</u>	<u>2017</u>
Land	\$ 3,646,597	\$ 3,112,699
Land improvements	602,600	602,600
Buildings and improvements	34,123,495	30,283,393
Furniture and fixtures	731,590	610,143
Equipment	558,032	217,695
Vehicles	347,711	300,367
Construction in progress	<u>12,229</u>	<u>-</u>
	40,022,254	35,126,897
Less: accumulated depreciation	<u>11,491,435</u>	<u>8,916,560</u>
Property and equipment, net	<u>\$ 28,530,819</u>	<u>\$ 26,210,337</u>

At December 31, 2018 and 2017, the Organization held \$22,102,918 and \$18,427,778, respectively, of land, land improvements, and buildings and improvements, net of accumulated depreciation, for the purpose of leasing to individuals.

### 4. Development in Process

Development in process consists of costs related to the following facilities:

#### Family Willows Recovery Housing Program

In response to the rising rates of opioid and other substance use issues throughout Manchester, New Hampshire and the State of New Hampshire, FIT and Housing Benefits are assisting in the establishment of The Manchester Recovery and Treatment Center, a large-scale facility to curb the tide of substance misuse.

The plan for establishment of this facility includes the following provisions: Each of the four floors of the Manchester Recovery and Treatment Center will provide different substance use disorder treatments or services to those at varying stages of recovery. Agencies using the facility will coordinate services to ensure that clients who seek services are provided with integrated and comprehensive care. One of the key programs in the facility will be Housing Benefit's Family Willows Recovery Housing Program (the Project) on the 2<sup>nd</sup> and 3<sup>rd</sup> floors. This program will provide 19 units of sober, recovery housing, and can accommodate an estimated 40-50 women and their children on an annual basis. Residents in the Project will have access to case management, continued outpatient treatment, self-help groups, employment workshops, and social events. Construction began in December 2017 and is anticipated to be completed in the first quarter of 2019. Funding for the Project has been secured from the City of Manchester, NHHFA, Franklin Savings Bank, the Community Development Finance Authority (CDFA) and private foundations.

## FIT/NHHH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

December 31, 2018  
(With Comparative Totals for December 31, 2017)

#### Hope House

In December 2017, FIT and Housing Benefits began renovations on Hope House. Hope House, modeled after FIT's Family Place Resource Center and Shelter in Manchester, New Hampshire, is a comprehensive resource for families experiencing homelessness. In addition to emergency housing, Hope House provides services including comprehensive intake, assessment and referrals designed to direct families to the appropriate homeless and housing resources in the community, referrals to medical care for parents and children, and other essential resources. Hope House houses 7 families and their children each night, with an estimated 30 adults and 90 children annually. During 2018, the renovations at Hope House were completed and facility was placed into service. Funding for Hope House was obtained with lending from NHHFA, as well as private contributions.

#### 5. Line of Credit

The Organization has an unsecured line of credit agreement, renewed annually, with a financial institution in the amount of \$350,000. During the term of the agreement, the interest rate on any outstanding principal balance shall be equal to the base rate, as defined by the financial institution, with a floor of 4% (5.5% at December 31, 2018). There was no outstanding balance as of December 31, 2017. As of December 31, 2018, the outstanding balance was \$145,000.

#### 6. Long-term Debt

Long-term debt consisted of the following:

	<u>2018</u>	<u>2017</u>
A mortgage loan payable to NHHFA in monthly payments of \$680, including interest at 1% and an escrow of \$289. The loan is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The loan is due and payable in full in January 2033.	\$ 53,707	\$ 57,243
A note payable to NHHFA. The note is noninterest bearing and is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The note is due and payable upon sale or refinancing of the property or in June 2042.	163,283	163,283
A mortgage loan payable to St. Mary's Bank in monthly payments of \$990, including interest at 4.55%. The loan is collateralized by real estate on Spruce Street, Manchester, New Hampshire and is due and payable in full in February 2019. The Organization is in the process of refinancing this mortgage loan payable.	113,185	118,282

# **FIT/NHHH, INC. AND SUBSIDIARIES**

## **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

A mortgage loan payable to TD Bank, N.A. in monthly payments of \$1,359, including interest at 4.1%. The loan is collateralized by real estate at Beech Street, Manchester, New Hampshire. The loan is due and payable in full in November 2023.	<b>59,226</b>	<b>69,980</b>
A mortgage loan payable to RBS Citizens Bank in monthly payments of \$2,126, including interest at 7.18%. The loan is collateralized by real estate on Douglas Street, Manchester, New Hampshire. The loan is due and payable in full in April 2024.	<b>217,397</b>	<b>226,616</b>
A mortgage note payable by Bicentennial to NHHFA, collateralized by real estate and personal property. Monthly payments of \$1,095 include interest at 4.75% per annum until the principal and interest are fully paid with the final installment due and payable on May 1, 2034.	<b>141,664</b>	<b>147,919</b>
A noninterest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 50% of surplus cash are due. The note is due and payable on May 28, 2034. This is nonrecourse.	<b>85,018</b>	<b>85,018</b>
A noninterest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable on May 28, 2033. This note is nonrecourse and is subordinate to the \$85,018 note payable.	<b>336,955</b>	<b>336,955</b>
A noninterest bearing note payable by Bicentennial to Merrimack County, collateralized by real estate and various financing instruments. The note is due and payable in full in May 2033.	<b>260,000</b>	<b>260,000</b>
A noninterest bearing note payable by Millyard II to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable upon sale or refinancing of the property or in May 2031. This loan is nonrecourse.	<b>449,877</b>	<b>449,877</b>
A mortgage note payable by Millyard II to NHHFA, collateralized by real estate and personal property. Monthly payments of \$1,729 include principal and interest at 3.5% per annum. The final installment is due and payable on September 1, 2032.	<b>220,274</b>	<b>233,053</b>

# **FIT/NHHH, INC. AND SUBSIDIARIES**

## **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

A note payable by Millyard II to the City of Manchester, New Hampshire, collateralized by real estate and various financing instruments. A payment of interest shall be made annually no later than August 1 each year based on 42.5% of the net cash flow, as defined. In any year where the Debt Coverage Ratio, as defined, exceeds 1.15 to 1, principal payments shall be made no later than August 1 in an amount that will result in a 1.15 to 1 Debt Coverage Ratio. All unpaid amounts are due and payable in full on August 1, 2031. This note is nonrecourse.	<b>226,725</b>	<b>226,725</b>
A noninterest bearing note payable by Millyard II to the New Hampshire Community Loan Fund, Inc. (NHCLF), collateralized by real estate. Payment of principal is due and payable on December 31, 2031. This note is nonrecourse.	<b>250,000</b>	<b>250,000</b>
A mortgage note payable by Housing Benefits to the City of Manchester Community Improvement Program, collateralized by Millyard Families I real estate. The note is noninterest bearing and is due and payable in January 2027.	<b>230,000</b>	<b>230,000</b>
A second mortgage note payable by Housing Benefits to CDFA, collateralized by Millyard Families I real estate. Monthly payments of \$1,121 include principal and interest at 2% per annum. The final installment is due and payable on June 15, 2022.	<b>45,430</b>	<b>57,837</b>
A mortgage note payable by Family Bridge to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on August 30, 2034.	<b>850,000</b>	<b>850,000</b>
A promissory note payable by Family Bridge to TD Bank, N.A., collateralized by real estate. Monthly payments of \$3,953 include principal and interest at 4.33%. The note is payable in full in November 27, 2023 and is guaranteed by FIT and Family Mill.	<b>432,921</b>	<b>450,124</b>
A promissory note payable by Family Bridge to the City of Manchester, New Hampshire. The note is noninterest bearing with annual payments of 50% of net cash flow payable by October 1. The outstanding principal is due by October 1, 2034. The note is collateralized by real estate and is nonrecourse.	<b>600,000</b>	<b>600,000</b>

**FIT/NHHH, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

A mortgage note payable by Family Willows to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on July 9, 2037.	<b>543,384</b>	<b>550,878</b>
A note payable by Family Willows to the City of Manchester, New Hampshire. The note is noninterest bearing and has an annual payment of \$9,091 payable on October 1. All outstanding principal is due by October 2029. The note is collateralized by real estate and is nonrecourse.	<b>90,908</b>	<b>99,999</b>
A note payable by Family Willows to RBS Citizens Bank, collateralized by real estate. Monthly payments of \$1,882 include principal and interest at 3.75%, based on the prime rate capped at 6%. The note is payable in full on June 27, 2033 and is guaranteed by FIT and Big Shady Tree.	<b>263,103</b>	<b>275,398</b>
A mortgage note payable by Housing Benefits to NHHFA, collateralized by School & Third Street real estate and personal property. Monthly payments of \$2,775 include principal and interest at 8% per annum. The note is due in February 2021.	<b>69,285</b>	<b>95,775</b>
A second mortgage note payable by Housing Benefits to NHCLF, collateralized by School & Third Street real estate and personal property. The note bears no interest and monthly payments of \$2,775 will commence on April 15, 2021 and continue until maturity in October 2039.	<b>617,613</b>	<b>617,613</b>
A mortgage note payable by Housing Benefits to NHHFA, collateralized by Belmont Street real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by December 2040.	<b>413,575</b>	<b>413,575</b>
A privately-financed mortgage note collateralized by property located at South Main Street in Concord, New Hampshire. Monthly payments of \$3,158 include principal and interest at 6.25% per annum. The note is payable in full in September 2031.	<b>332,432</b>	<b>348,981</b>
A mortgage note payable from Housing Benefits to NHHFA, collateralized by Lowell Street real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full in August 2040.	<b>34,628</b>	<b>34,628</b>



# **FIT/NHHH, INC. AND SUBSIDIARIES**

## **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

A second, noninterest bearing, mortgage note payable from Housing Benefits to the City of Manchester, New Hampshire, collateralized by Lowell Street real estate. Annual payments equal to the greater of 25% of net cash flow, as defined, or \$4,000 commenced in October 2012 and continue until the maturity date in June 2041.	<b>168,022</b>	168,022
A noninterest bearing promissory note payable from Housing Benefits to NHHFA collateralized by a mortgage and security agreement on Lowell Street real estate. The note is to be forgiven 1/15th annually over the low-income housing tax credit compliance period which ends in 2026, subject to compliance with certain requirements. During 2018 and 2017, \$131,267 was recognized as revenue and support in the consolidated statement of activities.	<b>984,497</b>	1,115,764
A mortgage note payable from Housing Benefits to NHHFA, collateralized by Dover real estate and personal property. The noninterest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2028.	<b>216,672</b>	216,672
A noninterest bearing mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 393-395 Spruce Street. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow, as defined, or \$5,000 are due by October 1 commencing October 1, 2015. The note is due in full by October 1, 2045.	<b>582,808</b>	582,808
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 167 Lake Avenue and personal property located at 161 South Beech Street, Unit 2. Monthly payments of \$1,921 include principal and interest at 3.41%. The note is due in full by April 2019. The Organization is in the process of refinancing this mortgage loan payable.	<b>388,731</b>	398,203
A vehicle loan payable in monthly payments of \$488, including interest at 4.06%. The loan is due in September 2020 and is collateralized by the related vehicle.	<b>9,892</b>	15,239

**FIT/NHHH, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

A vehicle loan payable in monthly payments of \$760, including interest at 5.374%. The loan is due in November 2020 and is collateralized by the related vehicle.	13,979	22,624
A mortgage note payable to NHHFA, collateralized by the real estate at Lake Avenue, Manchester, New Hampshire. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2045.	750,000	750,000
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 641 Hayward Street, Manchester, New Hampshire. Monthly payments of \$1,091 include principal and interest at 4.25%. The note is due in full by January 2040.	183,916	188,387
A mortgage note payable to Peoples United Bank, collateralized by Hope House. Monthly payments of \$2,270 include principal and interest at 4.94%. The note is due in full by January 2027.	382,018	390,000
A construction loan payable to Franklin Savings Bank, collateralized by real estate located at 267 Wilson Street, Manchester, New Hampshire. Housing Benefits has the ability to draw up to \$825,000 on the promissory note. Monthly payments including principal and interest are due over a 30 year period starting September 2018 at 4.90% interest.	770,113	270,855
A noninterest bearing construction loan payable to NHHFA, collateralized by real estate located at 267 Wilson Street, Manchester, New Hampshire. The note has a borrowing limit of \$720,000. Annual payments in amounts equal to 25% of surplus cash. The note is due in full by November 1, 2047.	692,891	113,819
Three vehicle loans collateralized by an activity bus payable to Ford Credit in monthly payments of \$392 at 5.90% annual interest rate. The loan is due and payable in March 2022.	40,633	51,965
A noninterest bearing mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 267 Wilson Street, 2nd Floor. The note has a borrowing limit of \$1,655,323. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow, as defined, or \$5,000 are due by October 1 commencing October 1, 2019. The note is due in full by October 1, 2047.	1,133,816	-

# **FIT/NHHH, INC. AND SUBSIDIARIES**

## **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

A noninterest bearing mortgage note payable to the City of Manchester, collateralized by real estate located at 267 Wilson Street, 3rd Floor. The note is funded the the City of Manchester's Community Improvement Program and the City of Manchester's Affordable Housing Trust Funds. The note has a borrowing limit of \$531,252. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments in the amount of 25% of net cash flow, as defined, are due by October 1 commencing October 1, 2019. The note is due in full by December 1, 2047.	495,225	-
A noninterest bearing construction loan payable to NHHFA, collateralized by real estate located in Wolfeboro, New Hampshire. The note has a borrowing limit of \$780,000. Annual payments in amounts equal to 25% of surplus cash. The note is due in full by December 1, 2047.	780,000	-
A technical assistance note payable to NHHFA to provide support to the Organization for renovations at Angie's Shelter. If the renovation project is approved, NHHFA is expected to be the lead lender on renovations. If the renovation project is not approved NHHFA will forgive the borrowings. The noninterest bearing note payable is due at the time of closing on the construction loan.	13,879	-
A noninterest bearing note payable to the City of Manchester Community Improvement Program through the Affordable Housing Trust Funds, collateralized by real estate located at 199 Manchester Street. Annual payments of \$6,000 are due by October 1 commencing October 1, 2010. The note is due in full by October 1, 2019.	6,000	-
A note payable to CDFA, collateralized by real estate located at 199 Manchester Street, Manchester, New Hampshire. Principal only payments are due for the first 18 months, at which time monthly payments include principal and interest at 2.0% will be required until December 2021.	46,767	-
	14,760,449	11,534,117
Less current portion	1,116,180	216,147
Less unamortized deferred costs	40,252	53,449
	<u>\$ 13,604,017</u>	<u>\$11,264,521</u>

# FIT/NHHH, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2018  
(With Comparative Totals for December 31, 2017)

Surplus cash for the purposes of these disclosures is as defined in the respective loan agreements.

Principal maturities of the above notes over the next five years and thereafter are as follows:

2019	\$ 1,116,180
2020	218,543
2021	210,011
2022	186,655
2023	504,951
Thereafter	<u>12,524,109</u>
	<u>\$ 14,760,449</u>

Interest expense charged to operations, including amortization of deferred costs of \$13,197, was \$229,713 and \$188,473 in 2018 and 2017, respectively. Cash paid for interest approximates interest expense.

### 7. Net Assets

At December 31, 2018 and 2017, net assets without donor restrictions are fully available to support operations of the Organization.

Net assets with donor restrictions were as follows:

	<u>2018</u>	<u>2017</u>
Specific purpose		
The Family Place - services	\$ 53,540	\$ -
Scholarships	8,264	10,264
VISTA program	48,118	57,351
Direct care for clients	95,410	109,749
Community Gardens	10,333	-
Hope House	131,440	241,761
Family Willows Recovery Housing Program	264,238	299,797
NHHH merger	345,003	98,500
Substance use disorder services	170,677	-
NHHH programs	<u>60,613</u>	<u>-</u>
	1,187,636	817,422
Passage of time		
Grant receivable - time restricted	<u>-</u>	<u>80,000</u>
	<u>\$ 1,187,636</u>	<u>\$ 897,422</u>

# FIT/NHNH, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2018  
(With Comparative Totals for December 31, 2017)

Net assets released from net assets with donor restrictions were as follows:

	<u>2018</u>	<u>2017</u>
Satisfaction of purpose restrictions:		
The Family Place - services	\$ -	\$ 41,866
Scholarships	3,500	2,500
VISTA program	57,325	58,093
Housing programs	-	10,000
Direct care for clients	84,324	45,070
Community Gardens	-	42,843
Hope House	216,016	-
Family Willows Recovery Housing Program	143,796	42,972
NHNH merger	96,706	-
Substance use disorder services	45,324	2,000
NHNH programs	<u>5,746</u>	<u>-</u>
	\$ <u>652,737</u>	\$ <u>245,344</u>

### 8. Commitments

Under the terms of the Limited Partnerships' Regulatory Agreements with NHHFA, each Limited Partnership is required to make deposits to various escrow accounts to fund expected future costs.

Each Limited Partnership has entered into a Land Use Restriction Agreement with NHHFA, as a condition of the allocation of low-income housing tax credits by NHHFA. Pursuant to the covenant, the Limited Partnerships are required to remain in compliance with Code Section 42 for the compliance period and an extended use period, unless terminated sooner.

### 9. Retirement Plan

The Organization has a tax deferred retirement plan which is available to all employees working greater than 25 hours a week. All employees are eligible to participate and are fully vested with the first contribution. The Organization matches contributions at 100% up to 3% of compensation. The Organization contributed \$63,053 and \$49,814 during the years ended December 31, 2018 and 2017, respectively.

### 10. Housing Action New Hampshire

In 2011, the Organization entered into a Fiscal Sponsorship Agreement with Housing Action New Hampshire (HANH), an unincorporated association. Authority to manage the programmatic activities of HANH is vested solely in HANH. In accordance with the agreement, the Organization was to maintain the books and financial records for HANH in accordance with U.S. GAAP. HANH funds were presented in the Organization's consolidated statement of financial position as funds held as fiscal agent. Effective January 1, 2018, the Fiscal Sponsorship Agreement terminated and the Organization no longer maintains the books and financial records for HANH.

# FIT/NHNH, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2018  
(With Comparative Totals for December 31, 2017)

### 11. Noncontrolling Interest

Noncontrolling interest, as shown in the consolidated statement of financial position, represents investments by limited partners in the Limited Partnerships as follows:

<u>Limited Partner</u>	<u>Property</u>	<u>2018</u>	<u>2017</u>
New Hampshire Housing Equity Fund, Inc.	Bicentennial	\$ 105,749	\$ 213,660
JP Morgan Chase	Bicentennial	213,791	213,791
BCCC, Inc.	Family Bridge	10	10
Boston Capital Corporate	Family Bridge	970,818	1,135,777
BCCC, Inc.	Family Willows	10	10
Boston Capital Midway	Family Willows	<u>1,953,316</u>	<u>2,002,230</u>
		<u>\$ 3,243,694</u>	<u>\$ 3,565,478</u>

### 12. Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, the Organization has considered transactions or events occurring through March 18, 2019, which was the date the consolidated financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the consolidated financial statements.

#### Bicentennial

During 2018, Bicentennial reached the end of the initial 15-year low-income housing tax credit compliance period. As a result, New Hampshire Housing Equity Fund, Inc. and JP Morgan Chase (the limited partners) have decided to withdraw from Bicentennial and are expected to do so in the first quarter of 2019. It is management's plan to have Housing Benefits assume the remaining assets of Bicentennial.

#### Outfitters

As a result of management's decision to close the OutFITter's Boutique located in Concord, New Hampshire, the property was put up for sale and is reflected as an asset held for sale on the consolidated statement of financial position at December 31, 2018. On February 25, 2019, Outfitters sold the property for \$830,000. CDFA, who granted tax credits to originally purchase the property, has required Outfitters to restrict \$43,340 of the proceeds from the sale to be used for the Outfitters thrift store located in Manchester, New Hampshire. Outfitters will recognize a gain on sale of property in 2019.

**FIT/NHNNH, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

**Antoinette Hills**

In September, 2018, Housing Benefits signed a Purchase and Sale Agreement with Antoinette L. Hill Apartments, Inc., an unrelated party, to purchase 23 units of housing located in Manchester, New Hampshire for approximately \$1,300,000 to be financed through NHHFA. The terms of the long-term debt agreement with NHHFA require that the owner of the property must be a single purpose entity. As a result, management has formed HB-AH, LLC, is a single member LLC, with Housing Benefits as its sole member.

## **SUPPLEMENTARY INFORMATION**



**FTI/HHNH, INC. AND SUBSIDIARIES**  
**Consolidating Statement of Financial Position**  
**December 31, 2018**

	<b>ASSETS</b>										
	Families In Transition - Operating	Limited Partnerships	Housing Benefits	Family Outlets	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	With Donor Restriction	Eliminations	Total
<b>Current assets</b>											
Cash and cash equivalents	\$ 318,869	\$ 67,491	\$ 178,558	\$ 8,185	\$ 186,840	\$ 1,529	\$ 83,898	\$ 18,728	\$ 757,838	\$ -	\$ 1,598,033
Accounts receivable	96,089	19,792	20,403	-	7,280	-	-	1,058	-	(92,409)	52,211
Grants and contributions receivable	338,583	-	-	-	38,213	6,770	-	-	404,787	-	786,343
Prepaid expenses	45,847	18,319	13,811	-	-	370	742	3,118	-	-	80,007
Due from related party	892,888	-	93,543	138,407	28,443	-	-	-	-	(1,115,468)	35,813
Other current assets	8,574	20,789	28,787	-	-	-	-	-	-	-	48,110
<b>Total current assets</b>	<b>1,696,529</b>	<b>124,371</b>	<b>327,080</b>	<b>144,592</b>	<b>238,776</b>	<b>8,669</b>	<b>84,840</b>	<b>22,900</b>	<b>1,182,636</b>	<b>(1,207,875)</b>	<b>2,600,317</b>
Replacement reserves	62,587	113,005	160,986	-	-	-	-	-	-	-	336,578
Reserve cash designated for properties	54,848	298,424	387,082	-	-	-	-	-	-	-	718,154
Related party notes receivable	1,723,799	-	-	-	-	-	-	-	-	(1,723,799)	-
Accrued interest receivable on related party note investments	1,068,447	-	-	-	-	-	-	-	-	(1,068,447)	-
Investment in related entities	1,186,347	-	25,051	-	1,311,584	-	-	-	25,000	(1,220,398)	1,338,584
Asset held for sale	428,778	-	-	-	-	-	-	-	-	-	428,778
Property and equipment, net	4,004,284	9,784,021	13,343,733	30,088	1,362,225	2,887	3,523	-	-	-	28,530,818
Development in process	110,384	-	3,495,086	-	-	-	-	-	-	-	3,605,450
Other assets	29,013	-	141,092	-	28,388	-	-	-	-	-	188,473
<b>Total assets</b>	<b>\$ 10,375,796</b>	<b>\$ 10,317,821</b>	<b>\$ 17,880,090</b>	<b>\$ 174,658</b>	<b>\$ 2,838,953</b>	<b>\$ 11,856</b>	<b>\$ 88,183</b>	<b>\$ 22,900</b>	<b>\$ 1,187,836</b>	<b>\$ (5,220,519)</b>	<b>\$ 37,757,154</b>
	<b>LIABILITIES AND NET ASSETS</b>										
<b>Current liabilities</b>											
Current portion of long-term debt	\$ 892,429	\$ 75,090	\$ 118,235	\$ 8,438	\$ 23,988	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,118,180
Accounts payable	135,883	96,901	98,186	4,010	1,825	2,831	2,889	2,191	-	(92,409)	249,907
Accrued expenses	195,127	863,996	268,981	20,877	58,135	6,746	-	-	-	(1,068,447)	348,095
Due to related entities	28,443	118,183	792,031	137,734	-	78,157	-	551	-	(1,115,468)	35,813
Line of credit	145,000	-	-	-	-	-	-	-	-	-	145,000
Other current liabilities	38,184	22,884	23,087	-	-	-	550	-	-	-	82,475
<b>Total current liabilities</b>	<b>1,431,078</b>	<b>1,176,814</b>	<b>1,297,480</b>	<b>170,798</b>	<b>83,748</b>	<b>85,534</b>	<b>3,439</b>	<b>2,742</b>	<b>-</b>	<b>(2,274,322)</b>	<b>1,977,270</b>
Long-term debt, less current portion, net of unamortized deferred costs	1,249,940	4,820,992	9,224,579	8,538	28,778	-	-	-	-	(1,723,799)	13,604,917
<b>Total liabilities</b>	<b>2,681,018</b>	<b>5,997,796</b>	<b>10,522,059</b>	<b>179,295</b>	<b>112,527</b>	<b>85,534</b>	<b>3,439</b>	<b>2,742</b>	<b>-</b>	<b>(4,000,121)</b>	<b>15,581,287</b>
<b>Net assets</b>											
Net assets without donor restrictions - controlling interest	7,694,780	1,078,331	7,338,031	(1,637)	2,826,426	(73,878)	84,724	20,158	-	(1,220,398)	17,744,537
Net assets without donor restrictions - noncontrolling interest	-	3,243,894	-	-	-	-	-	-	-	-	3,243,894
<b>Total net assets without donor restriction</b>	<b>7,694,780</b>	<b>4,320,025</b>	<b>7,338,031</b>	<b>(1,637)</b>	<b>2,826,426</b>	<b>(73,878)</b>	<b>84,724</b>	<b>20,158</b>	<b>-</b>	<b>(1,220,398)</b>	<b>20,988,231</b>
Net assets with donor restrictions	-	-	-	-	-	-	-	-	1,187,836	-	1,187,836
<b>Total net assets</b>	<b>7,694,780</b>	<b>4,320,025</b>	<b>7,338,031</b>	<b>(1,637)</b>	<b>2,826,426</b>	<b>(73,878)</b>	<b>84,724</b>	<b>20,158</b>	<b>1,187,836</b>	<b>(1,220,398)</b>	<b>22,175,867</b>
<b>Total liabilities and net assets</b>	<b>\$ 10,375,796</b>	<b>\$ 10,317,821</b>	<b>\$ 17,880,090</b>	<b>\$ 174,658</b>	<b>\$ 2,838,953</b>	<b>\$ 11,856</b>	<b>\$ 88,183</b>	<b>\$ 22,900</b>	<b>\$ 1,187,836</b>	<b>\$ (5,220,519)</b>	<b>\$ 37,757,154</b>

**FIT/NNHH, INC. AND SUBSIDIARIES**  
**Consolidating Statement of Activities**  
**Year Ended December 31, 2018**

	Families In Transition - Operations	Limited Partnerships	Housing Benefits	Family Outlets	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	Eliminations	Without Donor Restrictions Total	With Donor Restrictions	Total
<b>Revenue and support</b>												
Federal, state and other grant support	\$ 4,224,280	\$ -	\$ 99,250	\$ -	\$ 328,420	\$ 187,028	\$ -	\$ -	\$ (217,858)	\$ 4,801,300	\$ 513,854	\$ 5,115,154
Rental income, net of vacancies	333,233	813,885	884,102	-	-	8,063	-	63,599	(78,417)	2,021,465	-	2,021,465
Thrift store sales	-	-	-	616,565	-	-	-	-	-	616,565	-	616,565
Public support	253,447	-	17,131	1,517	560,712	-	23,023	-	-	855,830	-	855,830
Tax credit revenue	60,000	-	-	-	-	-	-	-	-	60,000	-	60,000
Special events	175,274	-	-	-	351,636	-	-	-	-	526,910	-	526,910
Property management fees	584,583	-	-	-	-	-	-	-	(584,583)	-	-	-
Developer fees	68,463	-	-	-	-	-	-	-	-	68,463	-	68,463
VISTA program revenue	93,734	-	-	-	-	-	-	-	-	93,734	-	93,734
Unrealized loss on investments	-	-	-	-	(168,848)	-	-	-	-	(168,848)	-	(168,848)
Loss on disposal of assets	-	-	(1,464)	-	(8,651)	-	-	-	-	(10,115)	-	(10,115)
Interest income	97,362	2,304	6,738	-	-	-	-	-	(87,770)	36,634	-	36,634
In-kind donations	13,704	-	-	-	-	725	-	-	-	14,429	-	14,429
Investment income	-	-	-	-	99,783	-	-	-	-	99,783	-	99,783
Forgiveness of debt	-	18,000	131,287	-	-	-	-	-	(18,000)	131,287	-	131,287
Medicaid reimbursements	521,957	-	-	-	-	-	-	-	-	521,957	-	521,957
Other income	252,635	19,901	135,971	19,056	32,085	42,178	5,049	-	(227,455)	279,420	-	279,420
Net assets released from restrictions	287,179	-	-	-	5,746	-	-	-	-	292,925	(292,925)	-
<b>Total revenue and support</b>	<b>6,865,831</b>	<b>854,090</b>	<b>1,272,995</b>	<b>637,138</b>	<b>1,200,883</b>	<b>215,894</b>	<b>28,072</b>	<b>63,599</b>	<b>(1,184,883)</b>	<b>10,043,719</b>	<b>220,929</b>	<b>10,264,648</b>
<b>Expenses</b>												
Program activities	5,474,177	1,210,197	1,314,432	749,070	1,202,828	243,810	17,363	43,441	(1,194,883)	9,060,435	-	9,060,435
Fundraising	614,893	-	168,990	-	348,258	-	-	-	-	1,131,941	-	1,131,941
Management and general	711,303	-	87,640	-	115,156	-	-	-	-	914,099	-	914,099
<b>Total expenses</b>	<b>6,800,373</b>	<b>1,210,197</b>	<b>1,571,062</b>	<b>749,070</b>	<b>1,666,242</b>	<b>243,810</b>	<b>17,363</b>	<b>43,441</b>	<b>(1,184,883)</b>	<b>11,106,475</b>	<b>-</b>	<b>11,106,475</b>
<b>Excess (deficiency) of revenue and support over expenses</b>	<b>165,658</b>	<b>(356,107)</b>	<b>(298,067)</b>	<b>(111,932)</b>	<b>(465,359)</b>	<b>(27,916)</b>	<b>10,709</b>	<b>20,158</b>	<b>-</b>	<b>(1,062,756)</b>	<b>220,929</b>	<b>(841,827)</b>
<b>Grants and contributions for capital projects</b>	<b>-</b>	<b>-</b>	<b>270,857</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>270,857</b>	<b>289,933</b>	<b>560,790</b>
<b>Net assets released for capital projects</b>	<b>359,812</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>359,812</b>	<b>(359,812)</b>	<b>-</b>
<b>Effect of consolidation of affiliate</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,291,787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,291,787</b>	<b>139,184</b>	<b>3,430,971</b>
<b>Change in net assets</b>	<b>\$ 525,470</b>	<b>\$ (356,107)</b>	<b>\$ (27,210)</b>	<b>\$ (111,932)</b>	<b>\$ 2,826,428</b>	<b>\$ (27,916)</b>	<b>\$ 10,709</b>	<b>\$ 20,158</b>	<b>\$ -</b>	<b>\$ 2,859,700</b>	<b>\$ 290,214</b>	<b>\$ 3,149,914</b>

FIT/NNHH, INC. AND SUBSIDIARIES  
Consolidating Statement of Functional Expenses  
Year Ended December 31, 2018

	Program Activities												
	Families In Transition - Operations	Limited Partnerships	Housing Benefits	Family Outreach	New Horizons for New Hampshires	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	Program Activities Total	Fundraising	Management and General	Eliminations	Total
Salaries and benefits	\$ 2,333,525	\$ -	\$ 370,212	\$ 316,195	\$ 673,012	\$ 116,026	\$ -	\$ -	\$ 3,808,970	\$ 518,402	\$ 355,442	\$ -	\$ 4,682,814
Employee benefits	257,005	-	76,225	24,951	61,064	6,487	-	-	425,732	54,002	37,770	-	517,504
Payroll taxes	173,477	-	25,579	24,440	55,129	8,625	-	-	287,250	39,748	28,593	-	353,203
Total salaries and benefits	2,764,007	-	472,016	365,586	789,205	131,138	-	-	4,521,952	612,150	421,805	-	5,553,907
Advertising	14,111	-	288	25,068	-	-	609	-	40,086	-	18,948	-	59,032
Application and permit fees	-	-	1,620	-	-	-	-	-	1,620	-	-	-	1,620
Bad debts	1,988	11,897	14,215	-	-	-	-	-	28,100	-	-	-	28,100
Bank charges	-	590	-	8,847	-	-	50	36	9,420	-	-	-	20,865
Consultants	13,862	-	3,519	2,847	-	2,123	-	-	22,351	4,647	2,483	-	29,481
Depreciation	171,127	385,718	323,483	11,093	52,376	340	834	-	844,871	115,347	51,612	-	1,111,330
Events	-	-	-	2,814	-	-	3,550	-	6,364	160,685	-	-	167,049
General insurance	29,119	36,144	30,125	3,523	18,977	5,714	-	4,712	128,314	14,318	13,248	-	155,880
Grant expense	23,538	-	-	-	35,811	-	-	-	59,149	-	-	-	59,149
Interest expense	66,838	112,239	115,975	714	1,717	-	-	-	297,483	-	-	(87,770)	229,713
Management fees	74,970	181,065	294,766	-	-	-	-	10,401	571,204	-	-	(564,562)	8,222
Meals and entertainment	4,264	-	32	179	-	133	311	-	4,919	656	547	-	8,122
Membership dues	6,280	-	1,510	-	-	-	1,000	-	10,790	1,741	3,458	-	15,989
Merger expenses	-	-	-	-	-	-	-	-	-	-	137,747	-	137,747
Office supplies	243,293	849	21,887	6,460	15,454	149	568	-	288,858	43,158	38,138	-	370,155
Participant expenses	58,720	3,076	8,132	45	-	43,987	3,000	-	116,860	378	378	-	117,718
Postage	5,734	-	6	9	1,579	-	5	-	7,333	4,274	1,758	-	13,365
Printing	15,862	-	-	2,745	-	-	1,093	-	19,500	19,129	2,088	-	40,717
Professional fees	8,275	27,743	9,313	3,500	-	5,969	-	1,606	57,406	-	112,417	-	169,823
Related entity expenses	795,348	-	(481,776)	159,398	-	-	-	-	462,970	-	144	(483,114)	-
Rent	-	-	-	62,696	-	-	-	-	62,696	-	16,721	(78,417)	-
Rental subsidies	332,270	-	-	-	-	-	-	-	332,270	-	-	-	332,270
Repairs and maintenance	52,636	126,512	165,342	34,325	15,222	22,682	-	7,729	424,448	42,145	16,169	(20,000)	462,762
Shelter expense	-	-	-	-	166,891	-	-	-	166,891	-	-	-	166,891
Staff development	26,058	-	-	98	741	-	4,791	-	31,686	4,008	3,340	-	39,034
Taxes	67,851	113,610	132,002	2,307	-	75	75	-	315,920	-	-	-	315,920
Technology support	182,452	465	2,511	2,231	3,008	840	856	-	182,363	28,782	23,666	-	244,811
Telephone	62,689	719	16,050	5,056	5,485	2,893	-	1,178	84,048	10,095	8,778	-	112,921
Travel	32,932	-	1,674	3,845	5,885	-	623	-	44,759	5,191	4,222	-	54,172
Utilities	36,093	197,345	167,198	31,481	75,857	16,186	-	17,761	543,721	52,007	17,787	-	613,405
VISTA program	318,534	2,325	-	-	-	-	-	-	320,859	-	-	-	320,859
Workers' compensation	62,528	-	24,432	14,223	15,240	8,494	-	-	125,907	13,229	9,220	-	148,356
Total expenses	\$ 5,474,177	\$ 1,210,197	\$ 1,314,432	\$ 749,070	\$ 1,202,828	\$ 243,810	\$ 17,363	\$ 43,441	\$ 10,755,318	\$ 1,121,941	\$ 614,099	\$ (1,184,883)	\$ 11,106,475

## **Families in Transition/New Horizons New Hampshire Board of Directors**

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### **Board of Directors**

#### **David Cassidy, Co-Chairperson**

*Senior Vice President, Eastern Bank*

Board member since 2018

#### **Charla Bizios Stevens, Co -Chairperson**

*Director, Litigation Department and Chair of Employment Law Practice Group*

*McLane Middleton, Professional Association Esquire*

Board member since 2018

#### **Colleen Cone, Vice Chairperson**

*Sr. Director Employee Relations Greater Boston Area, Comcast*

Board member since 2018

#### **Robert Bartley, Treasurer**

*President, CPA, CFP, Bartley Financial Advisor*

Board member since 2018

#### **Frank Saglio, Asst. Treasurer**

*Howe, Riley & Howe, PLLC.*

Board member since 2018

#### **Kristi Scarpone, Secretary**

*First, Corporate and Foundation Relations*

Board member since 2018

#### **Roy Tilsley, At Large**

*Bernstein Shur, Shareholder*

Board member since 2018

#### **Scott W. Ellison, At Large**

*COOK, LITTLE, ROSENBLATT & MANSON, PLLC, Partner*

Board member since 2018

#### **Dick Anagnost, Prior Co-Chairperson**

*President, Anagnost Companies*

Board member since 2018

**Alison Hutcheson**  
*Merchants Fleet Management, Associate Director of Sales Administration*  
Board member since 2018

**AnnMarie French**  
*Executive Director, NH Fiscal Policy Institute*  
Board member since 2018

**Brian Hansen**  
*Team Engineering, Project Manager*  
Board member since 2018

**Brian Mikol**  
*Spectrum Marketing, Co-Owner*  
Board member since 2018

**Heather Whitfield**  
*Vice President, Commercial Lending, People's United Bank*  
Board member since 2018

**Jack Olson**  
*Retired*  
Board member since 2018

**Kitten Stearns**  
*Realtor, Coldwell Banker Residential Brokerage*  
Board member since 2018

**Mary Ann Aldrich**  
*Dartmouth Hitchcock, Sr. Advisor Community & Relations*  
Board member since 2018

**Peter Telge**  
*Owner, Stark Brewing Company*  
Board member since 2018

**Roy Ballentine**  
*Executive Chairman, Ballentine Partners, LLC*  
Board member since 2019

**Ryan Mulholland**  
*Westbridge*  
Board member since 2018

**Sarah Jacobs**  
*Manchester School District Coordinator*  
Board member since 2018

**Sean Leighton**

Captain – Investigative Division Commander, City of Manchester Police Department  
Board member since 2019

**Wayne McCormick, CFP**

*Steward Partners Managing Director Wealth Manager*  
Board member since 2018

# **Maureen Ann Beauregard**

## **Professional Experience**

**November 1991 to Present:** Families in Transition, 122 Market Street, Manchester, NH 03101.

1995-Present. President, Families in Transition. Developed a Board of Directors and established Families in Transition as a private nonprofit agency in 1995. Responsible for grant writing, fundraising, facility development, oversight of agency personnel, program development, day to day operations, reporting to state and federal agencies and public relations.

- 2003 to Present: Development and Implementation of 33 units permanent affordable housing in Manchester.
- 2001-2003: Development of Families in Transition – Concord, 16 units of affordable housing with 6 designated for homeless women with a disability and 10 designated for transitional housing for homeless women and their children.
- 2001 to Present: Development of Families in Transition's social entrepreneurship, Family OutFITters thrift store and Employment Training Program.
- 1998 – 2001: Development of Millyard II Transitional Housing Program with 19 apartments and 1 interim unit for 3 families.
- 1995 – 1997: Development of Millyard I Transitional Housing Program with 12 apartments for homeless women with children.
- 1994 – 1995: Development of steering committee to form the Board of Directors for Families in Transition and Families in Transition becomes an independent 501 © (3)

1991- 1994 New Hampshire Community Loan Fund. Program Director. Designed and implemented transitional housing programs for the homeless women with and without children.

- 1993 – 1994: Development and implementation of Community Program providing supportive services to 14 homeless women and their children and assisting them in attaining and maintaining housing.
- 1992 – 1993: Development and implementation of Amherst Street Transitional Housing Program for 9 homeless single women.
- 1991 – 1992: Development and implementation of Spruce Street Transitional Housing Program for 5 homeless women and their children.

**November 1989-March 1991:** Child Protective Service Worker II for the Division for Children and Youth Services, 30 Maplewood Avenue, Portsmouth, NH. Advocated for abused and neglected children in court, established support network (fostercare, visitation, and counseling) to help in the abuse/neglect recovery process.

**November 1988-November 1989:** Substance Abuse Counselor for Team Coordinating Agency, Phoenix East, Haverhill, MA. Counseled clients, aided and found resources (AA/NA meetings, employment, education, and counseling) for residents in halfway house for alcoholic/addicts, age 16-25. Conducted weekly support group.

## **Education**

Bachelor of Science degree from the University of New Hampshire, College of Life Science and Agriculture. Area of study: Family Studies.

## **Professional Affiliations and Honors**

- **1998 to 2004** – Northern New England Housing Investment Fund. Member of Board of Directors.
- **1998 to 2004** – Northern New England Equity Fund. Member Board of Directors and Investment Committee
- **2004:** New Hampshire Business Review, Business Excellence Awards 2004, Maureen Beauregard for Excellence in Non-Profit
- **2004:** The Walter J. Dunfey Awards for Excellence in Management awarded to Families in Transition
- **2003:** YWCA Susan B. Anthony Award, Woman of the Year
- **2003:** New Hampshire Housing Finance Authority Annual Conference: Maureen Beauregard and Families in Transition recognized as Best Practice for Development of Affordable Housing in New Hampshire.
- **2002:** Great Bay Foundation: \$150,000 grant award for the development and implementation of social entrepreneurship, Family OutFITters.
- **2002:** Citizens Bank and WMUR Channel – 9, 2003 Community Champions Award for Homelessness for New Hampshire
- **2001:** Manchester Continuum of Care Narrative submission to the U.S. Dept. of Housing & Urban Development, SuperNOFA: 1 of top 10 narratives in the country.
- **2003 to Present:** YMCA Diversity Committee
- **2003 to Present:** Intown Manchester, Economic Development Committee, Trustee
- **2003:** The Sharing Foundation, Caring for Cambodia's Children Parent Advisory Council
- **2003 to Present:** New Hampshire Interagency Council on Homelessness, member appointed by Governor Benson
- **2002 to Present:** Policy Academy for the Chronically Homeless, member
- **2002 to Present:** Great Bay Foundation, Work Group consisting of 5 leading initiatives, member
- **2001 to Present:** Manchester Task Force on Housing, member appointed by Mayor
- **1999 to Present:** Northern New England Housing Investment Fund, Investment Committee, Trustee
- **1998 to Present:** Manchester Continuum of Care, Chairperson in 1998, 2003, founding member



# Meghan E. Shea, LICSW, MLADC

## OBJECTIVE

Continue to utilize and expand the clinical and management skills have I attained from my professional and academic training to secure a position in a nonprofit setting.

## EDUCATION / LICENSURE

Master – Licensed Alcohol and Drug Counselor September 2010- Present

Licensed Independent Clinical Social Worker October 22, 2012-Present

Master of Social Work, University of New Hampshire May 2010  
▪ Graduated with an MSW from the Advanced Standing Program

Bachelor of Art, Social Work, University of New Hampshire May 2006  
▪ Graduated with an BSW with GPA of 3.41

## EMPLOYMENT

### Vice President, Clinical & Supportive Services

Families in Transition-New Horizons December 20<sup>th</sup>, 2017 – present

- Receivership-Interim Executive Director of Serenity Place
- Oversees all clinical and supportive services at Families in Transition-New Horizons including emergency shelter, transitional and permanent supportive housing, Intensive Outpatient Services, Outpatient services, Recovery Housing and programming.
- Quality of control of healthcare facilities licensure.
- Oversight of fidelity of evidence based practices and models.
- Oversight of staff competencies and required trainings for best practices across the agency.
- Supervision of agency program managers and housing director.
- Provide clinical supervisor for licensure and certifications.
- Quality control of all billing policies and procedures.

### Clinical Director

Families in Transition Sept 1<sup>st</sup>, 2016- December 2017

- Oversee and manage Sr. Housing Program Manager who supervises the supportive services department with up to 25 staff providing housing (emergency, transitional and permanent) and supportive services with capacity to serve 200 homeless individual and families. Supportive services encompass individual case management, therapy, psycho-educational workshops, pro-social family activities and crisis intervention.
- Oversee the Family Willows Program Manager who supervises 11 clinical staff who conduct co-occurring treatment to women only
- Develop and staff Recovery Housing program and implementation of newest housing and supportive service programming
- Develop and oversight Open Doors outpatient programming for all transitional housing programs of FIT
- Ensure quality programming across Families in Transitions clinical department
- Provide training within the organization and community on substance misuse in NH
- Administer all program policies and procedure for Families In Transition's various Supportive Service
- Oversight of billing components of all levels of Co-occurring treatment.

### Therapist

January 2014- Present

### Bedford Family Therapy

- Treat a caseload of 15 clients in a private outpatient group practice

- Utilize various evidence based practices CBT,DBT, and Seeking Safety skills to help clients meet their own individual goals
- Conduct Drug and Alcohol assessments
- Active participant in DWI Offender Program providing mandated outpatient session for individuals coming from the Impaired Drivers Program
- Participate in weekly supervision with other licensed clinicians part of the private group practice.

#### **Clinical & Supportive Service Manager**

**March 7<sup>th</sup>, 2016- August 31<sup>st</sup>, 2016**

##### **Families In Transition**

- Manage the day to day operations for the Family Willows Substance Use Program including six staff members
- Manage the day to day operations for the Housing program of Families in Transition consisting of over 200 apartment units in New Hampshire.
- Provide clinical and administrative supervision for a total of 14 staff for Families In Transition
- Ensure compliance with budgetary and financial goals.
- Maintain compliance with State, Federal, Accreditation, Contract and Insurance regulations.
- Administer all program policies and procedure for Families In Transition's various Clinical Programs.

#### **Program Manager of the Family Willow Substance Use Treatment Program September 2014-2016**

##### **Families In Transition**

- Manage the day to day operations for the Family Willows Substance Use Program including six staff members
- Transitioned the program from grant funded to billing all commercial insurances
- Increased accessibility of treatment from 86 clients in 2013 to 250 in 2016.
- Provided clinical and administrative oversight of the FW Substance Use Treatment Program
- Carried a caseload of 12-15 individual clients providing co-occurring evidence base therapeutic interventions.
- Facilitated Intensive Outpatient treatment in a group setting on a weekly basis to group of 12 women.
- Provided training and education to staff on clinical intervention and best practices in the group setting.

#### **Therapist**

**May 2010- September 2014**

##### **Families In Transition**

- Facilitated Intensive Outpatient Programing in a group setting daily for up to 12 clients
- Carried a caseload of up to 15 people for individual therapy.
- Provided crisis services for the hotline of Families In Transition
- Conducted Substance Use Disorder Assessments for incoming clients
- Produced treatment plans, progress notes and supporting documentation in a timely manner
- Helped implement new curriculum changes in the treatment programming

#### **MSW Intern**

**May 2009 to May 2010**

##### **Bedford Counseling – Mental Health Center of Greater Manchester**

- Conducted intake interviews for new, adult clients and develop comprehensive psycho-social assessments to include diagnosis and substance use assessments
- Provided psychotherapeutic intervention services to twenty-two individuals using brief treatment and cognitive behavioral interventions
- Attended therapeutic workshops pertaining to dual-diagnosis, behavioral health and client driven treatment planning

#### **Case Manager**

**June 2006- May 2010**

##### **Families In Transition**

- Provided in home case management services to 30 individuals and families to enhance housing stability among the homeless population.
- Provided crisis hotline coverage for all clinical programming of Families In Transition
- Conducted program interviews for the community support program
- Maintained all files with updated documentation, clear and concise progress notes and treatment plans
- Facilitated workshops to help enhance overall wellness to participants of the program
- Collaborated with community partners to increase referral resources

#### **PROFESSIONAL MEMBERSHIPS**

**Providers Association Board of Directors-Vice President of Treatment July 2014 to Present**

**NH Alcohol & Drug Abuse Counselors Association January 2012 to Present**

**Member of the Manchester Substance Use Collaborative March 2012 to Present**

#### **PRESENTATIONS**

**NH Association for infant mental health workshop Helping Parents Be Parents:  
Addressing Substance Use and Trauma in a Family System- Loon Mountain June 2015**

**Providers Association: Addressing Substance Misuse in the Home Environment March 31<sup>st</sup>, 2016 at  
Wentworth Douglas Hospital in Dover, NH**

REFERENCES - AVAILABLE UPON REQUEST

# Ann-Elise Bryant

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## Objective

Seeking a position as Case Manager

## Education

Gordon College

Bachelor of Arts in Psychology and Sociology

GPA 3.57

Wenham, MA

May 2010

Honors: *Barrington Scholar: for academic performance in, and impact on, the Psychology department and campus- one student from each department chosen; Dean's List; graduated cum laude*

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## Experience

### Housing Advocate

Families In Transition, Manchester, NH

October 2015- Present

- Responsible for an active case load of 33 individuals who were formerly homeless and are now striving to increase self-sufficiency through addressing barriers such as substance use disorders, mental health diagnoses, and trauma related symptoms while moving towards permanent, stable, independent housing
- Promote participants' growth in achieving goals related to the above mentioned barriers, in addition to those related to increasing financial, employment, and/or education related successes, through providing support in home and community, advocacy, and inter-agency and community referrals
- Encourage appropriate community building through facilitating monthly dinners and other social events
- Document timely records of all participant and collaborative meetings and maintain necessary file documentation such as up-to-date Action Plans, Case Management Needs Identifiers, and Releases of Information

### Supportive Services Case Manager

Somerville Homeless Coalition, Somerville, MA

March 2014- October 2015

- Managed an active case load of 12-18 individuals who were formerly homeless and in recovery from substance abuse addiction and/or mental health diagnoses
- Provided services in home and community as outlined on an Individual Service Plan (ISP) in conjunction with supports to promote retention of permanent housing, sobriety, and symptom management
- Responded to crisis situations (including relapse) and utilized Harm Reduction tactics to promote client safety
- Produced documentation of all client interactions and maintained up-to-date ISPs and assessments

### Supported Employment Specialist

Genesis Behavioral Health, Laconia, NH

January 2013- February 2014

- Supported an active case load of 25-30 individuals with Severe and Persistent Mental Illness (SPMI) primarily with employment search and school related activities in the community using an Individualized Service Plan (ISP) to provide optimal treatment within a team approach
- Documented all interactions with clients to maintain continuity of care within and, if necessary, outside of agency
- Provided emergency services such as Crisis Intervention, support to local hospital emergency rooms, and/or contact of local authorities when necessary

- Facilitated more effective, streamlined processes for working in conjunction with local agencies, as well as within the Supported Employment team in the areas of service provision to clients and new hire training

**Research Data Coordinator**

Institute for Community Inclusion, Boston, MA

November 2010- December 2011

- Conducted research related activities (e.g. interviews, transcribing, literature reviews) on two projects focused on aiding individuals with disabilities
- Worked as a member of a research team and attended, and sometimes led, team meetings

**Teaching Assistant**

Gordon College, Wenham, MA

August 2008- March 2010

- Lead small group meetings ranging from six to twelve students and was responsible for grading students' papers and providing extra help, advice, and instruction
- Attended preparation and follow-up meetings

**Private Babysitter**

North Shore of Boston, MA

December 2007- May 2010

- Provided care for children ages 3 months- 10 years old through such activities as creating productive playtime, aiding with homework help, and meeting basic needs (mealtime, bathing, laundering)

**Food Program and Groceries Intern**

Rosie's Place, Boston, MA

September 2008- December 2008

- Completed internship through Gordon College's Boston Urban Semester primarily assisting women with their grocery selections in the food pantry while learning about the services provided through this organization (e.g. legal, housing, and health services)

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*References available upon request*

## CONTRACTOR NAME

### Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Maureen Beauregard	President	153,900	0%	-
Meghan Shea	VP of Clinical Services	85,000	10%	8,500
Ann-Elise Bryant	Program Manager	43,000	20%	8,600

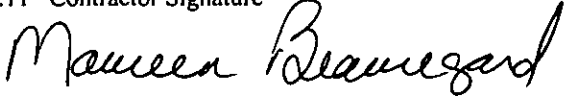
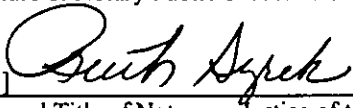
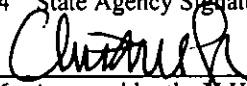
Subject: Continuum of Care, Concord Permanent Housing Program, SS-2020-BHS-04-PERMA-09

**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.**

<b>1.1 State Agency Name</b> NH Department of Health and Human Services		<b>1.2 State Agency Address</b> 129 Pleasant Street Concord, NH 03301-3857	
<b>1.3 Contractor Name</b> FIT/NHNNH, Inc.		<b>1.4 Contractor Address</b> 122 Market Street Manchester, NH 03101	
<b>1.5 Contractor Phone Number</b> (603) 641-9441	<b>1.6 Account Number</b> 05-95-42-423010-7927-102-500731	<b>1.7 Completion Date</b> June 30, 2020	<b>1.8 Price Limitation</b> \$68,585
<b>1.9 Contracting Officer for State Agency</b> Nathan D. White, Director		<b>1.10 State Agency Telephone Number</b> 603-271-9631	
<b>1.11 Contractor Signature</b> 		<b>1.12 Name and Title of Contractor Signatory</b> Maureen Beauregard, President	
<b>1.13 Acknowledgement:</b> State of <u>New Hampshire</u> , County of <u>Hillsborough</u>  On <u>May 29, 2019</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
<b>1.13.1 Signature of Notary Public or Justice of the Peace</b>  [Seal]		<b>RUTH A. SYREK, Notary Public</b> My Commission Expires <u>September 5, 2023</u>	
<b>1.13.2 Name and Title of Notary or Justice of the Peace</b> Ruth Syrek, Admin. Asst., Notary Public			
<b>1.14 State Agency Signature</b> 		<b>1.15 Name and Title of State Agency Signatory</b> Christine Santaniello, Director, DHS	
<b>1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)</b>  By: _____ Director, On: _____			
<b>1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable)</b>  By: <u>Christina Wilson</u> On: <u>June 4, 2019</u>			
<b>1.18 Approval by the Governor and Executive Council (if applicable)</b>  By: _____ On: _____			

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

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

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

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

**4. CONDITIONAL NATURE OF AGREEMENT.**

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

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

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

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

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

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

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

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

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

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

**7. PERSONNEL.**

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

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



Agreement. This provision shall survive termination of this Agreement.

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

#### **8. EVENT OF DEFAULT/REMEDIES.**

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

#### **9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

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

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

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

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

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

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

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

#### **14. INSURANCE.**

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

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

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

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

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

**15. WORKERS' COMPENSATION.**

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

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

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

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

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

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

**19. CONSTRUCTION OF AGREEMENT AND TERMS.**

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

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

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

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

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

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



**SCOPE OF SERVICES**

**Permanent Housing Program**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:  
NH DHHS  
Bureau of Housing Supports (BHS)  
129 Pleasant Street  
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

A handwritten signature in black ink, appearing to be "MJD", written over a horizontal line.



Exhibit A

- 1.10. The Contractor shall support the primary goal of this program which is to facilitate the movement of homeless and chronically homeless individuals and families to permanent housing and maximum self-sufficiency.

**2. Scope of Services**

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Housing program comprised of six (06) housing units and nine (09) beds serving homeless individuals and or families experiencing mental health and or substance abuse issues, and which includes, but is not limited to:
  - 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
  - 2.2.2. The development of a stabilization plan and crisis management plan with the participant, at intake and, at a minimum, annually. An ongoing Assessment of Housing and Supportive Services is required, with the ultimate goal being assistance to the participant in obtaining the skills necessary to live in the community independently.
- 2.3. The Contractor shall establish and maintain standard operating procedures to ensure CoC program funds are used in accordance with 24 CFR 578 and must establish and maintain sufficient records to enable HUD and BHS to determine Contractor requirement compliance, including:
  - 2.3.1. Continuum of Care Records: The Contractor shall maintain the following documentation related to establishing and operating a CoC:
    - 2.3.1.1. Records of Homeless Status. The Contractor shall maintain acceptable evidence of homeless status in accordance with 24 CFR 576.500(b).
    - 2.3.1.2. Records of at Risk of Homelessness Status: The Contractor shall maintain records that establish "at risk of homelessness" status of each individual or family who receives CoC homelessness prevention assistance, as identified in 24 CFR 576.500(c).
    - 2.3.1.3. Records of Reasonable Belief of Imminent Threat of Harm. The Contractor shall maintain documentation of each program participant who moved to a different CoC due to imminent threat of further domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR 578.51(c)(3). The Contractor shall retain documentation that includes, but is not limited to:
      - 2.3.1.3.1 The original incidence of domestic violence, dating violence, sexual assault, or stalking, only if the original violence is not already documented in the program participant's case file. This may be written observation of the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; medical or dental records; court records or law enforcement records; or written certification by the program participant to whom the violence occurred or by the head of household.

*[Handwritten Signature]*

May 29, 2019



Exhibit A

- 2.3.1.3.2 The reasonable belief of imminent threat of further domestic violence, dating violence, or sexual assault or stalking, which would include threats from a third-party, such as a friend or family member of the perpetrator of the violence. This may be written observation by the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; current restraining order; recent court order or other court records; law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts; or a written certification by the program participant to whom the violence occurred or the head of household.
- 2.3.1.4. Records of Annual Income. For each program participant who receives housing assistance where rent or an occupancy charge is paid by the program participant, the Contractor must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, government benefits administrator) or the written certification by the Contractor's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period; or
- 2.3.1.4.4. To the extent that source documents and third-party verification are unobtainable, the written certification by the program participant of the amount of income that the program participant is reasonably expected to receive over the three (3) month period following the evaluation.
- 2.3.1.5. Program Participant Records. In addition to evidence of homelessness status or at-risk-of-homelessness status, as applicable, the Contractor must keep records for each program participant that document:
- 2.3.1.5.1. The services and assistance provided to that program participant, including evidence that the Contractor has conducted an annual assessment of services for those program participants that remain in the program for more than a year and adjusted the service package accordingly, and including case management services as provided in 24 CFR 578.37(a)(1)(ii)(F); and
- 2.3.1.5.2. Where applicable, compliance with the termination of assistance requirement in 24 CFR 578.91.
- 2.3.1.6. Housing Standards. The Contractor must retain documentation of compliance with the housing standards in 24 CFR 578.75(b), including inspection reports.
- 2.3.1.7. Services Provided. The Contractor must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were reviewed at least annually and that the service package offered to program participants was adjusted as necessary.
- 2.4. The Contractor shall maintain records that document compliance with:
- 2.4.1. The Organizational conflict-of-interest requirements in 24 CFR 578.95(c).

*MD*



Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 2.4.3. The Other Conflicts requirements in 24 CFR 578.95(d).
- 2.5. The Contractor shall develop, implement and retain a copy of the personal conflict-of-interest policy that complies with the requirements in 24 CFR 578.95, including records supporting any exceptions to the personal conflict-of-interest prohibitions.
- 2.6. The Contractor shall comply and retain documentation of compliance with:
  - 2.6.1. The Homeless Participation requirements in accordance with 24 CFR 578.75(g).
  - 2.6.2. The Faith-based Activities requirements in accordance with 24 CFR 578.87(b).
  - 2.6.3. Affirmatively Furthering Fair Housing by maintaining copies of all marketing, outreach, and other materials used to inform eligible persons of the program in accordance with 24 CFR 578.93(c).
  - 2.6.4. Other Federal Requirements in 24 CFR 578.99, as applicable.
  - 2.6.5. Other Records Specified by HUD. The Contractor must keep other records as specified by HUD.
  - 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the specific confidentiality and security requirements for HMIS data (76 FR 76917), the Contractor shall develop and implement written procedures to ensure:
  - 2.7.1. All records containing protected identifying information of any individual or family who applies for and/or receives Continuum of Care assistance shall be kept secure and confidential as required by this Agreement and state and federal laws and regulations;
  - 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not be made public, except with written authorization of the person responsible for the operation of the project; and
  - 2.7.3. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality;
- 2.8. Period of Record Retention. The Contractor shall ensure all records, originals or copies made by microfilming, photocopying, or other similar methods, pertaining to Continuum of Care funds are retained for five (5) years following the Contract Completion Date and receipt of final payment by the Contractor unless records are otherwise required to be maintained for a period in excess of the five (5) year period according to state or federal law or regulation.

**3. Program Reporting Requirements**

- 3.1. The Contractor shall submit the following reports:
  - 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and

*[Handwritten Signature]*



3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

**4. Contract Administration**

- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.

**5. Performance Measures**

- 5.1. The Contractor shall adhere to all terms and conditions as set forth in the HUD New Project Application, federal fiscal year 2018, #SF-424; and
  - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
  - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

**6. Deliverables**

- 6.1. The Contractor shall implement a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.
- 6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.
  - 6.2.1. Project outcomes shall include, but are not limited to:
    - 6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.
    - 6.2.1.2. Participants experience increased connections to:
      - 6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;
      - 6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and
      - 6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.
- 6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

*AD*



**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Permanent Housing Program Funding**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
- 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0007L1T001811
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Permanent Housing Program
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$68,585
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Supportive Services: \$66,827
      - 1.2.8.2.1 Case Management \$64,427
      - 1.2.8.2.2 Transportation \$2,400
    - 1.2.8.2. Administrative Expenses: \$1,758
    - 1.2.8.3. Total program amount: \$68,585
    - 1.2.8.4. Vendor Match (25%) \$17,147
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
- 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:  
NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301

*MB*





**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.
- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule: Review by the State**

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
  - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
  - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
  - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
  - 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.

*MD*

May 29, 2019



**New Hampshire Department of Health and Human Services  
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- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.

3.4.5. Schedule of Payments:

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingsupportsinvoices@dhhs.nh.gov](mailto:housingsupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.

3.5. Review of the State Disallowance of Costs:

- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services, products, required report submissions, as detailed in Exhibits A and B, or NH-HMIS data entry requirements have not been satisfactorily completed in accordance with the terms and conditions of this Agreement.

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**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;



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- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;
- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);



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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

**5.4. Rental Assistance**

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

*[Handwritten Signature]*



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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.

5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

**5.5. Administrative Costs:**

5.5.1. Eligible administrative costs include:

5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and

5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:

5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.

5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:

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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

**5.6. Leasing:**

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

**5.6.1. Requirements:**

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- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.



### **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;

Exhibit C – Special Provisions

Contractor Initials

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

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

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

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New Hampshire Department of Health and Human Services  
Exhibit C



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

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

*MSD*



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.

**20. Contract Definitions:**

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

*MB*



**REVISIONS TO STANDARD CONTRACT LANGUAGE**

**1. Revisions to Form P-37, General Provisions**

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

**4. CONDITIONAL NATURE OF AGREEMENT.**

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

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

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

**2. Renewal**

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



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

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

**ALTERNATIVE I - FOR GRANTEEES OTHER THAN INDIVIDUALS**

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

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

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

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



New Hampshire Department of Health and Human Services  
Exhibit D



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


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

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

Vendor Name: FIT/NHHH, Inc.

May 29, 2019

Date

  
Name: Maureen Beauregard  
Title: President

Vendor Initials 

Date May 29, 2019



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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


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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-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.

Vendor Name: FIT/NHNNH, Inc.

May 29, 2019  
Date

  
Name: Maureen Beauregard  
Title: President



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

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

**INSTRUCTIONS FOR CERTIFICATION**

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



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

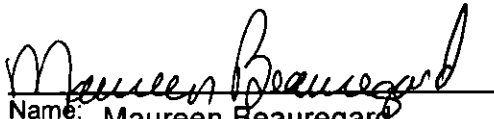
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - 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.

Vendor Name: FIT/NHH, Inc.

May 29, 2019  
Date

  
Name: Maureen Beauregard  
Title: President

Vendor Initials 



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

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

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

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

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

Exhibit G

Vendor Initials

A handwritten signature in black ink, appearing to be "W. J. [unclear]".

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

New Hampshire Department of Health and Human Services  
Exhibit G



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

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

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

Vendor Name: FIT/NHHH, Inc.

May 29, 2019  
Date


  
Name: Maureen Beauregard  
Title: President

Exhibit G

Vendor Initials MB

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



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

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

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

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

Vendor Name: FIT/NHNNH, Inc.

May 29, 2019  
Date


  
Name: Maureen Beauregard  
Title: President



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

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

**(1 Definitions.**

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

*MSB*





Exhibit I

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

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

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

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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

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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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Vendor Initials MB

Date May 29, 2019



Exhibit I

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

**(4) Obligations of Covered Entity**

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

**(5) Termination for Cause**

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

**(6) Miscellaneous**

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

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Vendor Initials

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Date May 29, 2019



Exhibit I

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

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

Department of Health and Human Services

The State

Christine Santanelli  
Signature of Authorized Representative

Christine Santanelli  
Name of Authorized Representative

Director, D&H  
Title of Authorized Representative

5/20/19  
Date

FIT/NHNN, Inc.

Name of the Vendor

Maureen Beauregard  
Signature of Authorized Representative

Maureen Beauregard  
Name of Authorized Representative

President  
Title of Authorized Representative

May 29, 2019  
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 Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

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

Vendor Name: FIT/NHNNH, Inc.

May 29, 2019  
Date

  
Name: Maureen Beauregard  
Title: President

Vendor Initials 

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

1. The DUNS number for your entity is: 825360399
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

  X   NO            YES

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

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

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

\_\_\_\_\_ NO \_\_\_\_\_ YES

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

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

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

Name: \_\_\_\_\_ Amount: \_\_\_\_\_

Name: \_\_\_\_\_ Amount: \_\_\_\_\_

Name: \_\_\_\_\_ Amount: \_\_\_\_\_

Name: \_\_\_\_\_ Amount: \_\_\_\_\_

Name: \_\_\_\_\_ Amount: \_\_\_\_\_



A. Definitions

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

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

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

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





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

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

## **I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR**

### **A. Business Use and Disclosure of Confidential Information.**

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

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

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

## II. METHODS OF SECURE TRANSMISSION OF DATA

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

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

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

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

#### A. Retention

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

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

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

**B. Disposition**

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

**IV. PROCEDURES FOR SECURITY**

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

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

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

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

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

*AB*

DHHS Information Security Requirements



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

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

## V. LOSS REPORTING

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

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

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

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

**Exhibit K**

**DHHS Information Security Requirements**

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

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

**VI. PERSONS TO CONTACT**

**A. DHHS Privacy Officer:**

DHHSPrivacyOfficer@dhhs.nh.gov

**B. DHHS Security Officer:**

DHHSInformationSecurityOffice@dhhs.nh.gov

AB



# State of New Hampshire

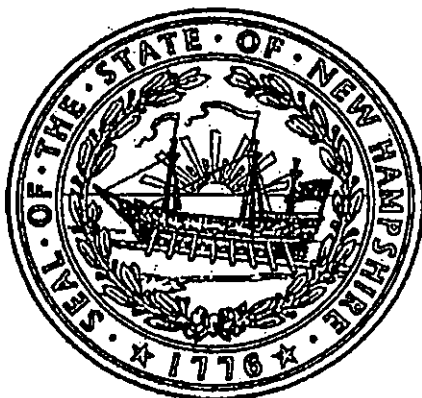
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that FIT/NHNNH, INC is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 13, 1994. 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: 207982

Certificate Number: 0004088815



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 26th day of April A.D. 2018.

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

William M. Gardner  
Secretary of State

## CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of FIT/NHNH, 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 May 29, 2019:  
(Date)

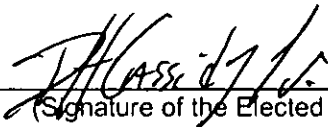
**RESOLVED:** That the President  
(Title of Contract Signatory)

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 29 day of May, 2019.  
(Date Contract Signed)

4. Maureen Beauregard is the duly elected President  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

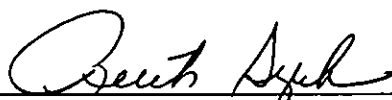
  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 29 day of May, 2019.

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

  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: RUTH A. SYREK, Notary Public  
My Commission Expires September 5, 2023



FAMIINT-01

DDEAUDOIN

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/18/2019

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

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

<b>PRODUCER</b> Davis & Towle Morrill & Everett, Inc. 115 Airport Road Concord, NH 03301	<b>CONTACT NAME:</b>	
	<b>PHONE (A/C, No, Ext):</b> (603) 225-6611 <b>FAX (A/C, No):</b> (603) 225-7935	
<b>INSURED</b>  FIT/NHNN, Inc. 122 Market St Manchester, NH 03101	<b>E-MAIL ADDRESS:</b>	
	<b>INSURER(S) AFFORDING COVERAGE</b>	<b>NAIC #</b>
	<b>INSURER A:</b> Philadelphia Insurance Company	23850
	<b>INSURER B:</b> Granite State Health Care & Human Services Self Insured Group	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK1923495	1/1/2019	1/1/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK1923501	1/1/2019	1/1/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 0			PHUB659752	1/1/2019	1/1/2020	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input checked="" type="checkbox"/> N		N/A	HCHS20190000102	2/1/2019	2/1/2020	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liab			PHPK1923495	1/1/2019	1/1/2020	See Below
B	Worker's Compensatio			HCHS20190000102	2/1/2019	2/1/2020	Excess 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
Professional Liability \$1,000,000 Each Incident/\$3,000,000 Aggregate

The Certificate Holder is included as Additional Insured with respect to the General Liability policy when required by written contract.  
Re: 177 Lake Avenue, 199 Manchester Street, 136 Lowell Street, 163 South Beech Street - all of Manchester, NH and 5 Market Lane, Concord, NH.

## CERTIFICATE HOLDER

## CANCELLATION

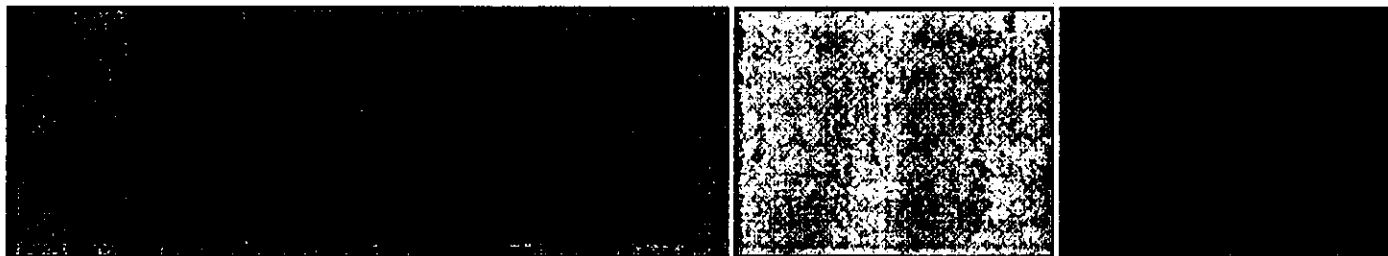
Bureau of Housing Supports 129 Pleasant Street Concord, NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Diane P. Beaudoin</i>

***Families in Transition***  
***122 Market Street***  
***Manchester, NH 03101***  
***Tel. 603-641-9441***  
***Fax. 603-641-1244***



***Mission***

To provide safe and affordable housing and  
comprehensive social services to individuals  
and families who are homeless or who are at risk of  
becoming homeless, enabling them to gain  
self-sufficiency and respect.



## CONSOLIDATED FINANCIAL STATEMENTS

and

## SUPPLEMENTARY INFORMATION

December 31, 2018

(With Comparative Totals for 2017)

With Independent Auditor's Report





## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
FIT/NHNNH, Inc. and Subsidiaries.

We have audited the accompanying consolidated financial statements of FIT/NHNNH, Inc. and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2018 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; 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 audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

### ***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2018, and the consolidated changes in their net assets and their consolidated cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

***Report on Summarized Comparative Information***

We have previously audited the Organization's 2017 consolidated financial statements and, in our report dated March 30, 2018, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

***Other Matter***

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, which consists of the consolidating statement of financial position as of December 31, 2018, and the related consolidating statements of activities and functional expenses for the year then ended, is presented for purposes of additional analysis, rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

***Change in Accounting Principle***

As discussed in Note 1 to the consolidated financial statements, in 2018 the Organization adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities* (Topic 958). Our opinion is not modified with respect to this matter.

*Berry Dunn McNeil & Parker, LLC*

Manchester, New Hampshire  
March 18, 2019

# FIT/NHHH, INC. AND SUBSIDIARIES

## Consolidated Statement of Financial Position

December 31, 2018  
(With Comparative Totals for December 31, 2017)

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,598,033	\$ 1,062,497
Funds held as fiscal agent	-	96,383
Accounts receivable	52,211	38,380
Grants and contributions receivable	786,343	451,664
Prepaid expenses	80,007	33,229
Due from related parties	35,613	-
Other current assets	<u>48,110</u>	<u>43,097</u>
Total current assets	2,600,317	1,725,250
Replacement reserves	336,578	292,264
Reserve cash designated for properties	718,154	722,130
Investments	1,336,584	-
Investment in related entity	1,000	1,000
Asset held for sale	429,779	-
Property and equipment, net	28,530,819	26,210,337
Development in process	3,605,450	2,090,031
Other assets, net	<u>198,473</u>	<u>50,000</u>
Total assets	<u>\$ 37,757,154</u>	<u>\$ 31,091,012</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Current portion of long-term debt	\$ 1,116,180	\$ 216,147
Accounts payable	249,907	220,828
Accrued expenses	348,095	217,676
Funds held as fiscal agent	-	96,383
Due to related entity	35,613	-
Line of credit	145,000	-
Other current liabilities	<u>82,475</u>	<u>49,504</u>
Total current liabilities	1,977,270	800,538
Long-term debt, less current portion, net of unamortized deferred costs	<u>13,604,017</u>	<u>11,264,521</u>
Total liabilities	<u>15,581,287</u>	<u>12,065,059</u>
Net assets		
Without donor restrictions - controlling interest	17,744,537	14,563,053
Without donor restrictions - noncontrolling interest	<u>3,243,694</u>	<u>3,565,478</u>
Total without donor restrictions	20,988,231	18,128,531
With donor restrictions	<u>1,187,636</u>	<u>897,422</u>
Total net assets	<u>22,175,867</u>	<u>19,025,953</u>
Total liabilities and net assets	<u>\$ 37,757,154</u>	<u>\$ 31,091,012</u>

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



**FIT/NHH, INC. AND SUBSIDIARIES**  
**Consolidated Statement of Activities**  
**Year Ended December 31, 2018**  
**(With Comparative Totals for the Year Ended December 31, 2017)**

	Without Donor Restrictions - Controlling Interest	Without Donor Restrictions - Noncontrolling Interest	Total Without Donor Restrictions	With Donor Restrictions	Total 2018	Total 2017
<b>Revenue and support</b>						
Federal, state and other grant support	\$ 4,801,300	\$ -	\$ 4,801,300	\$ 513,854	\$ 5,115,154	\$ 3,212,747
Rental income, net of vacancies	2,021,485	-	2,021,485	-	2,021,485	1,841,084
Thrift store sales	816,565	-	816,565	-	816,565	685,756
Public support	855,830	-	855,830	-	855,830	439,127
Tax credit revenue	60,000	-	60,000	-	60,000	80,000
Special events	528,910	-	528,910	-	528,910	197,191
Developer fees	88,483	-	88,483	-	88,483	-
VISTA program revenue	93,734	-	93,734	-	93,734	125,742
Unrealized (loss) gain on investments	(168,848)	-	(168,848)	-	(168,848)	1,270
(Loss) gain on disposal of assets	(10,115)	-	(10,115)	-	(10,115)	5,133
Interest income	38,634	-	38,634	-	38,634	31,519
In-kind donations	14,429	-	14,429	-	14,429	61,548
Investment income	99,783	-	99,783	-	99,783	-
Forgiveness of debt	131,267	-	131,267	-	131,267	131,267
Medical reimbursements	521,957	-	521,957	-	521,957	411,535
Other income	279,420	-	279,420	-	279,420	91,958
Net assets released from restrictions	292,925	-	292,925	(292,925)	-	-
<b>Total revenue and support</b>	<b>10,043,719</b>	<b>-</b>	<b>10,043,719</b>	<b>220,929</b>	<b>10,264,648</b>	<b>7,315,857</b>
<b>Expenses</b>						
Program activities						
Housing	8,390,926	-	8,390,926	-	8,390,926	6,299,553
Thrift store	686,374	-	686,374	-	686,374	681,291
Total program activities	9,077,300	-	9,077,300	-	9,077,300	6,980,844
Fundraising	1,131,941	-	1,131,941	-	1,131,941	418,486
Management and general	897,234	-	897,234	-	897,234	539,803
<b>Total expenses</b>	<b>11,106,475</b>	<b>-</b>	<b>11,106,475</b>	<b>-</b>	<b>11,106,475</b>	<b>7,939,133</b>
(Deficiency) excess of revenue and support over expenses	(1,062,756)	-	(1,062,756)	220,929	(841,827)	(623,278)
Grants and contributions for capital projects	270,857	-	270,857	289,933	560,790	1,538,770
Net assets released for capital projects	359,812	-	359,812	(359,812)	-	-
Effect of consolidation of affiliate	3,291,787	-	3,291,787	139,164	3,430,951	-
<b>Change in net assets</b>	<b>2,859,700</b>	<b>-</b>	<b>2,859,700</b>	<b>290,214</b>	<b>3,149,914</b>	<b>915,494</b>
Change in net assets attributable to noncontrolling interest in subsidiaries	321,784	(321,784)	-	-	-	-
Change in net assets after reclassification of portion attributable to noncontrolling interest	3,181,484	(321,784)	2,859,700	290,214	3,149,914	915,494
Net assets, beginning of year	14,563,053	3,585,478	18,128,531	897,422	19,025,953	18,110,459
<b>Net assets, end of year</b>	<b>\$ 17,744,537</b>	<b>\$ 3,243,694</b>	<b>\$ 20,988,231</b>	<b>\$ 1,187,636</b>	<b>\$ 22,175,867</b>	<b>\$ 19,025,953</b>

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

**FIT/NHH, INC. AND SUBSIDIARIES**

**Consolidated Statement of Functional Expenses**

**Year Ended December 31, 2018**

**(With Comparative Totals for the Year Ended December 31, 2017)**

	<u>Program Activities</u>			<u>Management and General</u>	<u>2018 Total</u>	<u>2017 Total</u>
	<u>Housing</u>	<u>Thrift Store</u>	<u>Fundraising</u>			
Salaries and benefits						
Salaries and wages	\$ 3,492,775	\$ 316,195	\$ 518,402	\$ 355,442	\$ 4,682,814	\$ 3,168,366
Employee benefits	400,781	24,951	54,002	37,770	517,504	349,575
Payroll taxes	<u>262,810</u>	<u>24,440</u>	<u>39,746</u>	<u>26,593</u>	<u>353,589</u>	<u>234,204</u>
Total salaries and benefits	4,156,366	365,586	612,150	419,805	5,553,907	3,752,145
Other expenses						
Advertising	15,018	25,068	-	18,946	59,032	36,236
Application and permit fees	1,620	-	-	-	1,620	2,015
Bad debts	28,100	-	-	-	28,100	26,124
Bank charges	573	8,847	-	11,445	20,865	17,875
Consultants	19,504	2,847	4,647	2,483	29,481	78,138
Depreciation	933,878	11,093	115,347	51,612	1,111,930	1,003,294
Events	3,550	2,814	160,685	-	167,049	61,181
General insurance	124,791	3,523	14,318	13,248	155,880	153,904
Grant expense	59,149	-	-	-	59,149	-
Interest expense	228,999	714	-	-	229,713	188,473
Management fees	6,622	-	-	-	6,622	6,487
Meals and entertainment	4,740	179	656	547	6,122	5,181
Membership dues	10,790	-	1,741	3,458	15,989	10,022
Merger expenses	-	-	-	137,747	137,747	1,000
Office supplies	282,398	6,460	43,158	38,139	370,155	134,490
Participant expenses	116,915	45	379	379	117,718	99,219
Postage	7,324	9	4,274	1,758	13,365	7,804
Printing	16,755	2,745	19,129	2,088	40,717	24,577
Professional fees	53,906	3,500	-	112,417	169,823	182,974
Related entity expense	(159,398)	159,398	-	-	-	-
Rental subsidies	332,270	-	-	-	332,270	298,272
Repairs and maintenance	370,123	34,325	42,145	16,169	462,762	409,132
Shelter expense	166,891	-	-	-	166,891	-
Staff development	31,588	98	4,008	3,340	39,034	23,136
Taxes	313,613	2,307	-	-	315,920	328,184
Technology support	190,132	2,231	28,782	23,666	244,811	65,457
Telephone	88,992	5,056	10,095	8,778	112,921	90,917
Travel	40,914	3,845	5,191	4,222	54,172	44,486
Utilities	512,260	31,461	52,007	17,767	613,495	444,062
VISTA program	320,859	-	-	-	320,859	359,804
Workers' compensation	<u>111,684</u>	<u>14,223</u>	<u>13,229</u>	<u>9,220</u>	<u>148,356</u>	<u>84,544</u>
Total expenses	\$ <u>8,390,926</u>	\$ <u>686,374</u>	\$ <u>1,131,941</u>	\$ <u>897,234</u>	\$ <u>11,106,475</u>	\$ <u>7,939,133</u>

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

# FIT/NHNN, INC. AND SUBSIDIARIES

## Consolidated Statement of Cash Flows

Year Ended December 31, 2018

(With Comparative Totals for the Year Ended December 31, 2017)

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Change in net assets	\$ 3,149,914	\$ 915,494
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	1,125,127	1,016,491
Grants and contributions for capital projects	(560,790)	(1,538,770)
Effect of consolidation of affiliate, net of cash held by consolidated affiliate of \$326,551	(3,104,400)	-
Forgiveness of debt	(131,267)	(131,267)
Unrealized loss (gain) on investments	168,848	(1,270)
Loss (gain) on disposal of assets	10,115	(5,133)
Decrease (increase) in:		
Accounts receivable	42,130	(16,731)
Grants and contributions receivable	(334,679)	(128,248)
Prepaid expenses	(39,301)	2,609
Other assets	(119,810)	(302)
Increase (decrease) in:		
Accounts payable	(21,258)	51,841
Accrued expenses	84,806	9,744
Due to related party	35,613	-
Other current liabilities	32,971	1,398
Net cash provided by operating activities	<u>338,019</u>	<u>175,856</u>
Cash flows from investing activities		
Repayments of advances to related parties	(35,613)	8,208
Net (deposits to) withdrawals from reserve accounts	(40,338)	57,348
Proceeds from sale of investments	275,024	4,264
Investment in development in process	(1,515,419)	(1,931,040)
Proceeds from disposal of assets	-	5,133
Acquisition of property and equipment	(2,476,109)	(162,691)
Net cash used by investing activities	<u>(3,792,455)</u>	<u>(2,018,778)</u>
Cash flows from financing activities		
Grants and contributions for capital projects	560,790	1,538,770
Net borrowings from line of credit	145,000	-
Proceeds from long-term borrowings	3,507,201	772,009
Payments on long-term debt	(223,019)	(203,120)
Net cash provided by financing activities	<u>3,989,972</u>	<u>2,107,659</u>
Net increase in cash and cash equivalents	535,536	264,737
Cash and cash equivalents, beginning of year	<u>1,062,497</u>	<u>797,760</u>
Cash and cash equivalents, end of year	<u>\$ 1,598,033</u>	<u>\$ 1,062,497</u>
Supplemental disclosure		
Acquisition of property and equipment through long-term borrowings from seller	\$ -	\$ 60,615
Property and equipment transferred from development in process	<u>\$ 2,222,138</u>	<u>\$ -</u>

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

## **FIT/NHNNH, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

#### **Organization**

Families in Transition, Inc. (FIT or the Organization) is a New Hampshire nonprofit, incorporated on May 13, 1994, to provide housing and comprehensive social services to individuals and families who are homeless or at risk of becoming homeless in certain areas of southern New Hampshire, including Manchester, Concord and Dover.

The Organization directly owns and operates housing programs in facilities located on Amherst Street, Spruce Street, Lake Avenue and Douglas Street in Manchester, New Hampshire. Additional housing facilities are owned and operated by several limited partnerships of which the Organization is the sole general partner. These limited partnerships include Bicentennial Families Concord Limited Partnership (Bicentennial), located at Bicentennial Square in Concord, New Hampshire; Family Bridge Limited Partnership (Family Bridge), located on Second Street in Manchester, New Hampshire; and Family Willows Limited Partnership (Family Willows), located on South Beech Street in Manchester, New Hampshire (collectively referred to as the Limited Partnerships).

In 2008, the Organization created a Community Development Housing Organization, Housing Benefits, Inc. (Housing Benefits). Housing Benefits identifies and develops new housing units and refurbishes existing units to meet the persistent need of combating homelessness. Completed housing units are located on School & Third Street, Lowell Street, Belmont Street, Market Street (Millyard I and Millyard II), Spruce Street and Hayward Street, in Manchester, New Hampshire as well as an additional housing facilities located on Central Avenue in Dover, New Hampshire (Dover), and Lehner Street in Wolfeboro, New Hampshire (Hope House).

In 2012, the Organization became the sole member of Manchester Emergency Housing, Inc. (MEH), a New Hampshire nonprofit corporation providing immediate shelter to homeless families in the Manchester, New Hampshire area. MEH is the only family shelter in Manchester, New Hampshire.

The Organization also owns 100% of Family Outfitters, LLC (Outfitters), a limited liability corporation. At December 31, 2018, Outfitters operated an independent thrift store in Manchester, New Hampshire with the sole purpose of generating an alternate funding stream for the Organization. During 2018, management made the decision to close the Concord, New Hampshire thrift store location.

The Organization has several wholly-owned corporations which include Bicentennial Families Concord, Inc. (Bicentennial Families), Second Street Family Mill, Inc. (Family Mill), and Big Shady Tree, Inc. (Big Shady Tree) (collectively referred to as the General Partners), all of which are New Hampshire corporations. These wholly-owned corporations represent the .01% sole general partners in the Limited Partnerships, whereby Bicentennial Families is a general partner of Bicentennial, Family Mill is a general partner of Family Bridge and Big Shady Tree is a general partner of Family Willows.

In 2012, the Organization became the sole member of The New Hampshire Coalition to End Homelessness (NHCEH), a statewide entity, whose mission is to "eliminate the causes for homelessness through research, education and advocacy".

## FIT/NHH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

Effective January 1, 2018, FIT and New Horizons for New Hampshire, Inc. (NHH) merged to create an integrated system of care that will provide an increased supply of affordable housing for those most in need, sustain positive outcomes through the incorporation of evidence based practices proven to meet identified needs and goals, identify areas for systemic and programmatic improvements through the use of consistent and accurate data to regularly measure success, and provide an integrated system of care that will prevent homelessness when possible and rapidly rehouse those who become homeless, including both the chronically homeless and families with children. The merger resulted in a contribution of net assets of \$3,430,951 as follows:

Cash and cash equivalents	\$ 326,551
Other current assets	63,438
Cash surrender value of life insurance	33,676
Investments	1,780,456
Property and equipment, net	1,396,197
Accounts payable and accrued payroll	(95,950)
Notes payable	<u>(73,417)</u>
Fair value of net assets acquired	<u>\$ 3,430,951</u>

The merger resulted in a contribution because the fair value of the identifiable assets exceeds the fair value of the liabilities assumed and no consideration was transferred from NHH.

On May 25, 2018, the Organization organized Wilson Street Condominium Association (the Association) and is the majority owner in the Association. The Association was established for the purpose of maintaining and preserving a five unit premise located on Wilson Street in Manchester, New Hampshire.

#### 1. Summary of Significant Accounting Policies

##### Principles of Consolidation

Since the General Partners have control of the Limited Partnerships, in accordance with Financial Accounting Standards Board *Accounting Standards Codification* Topic 810-20-25, *Consolidation*, the financial statements of each of the Limited Partnerships are required to be consolidated with the Organization's consolidated financial statements. The limited partners' ownership interest is reported in the consolidated statements of financial position as noncontrolling interest.

The consolidated financial statements include the net assets of the Organization, the Limited Partnerships, the General Partners, Housing Benefits, MEH, Outfitters, the Association, and NHCEH. All significant inter-entity balances and transactions are eliminated in the accompanying consolidated financial statements.

## **FIT/NHNNH, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

#### **Comparative Information**

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Accordingly, such information should be read in conjunction with the Organization's December 31, 2017 consolidated financial statements, from which the summarized information was derived.

#### **Use of Estimates**

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

#### **Basis of Presentation**

The consolidated financial statements of the Organization have been prepared in accordance with U.S. GAAP, which require the Organization to report information regarding to its consolidated financial position and activities according to the following net asset classification:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as support without donor restrictions in the year of the gift.

## **FIT/NHNNH, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

The Organization reports contributions of land, buildings or equipment as support without donor restrictions, unless a donor places explicit restriction on its use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions and reclassified to net assets without donor restrictions when the assets are acquired and placed in service.

#### **Cash and Cash Equivalents**

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limits. Management regularly monitors the financial institutions, together with their respective cash balances, and attempts to maintain the potential risk at a minimum. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant risk on these accounts.

Restricted deposits are those deposits of cash and cash equivalents not generally available for operating costs, but restricted to particular uses including operating and replacement reserves for rental properties as well as certain other social services and programs.

#### **Property and Equipment**

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation less accumulated depreciation. The Organization's capitalization policy requires the capitalization of capital expenditures greater than \$1,000, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from 5 to 30 years. Assets not in service are not depreciated.

#### **Volunteer Services**

A number of volunteers have donated their time to the Organization's various programs and administrative services. The value of these services has not been included in the accompanying consolidated financial statements since the volunteers' time does not meet criteria for recognition. The estimated value of donated time for the years ended December 31, 2018 and 2017 is approximately \$780,000 and \$1,060,000, respectively.

#### **Functional Expense Allocation**

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that allocated include salaries and benefits, depreciation, amortization, office and other expenses, which are allocated based on estimated utilization of support services by functional cost centers.

## **FIT/NHNNH, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

#### **Income Taxes**

The Organization is a tax-exempt Section 170(b)(1)(A)(vi) public charity as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these financial statements.

The standards for accounting for uncertainty in income taxes require the Organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of December 31, 2018 and 2017, the Organization determined that it had no tax positions that did not meet the more-likely-than-not threshold of being sustained by the applicable tax authority. The Organization files an informational return in the United States. This return is generally subject to examination by the federal government for up to three years.

No provision for taxes on income is made in the Limited Partnerships' financial statements since, as partnerships, all taxable income and losses are allocated to the partners for inclusion in their respective tax returns.

The Association is not exempt from income taxes, however, the Internal Revenue Service is prepared to regard any profits realized by the Association from its member activities as reductions of members' contributions towards the operation of the condominium property and not as taxable income of the Association or its members. Accordingly, no provision for income taxes has been made in these consolidated financial statements.

#### **Recently Issued Accounting Pronouncement**

In August 2016, Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), which makes targeted changes to the not-for-profit financial reporting model. The new ASU marks the completion of the first phase of a larger project aimed at improving not-for profit financial reporting. Under the new ASU, net asset reporting is streamlined and clarified. The previous three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." The guidance for classifying deficiencies in endowment funds and on accounting for the lapsing of restrictions on gifts to acquire property, plant, and equipment has also been simplified and clarified. New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements. The ASU also imposes several new requirements related to reporting expenses. The ASU is effective for the Organization for the year ended December 31, 2018.



## FIT/NHHH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

#### 2. Availability and Liquidity of Financial Assets

As of December 31, 2018, the Organization has working capital of \$1,108,040 and average days (based on normal expenditures) cash on hand of 54.

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on mortgage notes payable, and capital acquisitions not funded through replacement reserves or financed with debt, were as follows:

	<u>2018</u>	<u>2017</u>
Financial assets:		
Cash and cash equivalents	\$ 1,598,033	\$ 1,062,497
Accounts receivable	52,211	38,380
Grants and contributions receivable	786,343	451,664
Investments	<u>1,336,584</u>	<u>-</u>
Total financial assets	3,773,171	1,552,541
Donor-imposed restrictions:		
Restricted funds	<u>(1,187,636)</u>	<u>(897,422)</u>
Financial assets available at year end for current use	\$ <u>2,585,535</u>	\$ <u>655,119</u>

The Organization also has a line of credit available to meet short-term needs.

The Organization has replacement reserves and cash designated reserves for properties as part of its debt financing with New Hampshire Housing Finance Authority (NHHFA) and only available when approved by NHHFA. As a result, these replacement reserves and cash designated reserves for properties are not considered available for general expenditure within the next year and are not reflected in the amount above. The goal for the Organization is to maintain a balanced budget while meeting the requirements of the various financing authorities.

# FIT/NHHH, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2018  
(With Comparative Totals for December 31, 2017)

### 3. Property and Equipment

Property and equipment consisted of the following:

	<u>2018</u>	<u>2017</u>
Land	\$ 3,646,597	\$ 3,112,699
Land improvements	602,600	602,600
Buildings and improvements	34,123,495	30,283,393
Furniture and fixtures	731,590	610,143
Equipment	558,032	217,695
Vehicles	347,711	300,367
Construction in progress	<u>12,229</u>	<u>-</u>
	40,022,254	35,126,897
Less: accumulated depreciation	<u>11,491,435</u>	<u>8,916,560</u>
Property and equipment, net	<u>\$ 28,530,819</u>	<u>\$ 26,210,337</u>

At December 31, 2018 and 2017, the Organization held \$22,102,918 and \$18,427,778, respectively, of land, land improvements, and buildings and improvements, net of accumulated depreciation, for the purpose of leasing to individuals.

### 4. Development in Process

Development in process consists of costs related to the following facilities:

#### Family Willows Recovery Housing Program

In response to the rising rates of opioid and other substance use issues throughout Manchester, New Hampshire and the State of New Hampshire, FIT and Housing Benefits are assisting in the establishment of The Manchester Recovery and Treatment Center, a large-scale facility to curb the tide of substance misuse.

The plan for establishment of this facility includes the following provisions: Each of the four floors of the Manchester Recovery and Treatment Center will provide different substance use disorder treatments or services to those at varying stages of recovery. Agencies using the facility will coordinate services to ensure that clients who seek services are provided with integrated and comprehensive care. One of the key programs in the facility will be Housing Benefit's Family Willows Recovery Housing Program (the Project) on the 2<sup>nd</sup> and 3<sup>rd</sup> floors. This program will provide 19 units of sober, recovery housing, and can accommodate an estimated 40-50 women and their children on an annual basis. Residents in the Project will have access to case management, continued outpatient treatment, self-help groups, employment workshops, and social events. Construction began in December 2017 and is anticipated to be completed in the first quarter of 2019. Funding for the Project has been secured from the City of Manchester, NHHFA, Franklin Savings Bank, the Community Development Finance Authority (CDFA) and private foundations.

**FIT/NHHH, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

**Hope House**

In December 2017, FIT and Housing Benefits began renovations on Hope House. Hope House, modeled after FIT's Family Place Resource Center and Shelter in Manchester, New Hampshire, is a comprehensive resource for families experiencing homelessness. In addition to emergency housing, Hope House provides services including comprehensive intake, assessment and referrals designed to direct families to the appropriate homeless and housing resources in the community, referrals to medical care for parents and children, and other essential resources. Hope House houses 7 families and their children each night, with an estimated 30 adults and 90 children annually. During 2018, the renovations at Hope House were completed and facility was placed into service. Funding for Hope House was obtained with lending from NHHFA, as well as private contributions.

**5. Line of Credit**

The Organization has an unsecured line of credit agreement, renewed annually, with a financial institution in the amount of \$350,000. During the term of the agreement, the interest rate on any outstanding principal balance shall be equal to the base rate, as defined by the financial institution, with a floor of 4% (5.5% at December 31, 2018). There was no outstanding balance as of December 31, 2017. As of December 31, 2018, the outstanding balance was \$145,000.

**6. Long-term Debt**

Long-term debt consisted of the following:

	<u><b>2018</b></u>	<u><b>2017</b></u>
A mortgage loan payable to NHHFA in monthly payments of \$680, including interest at 1% and an escrow of \$289. The loan is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The loan is due and payable in full in January 2033.	\$ 53,707	\$ 57,243
A note payable to NHHFA. The note is noninterest bearing and is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The note is due and payable upon sale or refinancing of the property or in June 2042.	163,283	163,283
A mortgage loan payable to St. Mary's Bank in monthly payments of \$990, including interest at 4.55%. The loan is collateralized by real estate on Spruce Street, Manchester, New Hampshire and is due and payable in full in February 2019. The Organization is in the process of refinancing this mortgage loan payable.	113,185	118,282

# **FIT/NHNH, INC. AND SUBSIDIARIES**

## **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

A mortgage loan payable to TD Bank, N.A. in monthly payments of \$1,359, including interest at 4.1%. The loan is collateralized by real estate at Beech Street, Manchester, New Hampshire. The loan is due and payable in full in November 2023.	<b>59,226</b>	<b>69,980</b>
A mortgage loan payable to RBS Citizens Bank in monthly payments of \$2,126, including interest at 7.18%. The loan is collateralized by real estate on Douglas Street, Manchester, New Hampshire. The loan is due and payable in full in April 2024.	<b>217,397</b>	<b>226,616</b>
A mortgage note payable by Bicentennial to NHHFA, collateralized by real estate and personal property. Monthly payments of \$1,095 include interest at 4.75% per annum until the principal and interest are fully paid with the final installment due and payable on May 1, 2034.	<b>141,664</b>	<b>147,919</b>
A noninterest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 50% of surplus cash are due. The note is due and payable on May 28, 2034. This is nonrecourse.	<b>85,018</b>	<b>85,018</b>
A noninterest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable on May 28, 2033. This note is nonrecourse and is subordinate to the \$85,018 note payable.	<b>336,955</b>	<b>336,955</b>
A noninterest bearing note payable by Bicentennial to Merrimack County, collateralized by real estate and various financing instruments. The note is due and payable in full in May 2033.	<b>260,000</b>	<b>260,000</b>
A noninterest bearing note payable by Millyard II to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable upon sale or refinancing of the property or in May 2031. This loan is nonrecourse.	<b>449,877</b>	<b>449,877</b>
A mortgage note payable by Millyard II to NHHFA, collateralized by real estate and personal property. Monthly payments of \$1,729 include principal and interest at 3.5% per annum. The final installment is due and payable on September 1, 2032.	<b>220,274</b>	<b>233,053</b>

# FIT/NHHH, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

A note payable by Millyard II to the City of Manchester, New Hampshire, collateralized by real estate and various financing instruments. A payment of interest shall be made annually no later than August 1 each year based on 42.5% of the net cash flow, as defined. In any year where the Debt Coverage Ratio, as defined, exceeds 1.15 to 1, principal payments shall be made no later than August 1 in an amount that will result in a 1.15 to 1 Debt Coverage Ratio. All unpaid amounts are due and payable in full on August 1, 2031. This note is nonrecourse.	226,725	226,725
A noninterest bearing note payable by Millyard II to the New Hampshire Community Loan Fund, Inc. (NHCLF), collateralized by real estate. Payment of principal is due and payable on December 31, 2031. This note is nonrecourse.	250,000	250,000
A mortgage note payable by Housing Benefits to the City of Manchester Community Improvement Program, collateralized by Millyard Families I real estate. The note is noninterest bearing and is due and payable in January 2027.	230,000	230,000
A second mortgage note payable by Housing Benefits to CDFA, collateralized by Millyard Families I real estate. Monthly payments of \$1,121 include principal and interest at 2% per annum. The final installment is due and payable on June 15, 2022.	45,430	57,837
A mortgage note payable by Family Bridge to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on August 30, 2034.	850,000	850,000
A promissory note payable by Family Bridge to TD Bank, N.A., collateralized by real estate. Monthly payments of \$3,953 include principal and interest at 4.33%. The note is payable in full in November 27, 2023 and is guaranteed by FIT and Family Mill.	432,921	450,124
A promissory note payable by Family Bridge to the City of Manchester, New Hampshire. The note is noninterest bearing with annual payments of 50% of net cash flow payable by October 1. The outstanding principal is due by October 1, 2034. The note is collateralized by real estate and is nonrecourse.	600,000	600,000

# **FIT/NHHH, INC. AND SUBSIDIARIES**

## **Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

A mortgage note payable by Family Willows to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on July 9, 2037.	<b>543,384</b>	550,878
A note payable by Family Willows to the City of Manchester, New Hampshire. The note is noninterest bearing and has an annual payment of \$9,091 payable on October 1. All outstanding principal is due by October 2029. The note is collateralized by real estate and is nonrecourse.	<b>90,908</b>	99,999
A note payable by Family Willows to RBS Citizens Bank, collateralized by real estate. Monthly payments of \$1,882 include principal and interest at 3.75%, based on the prime rate capped at 6%. The note is payable in full on June 27, 2033 and is guaranteed by FIT and Big Shady Tree.	<b>263,103</b>	275,398
A mortgage note payable by Housing Benefits to NHHFA, collateralized by School & Third Street real estate and personal property. Monthly payments of \$2,775 include principal and interest at 8% per annum. The note is due in February 2021.	<b>69,285</b>	95,775
A second mortgage note payable by Housing Benefits to NHCLF, collateralized by School & Third Street real estate and personal property. The note bears no interest and monthly payments of \$2,775 will commence on April 15, 2021 and continue until maturity in October 2039.	<b>617,613</b>	617,613
A mortgage note payable by Housing Benefits to NHHFA, collateralized by Belmont Street real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by December 2040.	<b>413,575</b>	413,575
A privately-financed mortgage note collateralized by property located at South Main Street in Concord, New Hampshire. Monthly payments of \$3,158 include principal and interest at 6.25% per annum. The note is payable in full in September 2031.	<b>332,432</b>	348,981
A mortgage note payable from Housing Benefits to NHHFA, collateralized by Lowell Street real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full in August 2040.	<b>34,628</b>	34,628

**FIT/NHHH, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

A second, noninterest bearing, mortgage note payable from Housing Benefits to the City of Manchester, New Hampshire, collateralized by Lowell Street real estate. Annual payments equal to the greater of 25% of net cash flow, as defined, or \$4,000 commenced in October 2012 and continue until the maturity date in June 2041.	<b>168,022</b>	<b>168,022</b>
A noninterest bearing promissory note payable from Housing Benefits to NHHFA collateralized by a mortgage and security agreement on Lowell Street real estate. The note is to be forgiven 1/15th annually over the low-income housing tax credit compliance period which ends in 2026, subject to compliance with certain requirements. During 2018 and 2017, \$131,267 was recognized as revenue and support in the consolidated statement of activities.	<b>984,497</b>	<b>1,115,764</b>
A mortgage note payable from Housing Benefits to NHHFA, collateralized by Dover real estate and personal property. The noninterest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2028.	<b>216,672</b>	<b>216,672</b>
A noninterest bearing mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 393-395 Spruce Street. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow, as defined, or \$5,000 are due by October 1 commencing October 1, 2015. The note is due in full by October 1, 2045.	<b>582,808</b>	<b>582,808</b>
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 167 Lake Avenue and personal property located at 161 South Beech Street, Unit 2. Monthly payments of \$1,921 include principal and interest at 3.41%. The note is due in full by April 2019. The Organization is in the process of refinancing this mortgage loan payable.	<b>388,731</b>	<b>398,203</b>
A vehicle loan payable in monthly payments of \$488, including interest at 4.06%. The loan is due in September 2020 and is collateralized by the related vehicle.	<b>9,892</b>	<b>15,239</b>

# FIT/NHNH, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

A vehicle loan payable in monthly payments of \$760, including interest at 5.374%. The loan is due in November 2020 and is collateralized by the related vehicle.	13,979	22,624
A mortgage note payable to NHHFA, collateralized by the real estate at Lake Avenue, Manchester, New Hampshire. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2045.	750,000	750,000
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 641 Hayward Street, Manchester, New Hampshire. Monthly payments of \$1,091 include principal and interest at 4.25%. The note is due in full by January 2040.	183,916	188,387
A mortgage note payable to Peoples United Bank, collateralized by Hope House. Monthly payments of \$2,270 include principal and interest at 4.94%. The note is due in full by January 2027.	382,018	390,000
A construction loan payable to Franklin Savings Bank, collateralized by real estate located at 267 Wilson Street, Manchester, New Hampshire. Housing Benefits has the ability to draw up to \$825,000 on the promissory note. Monthly payments including principal and interest are due over a 30 year period starting September 2018 at 4.90% interest.	770,113	270,855
A noninterest bearing construction loan payable to NHHFA, collateralized by real estate located at 267 Wilson Street, Manchester, New Hampshire. The note has a borrowing limit of \$720,000. Annual payments in amounts equal to 25% of surplus cash. The note is due in full by November 1, 2047.	692,891	113,819
Three vehicle loans collateralized by an activity bus payable to Ford Credit in monthly payments of \$392 at 5.90% annual interest rate. The loan is due and payable in March 2022.	40,633	51,965
A noninterest bearing mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 267 Wilson Street, 2nd Floor. The note has a borrowing limit of \$1,655,323. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow, as defined, or \$5,000 are due by October 1 commencing October 1, 2019. The note is due in full by October 1, 2047.	1,133,816	-



**FIT/NHNH, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

<p>A noninterest bearing mortgage note payable to the City of Manchester, collateralized by real estate located at 267 Wilson Street, 3rd Floor. The note is funded the the City of Manchester's Community Improvement Program and the City of Manchester's Affordable Housing Trust Funds. The note has a borrowing limit of \$531,252. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments in the amount of 25% of net cash flow, as defined, are due by October 1 commencing October 1, 2019. The note is due in full by December 1, 2047.</p>	<p><b>495,225</b></p>	<p>-</p>
<p>A noninterest bearing construction loan payable to NHHFA, collateralized by real estate located in Wolfeboro, New Hampshire. The note has a borrowing limit of \$780,000. Annual payments in amounts equal to 25% of surplus cash. The note is due in full by December 1, 2047.</p>	<p><b>780,000</b></p>	<p>-</p>
<p>A technical assistance note payable to NHHFA to provide support to the Organization for renovations at Angie's Shelter. If the renovation project is approved, NHHFA is expected to be the lead lender on renovations. If the renovation project is not approved NHHFA will forgive the borrowings. The noninterest bearing note payable is due at the time of closing on the construction loan.</p>	<p><b>13,879</b></p>	<p>-</p>
<p>A noninterest bearing note payable to the City of Manchester Community Improvement Program through the Affordable Housing Trust Funds, collateralized by real estate located at 199 Manchester Street. Annual payments of \$6,000 are due by October 1 commencing October 1, 2010. The note is due in full by October 1, 2019.</p>	<p><b>6,000</b></p>	<p>-</p>
<p>A note payable to CDFA, collateralized by real estate located at 199 Manchester Street, Manchester, New Hampshire. Principal only payments are due for the first 18 months, at which time monthly payments include principal and interest at 2.0% will be required until December 2021.</p>	<p><u><b>46,767</b></u></p>	<p><u>-</u></p>
	<p><b>14,760,449</b></p>	<p><b>11,534,117</b></p>
<p>Less current portion</p>	<p><b>1,116,180</b></p>	<p><b>216,147</b></p>
<p>Less unamortized deferred costs</p>	<p><u><b>40,252</b></u></p>	<p><u><b>53,449</b></u></p>
	<p><u><b>\$ 13,604,017</b></u></p>	<p><u><b>\$11,264,521</b></u></p>

# FIT/NHNN, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

**December 31, 2018**  
**(With Comparative Totals for December 31, 2017)**

Surplus cash for the purposes of these disclosures is as defined in the respective loan agreements.

Principal maturities of the above notes over the next five years and thereafter are as follows:

2019	\$ 1,116,180
2020	218,543
2021	210,011
2022	186,655
2023	504,951
Thereafter	<u>12,524,109</u>
	<u>\$ 14,760,449</u>

Interest expense charged to operations, including amortization of deferred costs of \$13,197, was \$229,713 and \$188,473 in 2018 and 2017, respectively. Cash paid for interest approximates interest expense.

### 7. Net Assets

At December 31, 2018 and 2017, net assets without donor restrictions are fully available to support operations of the Organization.

Net assets with donor restrictions were as follows:

	<u>2018</u>	<u>2017</u>
Specific purpose		
The Family Place - services	\$ 53,540	\$ -
Scholarships	8,264	10,264
VISTA program	48,118	57,351
Direct care for clients	95,410	109,749
Community Gardens	10,333	-
Hope House	131,440	241,761
Family Willows Recovery Housing Program	264,238	299,797
NHNN merger	345,003	98,500
Substance use disorder services	170,677	-
NHNN programs	<u>60,613</u>	<u>-</u>
	1,187,636	817,422
Passage of time		
Grant receivable - time restricted	<u>-</u>	<u>80,000</u>
	<u>\$ 1,187,636</u>	<u>\$ 897,422</u>

# FIT/NHHH, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

**December 31, 2018**  
**(With Comparative Totals for December 31, 2017)**

Net assets released from net assets with donor restrictions were as follows:

	<u>2018</u>	<u>2017</u>
Satisfaction of purpose restrictions:		
The Family Place - services	\$ -	\$ 41,866
Scholarships	3,500	2,500
VISTA program	57,325	58,093
Housing programs	-	10,000
Direct care for clients	84,324	45,070
Community Gardens	-	42,843
Hope House	216,016	-
Family Willows Recovery Housing Program	143,796	42,972
NHHH merger	96,706	-
Substance use disorder services	45,324	2,000
NHHH programs	5,746	-
	<u>\$ 652,737</u>	<u>\$ 245,344</u>

### 8. Commitments

Under the terms of the Limited Partnerships' Regulatory Agreements with NHHFA, each Limited Partnership is required to make deposits to various escrow accounts to fund expected future costs.

Each Limited Partnership has entered into a Land Use Restriction Agreement with NHHFA, as a condition of the allocation of low-income housing tax credits by NHHFA. Pursuant to the covenant, the Limited Partnerships are required to remain in compliance with Code Section 42 for the compliance period and an extended use period, unless terminated sooner.

### 9. Retirement Plan

The Organization has a tax deferred retirement plan which is available to all employees working greater than 25 hours a week. All employees are eligible to participate and are fully vested with the first contribution. The Organization matches contributions at 100% up to 3% of compensation. The Organization contributed \$63,053 and \$49,814 during the years ended December 31, 2018 and 2017, respectively.

### 10. Housing Action New Hampshire

In 2011, the Organization entered into a Fiscal Sponsorship Agreement with Housing Action New Hampshire (HANH), an unincorporated association. Authority to manage the programmatic activities of HANH is vested solely in HANH. In accordance with the agreement, the Organization was to maintain the books and financial records for HANH in accordance with U.S. GAAP. HANH funds were presented in the Organization's consolidated statement of financial position as funds held as fiscal agent. Effective January 1, 2018, the Fiscal Sponsorship Agreement terminated and the Organization no longer maintains the books and financial records for HANH.

# FIT/NHNNH, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2018

(With Comparative Totals for December 31, 2017)

### 11. Noncontrolling Interest

Noncontrolling interest, as shown in the consolidated statement of financial position, represents investments by limited partners in the Limited Partnerships as follows:

<u>Limited Partner</u>	<u>Property</u>	<u>2018</u>	<u>2017</u>
New Hampshire Housing Equity Fund, Inc.	Bicentennial	\$ 105,749	\$ 213,660
JP Morgan Chase	Bicentennial	213,791	213,791
BCCC, Inc.	Family Bridge	10	10
Boston Capital Corporate	Family Bridge	970,818	1,135,777
BCCC, Inc.	Family Willows	10	10
Boston Capital Midway	Family Willows	<u>1,953,316</u>	<u>2,002,230</u>
		<u>\$ 3,243,694</u>	<u>\$ 3,565,478</u>

### 12. Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, the Organization has considered transactions or events occurring through March 18, 2019, which was the date the consolidated financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the consolidated financial statements.

#### Bicentennial

During 2018, Bicentennial reached the end of the initial 15-year low-income housing tax credit compliance period. As a result, New Hampshire Housing Equity Fund, Inc. and JP Morgan Chase (the limited partners) have decided to withdraw from Bicentennial and are expected to do so in the first quarter of 2019. It is management's plan to have Housing Benefits assume the remaining assets of Bicentennial.

#### Outfitters

As a result of management's decision to close the OutFITter's Boutique located in Concord, New Hampshire, the property was put up for sale and is reflected as an asset held for sale on the consolidated statement of financial position at December 31, 2018. On February 25, 2019, Outfitters sold the property for \$830,000. CDFA, who granted tax credits to originally purchase the property, has required Outfitters to restrict \$43,340 of the proceeds from the sale to be used for the Outfitters thrift store located in Manchester, New Hampshire. Outfitters will recognize a gain on sale of property in 2019.

**FIT/NHHH, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**December 31, 2018**

**(With Comparative Totals for December 31, 2017)**

**Antoinette Hills**

In September, 2018, Housing Benefits signed a Purchase and Sale Agreement with Antoinette L. Hill Apartments, Inc., an unrelated party, to purchase 23 units of housing located in Manchester, New Hampshire for approximately \$1,300,000 to be financed through NHHFA. The terms of the long-term debt agreement with NHHFA require that the owner of the property must be a single purpose entity. As a result, management has formed HB-AH, LLC, is a single member LLC, with Housing Benefits as its sole member.

## **SUPPLEMENTARY INFORMATION**

**FIT/NNHH, INC. AND SUBSIDIARIES**  
**Consolidating Statement of Financial Position**  
**December 31, 2018**

ASSETS											
	Families In Transition - Operations	Limited Partnerships	Housing Benefits	Family Outlets	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	With Donor Restriction	Eliminations	Total
Current assets											
Cash and cash equivalents	\$ 316,969	\$ 67,491	\$ 178,556	\$ 8,185	\$ 166,840	\$ 1,529	\$ 83,898	\$ 18,726	\$ 757,839	\$ -	\$ 1,588,033
Accounts receivable	96,089	19,792	20,403	-	7,280	-	-	1,056	-	(92,406)	52,211
Grants and contributions receivable	338,563	-	-	-	36,213	6,770	-	-	404,787	-	786,343
Prepaid expenses	45,647	16,319	13,811	-	-	370	742	3,118	-	-	60,007
Due from related party	892,886	-	93,543	138,407	26,443	-	-	-	-	(1,115,466)	35,613
Other current assets	6,574	20,789	20,787	-	-	-	-	-	-	-	48,110
Total current assets	1,696,528	124,371	327,060	144,592	236,778	8,669	84,640	22,900	1,182,636	(1,207,875)	2,600,317
Replacement reserves	62,587	113,005	160,986	-	-	-	-	-	-	-	336,578
Reserve cash designated for properties	54,648	296,424	367,082	-	-	-	-	-	-	-	718,154
Related party notes receivable	1,723,799	-	-	-	-	-	-	-	-	(1,723,799)	-
Accrued interest receivable on related party note	1,066,447	-	-	-	-	-	-	-	-	(1,066,447)	-
Investments	-	-	-	-	1,311,584	-	-	-	25,000	-	1,336,584
Investment in related entities	1,196,347	-	25,051	-	-	-	-	-	-	(1,220,398)	1,000
Asset held for sale	429,779	-	-	-	-	-	-	-	-	-	429,779
Property and equipment, net	4,004,284	9,784,021	13,343,733	30,096	1,362,225	2,987	3,523	-	-	-	28,530,818
Development in process	110,384	-	3,495,066	-	-	-	-	-	-	-	3,605,450
Other assets	29,013	-	141,092	-	28,388	-	-	-	-	-	198,472
Total assets	\$ 10,375,795	\$ 10,317,821	\$ 17,860,090	\$ 174,658	\$ 2,936,953	\$ 11,656	\$ 88,163	\$ 22,900	\$ 1,187,636	\$ (5,220,519)	\$ 37,797,154
LIABILITIES AND NET ASSETS											
Current liabilities											
Current portion of long-term debt	\$ 892,429	\$ 75,090	\$ 116,235	\$ 8,436	\$ 23,988	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,116,180
Accounts payable	135,883	96,901	96,186	4,010	1,625	2,631	2,889	2,191	-	(92,406)	249,907
Accrued expenses	195,127	863,996	269,961	20,577	56,135	6,746	-	-	-	(1,066,447)	348,095
Due to related entities	26,443	118,163	792,031	137,734	-	78,157	-	551	-	(1,115,486)	35,613
Line of credit	145,000	-	-	-	-	-	-	-	-	-	145,000
Other current liabilities	38,194	22,664	23,067	-	-	-	550	-	-	-	82,472
Total current liabilities	1,431,076	1,176,614	1,297,480	170,799	83,748	85,534	3,439	2,742	-	(2,274,322)	1,977,270
Long-term debt, less current portion, net of unamortized deferred costs	1,249,840	4,820,882	9,224,579	5,536	26,779	-	-	-	-	(1,725,799)	13,604,017
Total liabilities	2,681,016	5,997,796	10,522,059	176,295	112,527	85,534	3,439	2,742	-	(4,000,121)	15,581,287
Net assets											
Net assets without donor restrictions - controlling interest	7,694,780	1,076,331	7,338,031	(1,637)	2,826,426	(73,876)	84,724	20,158	-	(1,220,398)	17,744,537
Net assets without donor restrictions - noncontrolling interest	-	3,243,824	-	-	-	-	-	-	-	-	3,243,824
Total net assets without donor restriction	7,694,780	4,320,025	7,338,031	(1,637)	2,826,426	(73,876)	84,724	20,158	-	(1,220,398)	20,988,231
Net assets with donor restrictions	-	-	-	-	-	-	-	-	1,187,636	-	1,187,636
Total net assets	7,694,780	4,320,025	7,338,031	(1,637)	2,826,426	(73,876)	84,724	20,158	1,187,636	(1,220,398)	22,175,867
Total liabilities and net assets	\$ 10,375,795	\$ 10,317,821	\$ 17,860,090	\$ 174,658	\$ 2,936,953	\$ 11,656	\$ 88,163	\$ 22,900	\$ 1,187,636	\$ (5,220,519)	\$ 37,797,154

**FIT/NNHM, INC. AND SUBSIDIARIES**

**Consolidating Statement of Activities**

Year Ended December 31, 2018

	Families in Transition - Cooperating	Limited Partnerships	Housing Benefits	Family Outreach	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	Eliminations	Without Donor Restrictions Total	With Donor Restrictions	Total
<b>Revenue and support</b>												
Federal, state and other grant support	\$ 4,224,280	\$ -	\$ 99,250	\$ -	\$ 328,420	\$ 167,028	\$ -	\$ -	\$ (217,858)	\$ 4,801,300	\$ 513,854	\$ 5,115,154
Rental income, net of vacancies	333,233	813,885	884,102	-	-	6,063	-	63,599	(78,417)	2,021,465	-	2,021,465
Thrift store sales	-	-	-	616,565	-	-	-	-	-	616,565	-	616,565
Public support	253,447	-	17,131	1,517	580,712	-	23,023	-	-	855,830	-	855,830
Tax credit revenue	60,000	-	-	-	-	-	-	-	-	60,000	-	60,000
Special events	175,274	-	-	-	351,638	-	-	-	-	526,910	-	526,910
Property management fees	584,583	-	-	-	-	-	-	-	(584,583)	-	-	-
Developer fees	68,483	-	-	-	-	-	-	-	-	68,483	-	68,483
VISTA program revenue	93,734	-	-	-	-	-	-	-	-	93,734	-	93,734
Unrealized loss on investments	-	-	-	-	(168,848)	-	-	-	-	(168,848)	-	(168,848)
Loss on disposal of assets	-	-	(1,484)	-	(8,631)	-	-	-	-	(10,115)	-	(10,115)
Interest income	97,362	2,304	6,738	-	-	-	-	-	(67,770)	38,634	-	38,634
In-kind donations	13,704	-	-	-	-	725	-	-	-	14,429	-	14,429
Investment income	-	-	-	-	99,783	-	-	-	-	99,783	-	99,783
Forgiveness of debt	-	18,000	131,287	-	-	-	-	-	(18,000)	131,287	-	131,287
Medicaid reimbursements	521,957	-	-	-	-	-	-	-	-	521,957	-	521,957
Other income	252,635	19,901	135,971	19,056	32,085	42,178	5,049	-	(227,455)	279,420	-	279,420
Net assets released from restrictions	287,179	-	-	-	5,748	-	-	-	-	292,927	(292,927)	-
<b>Total revenue and support</b>	<b>6,895,831</b>	<b>854,990</b>	<b>1,272,995</b>	<b>637,138</b>	<b>1,208,853</b>	<b>215,954</b>	<b>28,072</b>	<b>63,599</b>	<b>(1,194,883)</b>	<b>10,943,718</b>	<b>220,929</b>	<b>10,264,648</b>
<b>Expenses</b>												
Program activities	5,474,177	1,210,197	1,314,432	749,070	1,202,828	243,810	17,363	43,441	(1,194,883)	9,060,435	-	9,060,435
Fundraising	814,693	-	188,990	-	348,258	-	-	-	-	1,351,941	-	1,351,941
Management and general	711,303	-	87,840	-	115,158	-	-	-	-	914,098	-	914,098
<b>Total expenses</b>	<b>6,800,173</b>	<b>1,210,197</b>	<b>1,571,062</b>	<b>749,070</b>	<b>1,666,242</b>	<b>243,810</b>	<b>17,363</b>	<b>43,441</b>	<b>(1,194,883)</b>	<b>11,106,475</b>	<b>-</b>	<b>11,106,475</b>
<b>Excess (deficiency) of revenue and support over expenses</b>	<b>165,658</b>	<b>(356,107)</b>	<b>(298,067)</b>	<b>(111,932)</b>	<b>(465,359)</b>	<b>(27,816)</b>	<b>10,709</b>	<b>20,158</b>	<b>-</b>	<b>(1,062,756)</b>	<b>220,929</b>	<b>(841,827)</b>
<b>Grants and contributions for capital projects</b>	<b>-</b>	<b>-</b>	<b>270,857</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>270,857</b>	<b>289,933</b>	<b>560,790</b>
<b>Net assets released for capital projects</b>	<b>359,812</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>359,812</b>	<b>(359,812)</b>	<b>-</b>
<b>Effect of consolidation of assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,291,787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,291,787</b>	<b>139,164</b>	<b>3,430,951</b>
<b>Change in net assets</b>	<b>\$ 525,470</b>	<b>\$ (756,107)</b>	<b>\$ (27,210)</b>	<b>\$ (111,932)</b>	<b>\$ 2,826,428</b>	<b>\$ (27,816)</b>	<b>\$ 10,709</b>	<b>\$ 20,158</b>	<b>\$ -</b>	<b>\$ 2,859,700</b>	<b>\$ 290,214</b>	<b>\$ 3,149,914</b>



FIT/INHH, INC. AND SUBSIDIARIES  
Consolidating Statement of Functional Expenses  
Year Ended December 31, 2018

Program Activities

	Families In Transition - Operating	Limited Partnerships	Housing Benefits	Family Outlets	New Horizons for New Hampshires	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	Program Activities Total	Fundraising	Management and General	Eliminations	Total
Salaries and benefits													
Salaries and wages	\$ 2,333,525	\$ -	\$ 370,212	\$ 318,195	\$ 673,012	\$ 116,026	\$ -	\$ -	\$ 3,808,970	\$ 518,402	\$ 355,442	\$ -	\$ 4,682,814
Employee benefits	257,005	-	78,225	24,951	61,064	6,487	-	-	425,732	54,002	37,770	-	517,504
Payroll taxes	173,477	-	25,578	24,440	55,128	8,625	-	-	287,250	39,746	28,593	-	353,589
Total salaries and benefits	2,764,007	-	472,015	365,586	789,205	131,138	-	-	4,521,952	612,150	419,805	-	5,553,907
Advertising	14,111	-	298	25,088	-	-	609	-	40,086	-	18,948	-	59,032
Application and permit fees	-	-	1,620	-	-	-	-	-	1,620	-	-	-	1,620
Bad debts	1,988	11,897	14,215	-	-	-	-	-	28,100	-	-	-	28,100
Bank charges	-	390	-	8,847	-	97	50	36	9,420	-	11,445	-	20,865
Consultants	13,862	-	3,519	2,847	-	2,123	-	-	22,351	4,647	2,483	-	29,481
Depreciation	171,127	385,718	323,483	11,093	52,376	340	834	-	944,871	115,347	51,612	-	1,111,930
Events	-	-	-	2,814	-	-	3,550	-	6,364	160,885	-	-	167,049
General insurance	29,119	36,144	30,125	3,523	18,977	5,714	-	4,712	128,314	14,318	13,248	-	155,880
Grant expense	23,538	-	-	-	35,611	-	-	-	59,149	-	-	-	59,149
Interest expense	66,838	112,239	115,975	714	1,717	-	-	-	297,483	-	-	-	229,713
Management fees	74,870	191,065	294,788	-	-	-	-	10,401	571,204	-	-	(87,770)	622
Meals and entertainment	4,284	-	32	179	-	133	-	-	4,919	856	547	-	6,122
Membership dues	8,280	-	1,510	-	-	-	1,000	-	10,790	1,741	3,458	-	15,989
Merger expenses	-	-	-	-	-	-	-	-	-	-	137,747	-	137,747
Office supplies	243,293	949	21,987	6,460	15,454	149	566	-	288,858	43,158	38,138	-	370,155
Participant expenses	58,720	3,076	8,132	45	-	43,887	3,000	-	118,960	379	379	-	117,718
Postage	5,734	-	6	9	1,579	-	5	-	7,333	4,274	1,758	-	13,365
Printing	15,682	-	-	2,745	-	-	1,093	-	19,500	19,128	2,088	-	40,717
Professional fees	9,275	27,743	9,313	3,500	-	5,969	-	1,606	57,406	-	112,417	-	169,823
Related entity expenses	795,348	-	(491,778)	158,388	-	-	-	-	462,970	-	144	(483,114)	-
Rent	-	-	-	62,696	-	-	-	-	62,696	-	16,721	(79,417)	-
Rental subsidies	332,270	-	-	-	15,222	22,682	-	-	332,270	-	-	-	332,270
Repairs and maintenance	52,636	126,512	185,342	34,325	166,891	-	-	7,729	424,448	42,145	16,169	(20,000)	482,762
Shelter expense	-	-	-	-	-	-	-	-	166,891	-	-	-	166,891
Staff development	26,056	-	-	98	741	-	4,791	-	31,686	4,008	3,340	-	39,034
Taxes	87,851	113,610	132,002	2,307	-	1	75	-	315,920	-	-	-	315,920
Technology support	182,432	485	2,511	2,231	3,008	840	856	-	192,383	28,782	23,866	-	244,811
Telephone	62,889	719	16,050	5,056	5,465	2,893	-	1,176	84,048	10,095	8,778	-	112,821
Travel	32,932	-	1,674	3,845	5,685	-	623	-	44,759	5,181	4,222	-	54,172
Utilities	36,093	197,345	167,198	31,461	75,657	18,186	-	17,781	543,721	52,007	17,787	-	613,495
VISTA program	318,534	2,325	-	-	-	-	-	-	320,859	-	-	-	320,859
Workers' compensation	62,528	-	24,432	14,223	15,240	8,484	-	-	125,907	13,228	8,220	-	148,356
Total expenses	\$ 5,474,177	\$ 1,210,197	\$ 1,314,432	\$ 749,070	\$ 1,202,828	\$ 243,810	\$ 17,383	\$ 43,441	\$ 10,255,318	\$ 1,131,841	\$ 814,029	\$ (1,184,893)	\$ 11,106,475

**Families in Transition/New Horizons New Hampshire  
Board of Directors**

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**Board of Directors**

**David Cassidy, Co-Chairperson**  
*Senior Vice President, Eastern Bank*  
Board member since 2018

**Charla Bizios Stevens, Co -Chairperson**  
*Director, Litigation Department and Chair of Employment Law Practice Group*  
*McLane Middleton, Professional Association Esquire*  
Board member since 2018

**Colleen Cone, Vice Chairperson**  
*Sr. Director Employee Relations Greater Boston Area, Comcast*  
Board member since 2018

**Robert Bartley, Treasurer**  
*President, CPA, CFP, Bartley Financial Advisor*  
Board member since 2018

**Frank Saglio, Asst. Treasurer**  
*Howe, Riley & Howe, PLLC.*  
Board member since 2018

**Kristi Scarpone, Secretary**  
*First, Corporate and Foundation Relations*  
Board member since 2018

**Roy Tilsley, At Large**  
*Bernstein Shur, Shareholder*  
Board member since 2018

**Scott W. Ellison, At Large**  
*COOK, LITTLE, ROSENBLATT & MANSON, PLLC, Partner*  
Board member since 2018

**Dick Anagnost, Prior Co-Chairperson**  
*President, Anagnost Companies*  
Board member since 2018

**Alison Hutcheson**  
*Merchants Fleet Management, Associate Director of Sales Administration*  
Board member since 2018

**AnnMarie French**  
*Executive Director, NH Fiscal Policy Institute*  
Board member since 2018

**Brian Hansen**  
*Team Engineering, Project Manager*  
Board member since 2018

**Brian Mikol**  
*Spectrum Marketing, Co-Owner*  
Board member since 2018

**Heather Whitfield**  
*Vice President, Commercial Lending, People's United Bank*  
Board member since 2018

**Jack Olson**  
*Retired*  
Board member since 2018

**Kitten Stearns**  
*Realtor, Coldwell Banker Residential Brokerage*  
Board member since 2018

**Mary Ann Aldrich**  
*Dartmouth Hitchcock, Sr. Advisor Community & Relations*  
Board member since 2018

**Peter Telge**  
*Owner, Stark Brewing Company*  
Board member since 2018

**Roy Ballentine**  
*Executive Chairman, Ballentine Partners, LLC*  
Board member since 2019

**Ryan Mulholland**  
*Westbridge*  
Board member since 2018

**Sarah Jacobs**  
*Manchester School District Coordinator*  
Board member since 2018

**Sean Leighton**

Captain – Investigative Division Commander, City of Manchester Police Department

Board member since 2019

**Wayne McCormick, CFP**

*Steward Partners Managing Director Wealth Manager*

Board member since 2018

# **Maureen Ann Beauregard**

## **Professional Experience**

**November 1991 to Present:** Families in Transition, 122 Market Street, Manchester, NH 03101.

1995-Present. President, Families in Transition. Developed a Board of Directors and established Families in Transition as a private nonprofit agency in 1995. Responsible for grant writing, fundraising, facility development, oversight of agency personnel, program development, day to day operations, reporting to state and federal agencies and public relations.

- 2003to Present: Development and Implementation of 33 units permanent affordable housing in Manchester.
- 2001-2003: Development of Families in Transition – Concord, 16 units of affordable housing with 6 designated for homeless women with a disability and 10 designated for transitional housing for homeless women and their children.
- 2001 to Present: Development of Families in Transition's social entrepreneurship, Family OutFITters thrift store and Employment Training Program.
- 1998 – 2001: Development of Millyard II Transitional Housing Program with 19 apartments and 1 interim unit for 3 families.
- 1995 – 1997: Development of Millyard I Transitional Housing Program with 12 apartments for homeless women with children.
- 1994 – 1995: Development of steering committee to form the Board of Directors for Families in Transition and Families in Transition becomes and independent 501 © (3)

1991- 1994 New Hampshire Community Loan Fund. Program Director. Designed and implemented transitional housing programs for the homeless women with and without children.

- 1993 – 1994: Development and implementation of Community Program providing supportive services to 14 homeless women and their children and assisting them in attaining and maintaining housing.
- 1992 – 1993: Development and implementation of Amherst Street Transitional Housing Program for 9 homeless single women.
- 1991 – 1992: Development and implementation of Spruce Street Transitional Housing Program for 5 homeless women and their children.

**November 1989-March 1991:** Child Protective Service Worker II for the Division for Children and Youth Services, 30 Maplewood Avenue, Portsmouth, NH. Advocated for abused and neglected children in court, established support network (fostercare, visitation, and counseling) to help in the abuse/neglect recovery process.

**November 1988-November 1989:** Substance Abuse Counselor for Team Coordinating Agency, Phoenix East, Haverhill, MA. Counseled clients, aided and found resources (AA/NA meetings, employment, education, and counseling) for residents in halfway house for alcoholic/addicts, age 16-25. Conducted weekly support group.

## **Education**

Bachelor of Science degree from the University of New Hampshire, College of Life Science and Agriculture. Area of study: Family Studies.

## **Professional Affiliations and Honors**

- **1998 to 2004** – Northern New England Housing Investment Fund. Member of Board of Directors.
- **1998 to 2004** – Northern New England Equity Fund. Member Board of Directors and Investment Committee
- **2004:** New Hampshire Business Review, Business Excellence Awards 2004, Maureen Beauregard for Excellence in Non-Profit
- **2004:** The Walter J. Dunfey Awards for Excellence in Management awarded to Families in Transition
- **2003:** YWCA Susan B. Anthony Award, Woman of the Year
- **2003:** New Hampshire Housing Finance Authority Annual Conference: Maureen Beauregard and Families in Transition recognized as Best Practice for Development of Affordable Housing in New Hampshire.
- **2002:** Great Bay Foundation: \$150,000 grant award for the development and implementation of social entrepreneurship, Family OutFITters.
- **2002:** Citizens Bank and WMUR Channel – 9, 2003 Community Champions Award for Homelessness for New Hampshire
- **2001:** Manchester Continuum of Care Narrative submission to the U.S. Dept. of Housing & Urban Development, SuperNOFA: 1 of top 10 narratives in the country.
- **2003 to Present:** YMCA Diversity Committee
- **2003 to Present:** Intown Manchester, Economic Development Committee, Trustee
- **2003:** The Sharing Foundation, Caring for Cambodia's Children Parent Advisory Council
- **2003 to Present:** New Hampshire Interagency Council on Homelessness, member appointed by Governor Benson
- **2002 to Present:** Policy Academy for the Chronically Homeless, member
- **2002 to Present:** Great Bay Foundation, Work Group consisting of 5 leading initiatives, member
- **2001 to Present:** Manchester Task Force on Housing, member appointed by Mayor
- **1999 to Present:** Northern New England Housing Investment Fund, Investment Committee, Trustee
- **1998 to Present:** Manchester Continuum of Care, Chairperson in 1998, 2003, founding member

# Meghan E. Shea, LICSW, MLADC

## OBJECTIVE

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Continue to utilize and expand the clinical and management skills have I attained from my professional and academic training to secure a position in a nonprofit setting.

## EDUCATION / LICENSURE

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Master – Licensed Alcohol and Drug Counselor September 2010- Present

Licensed Independent Clinical Social Worker October 22, 2012-Present

Master of Social Work, University of New Hampshire May 2010

- Graduated with an MSW from the Advanced Standing Program

Bachelor of Art, Social Work, University of New Hampshire May 2006

- Graduated with an BSW with GPA of 3.41

## EMPLOYMENT

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Vice President, Clinical & Supportive Services

Families in Transition-New Horizons

December 20<sup>th</sup>, 2017 – present

- Receivership-Interim Executive Director of Serenity Place
- Oversees all clinical and supportive services at Families in Transition-New Horizons including emergency shelter, transitional and permanent supportive housing, Intensive Outpatient Services, Outpatient services, Recovery Housing and programming.
- Quality of control of healthcare facilities licensure.
- Oversight of fidelity of evidence based practices and models.
- Oversight of staff competencies and required trainings for best practices across the agency.
- Supervision of agency program managers and housing director.
- Provide clinical supervisor for licensure and certifications.
- Quality control of all billing policies and procedures.

Clinical Director

Families in Transition

Sept 1<sup>st</sup>, 2016- December 2017

- Oversee and manage Sr. Housing Program Manager who supervises the supportive services department with up to 25 staff providing housing (emergency, transitional and permanent) and supportive services with capacity to serve 200 homeless individual and families. Supportive services encompass individual case management, therapy, psycho-educational workshops, pro-social family activities and crisis intervention.
- Oversee the Family Willows Program Manager who supervises 11 clinical staff who conduct co-occurring treatment to women only
- Develop and staff Recovery Housing program and implementation of newest housing and supportive service programming
- Develop and oversight Open Doors outpatient programming for all transitional housing programs of FIT
- Ensure quality programming across Families in Transitions clinical department
- Provide training within the organization and community on substance misuse in NH
- Administer all program policies and procedure for Families In Transition's various Supportive Service
- Oversight of billing components of all levels of Co-occurring treatment.

Therapist

January 2014- Present

Bedford Family Therapy

- Treat a caseload of 15 clients in a private outpatient group practice

- Utilize various evidence based practices CBT,DBT, and Seeking Safety skills to help clients meet their own individual goals
- Conduct Drug and Alcohol assessments
- Active participant in DWI Offender Program providing mandated outpatient session for individuals coming from the Impaired Drivers Program
- Participate in weekly supervision with other licensed clinicians part of the private group practice.

#### **Clinical & Supportive Service Manager**

**March 7<sup>th</sup>, 2016- August 31<sup>st</sup>, 2016**

##### **Families In Transition**

- Manage the day to day operations for the Family Willows Substance Use Program including six staff members
- Manage the day to day operations for the Housing program of Families in Transition consisting of over 200 apartment units in New Hampshire.
- Provide clinical and administrative supervision for a total of 14 staff for Families In Transition
- Ensure compliance with budgetary and financial goals.
- Maintain compliance with State, Federal, Accreditation, Contract and Insurance regulations.
- Administer all program policies and procedure for Families In Transition's various Clinical Programs.

#### **Program Manager of the Family Willow Substance Use Treatment Program September 2014-2016**

##### **Families In Transition**

- Manage the day to day operations for the Family Willows Substance Use Program including six staff members
- Transitioned the program from grant funded to billing all commercial insurances
- Increased accessibility of treatment from 86 clients in 2013 to 250 in 2016.
- Provided clinical and administrative oversight of the FW Substance Use Treatment Program
- Carried a caseload of 12-15 individual clients providing co-occurring evidence base therapeutic interventions.
- Facilitated Intensive Outpatient treatment in a group setting on a weekly basis to group of 12 women.
- Provided training and education to staff on clinical intervention and best practices in the group setting.

#### **Therapist**

**May 2010- September 2014**

##### **Families In Transition**

- Facilitated Intensive Outpatient Programing in a group setting daily for up to 12 clients
- Carried a caseload of up to 15 people for individual therapy.
- Provided crisis services for the hotline of Families In Transition
- Conducted Substance Use Disorder Assessments for incoming clients
- Produced treatment plans, progress notes and supporting documentation in a timely manner
- Helped implement new curriculum changes in the treatment programming

#### **MSW Intern**

**May 2009 to May 2010**

##### **Bedford Counseling – Mental Health Center of Greater Manchester**

- Conducted intake interviews for new, adult clients and develop comprehensive psycho-social assessments to include diagnosis and substance use assessments
- Provided psychotherapeutic intervention services to twenty-two individuals using brief treatment and cognitive behavioral interventions
- Attended therapeutic workshops pertaining to dual-diagnosis, behavioral health and client driven treatment planning

#### **Case Manager**

**June 2006- May 2010**

##### **Families In Transition**

- Provided in home case management services to 30 individuals and families to enhance housing stability among the homeless population.
- Provided crisis hotline coverage for all clinical programming of Families In Transition
- Conducted program interviews for the community support program
- Maintained all files with updated documentation, clear and concise progress notes and treatment plans
- Facilitated workshops to help enhance overall wellness to participants of the program
- Collaborated with community partners to increase referral resources

#### **PROFESSIONAL MEMBERSHIPS**

**Providers Association Board of Directors-Vice President of Treatment July 2014 to Present**

**NH Alcohol & Drug Abuse Counselors Association**

**January 2012 to Present**

**Member of the Manchester Substance Use Collaborative**

**March 2012 to Present**

#### **PRESENTATIONS**

**NH Association for infant mental health workshop Helping Parents Be Parents:**

**Addressing Substance Use and Trauma in a Family System- Loon Mountain June 2015**



**Providers Association: Addressing Substance Misuse in the Home Environment March 31<sup>st</sup>, 2016 at  
Wentworth Douglas Hospital in Dover, NH**

REFERENCES - AVAILABLE UPON REQUEST

# Ann-Elise Bryant

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## Objective

Seeking a position as Case Manager

## Education

Gordon College

Bachelor of Arts in Psychology and Sociology

GPA 3.57

Wenham, MA

May 2010

Honors: *Barrington Scholar: for academic performance in, and impact on, the Psychology department and campus- one student from each department chosen; Dean's List; graduated cum laude*

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## Experience

### Housing Advocate

Families In Transition, Manchester, NH

October 2015- Present

- Responsible for an active case load of 33 individuals who were formerly homeless and are now striving to increase self-sufficiency through addressing barriers such as substance use disorders, mental health diagnoses, and trauma related symptoms while moving towards permanent, stable, independent housing
- Promote participants' growth in achieving goals related to the above mentioned barriers, in addition to those related to increasing financial, employment, and/or education related successes, through providing support in home and community, advocacy, and inter-agency and community referrals
- Encourage appropriate community building through facilitating monthly dinners and other social events
- Document timely records of all participant and collaborative meetings and maintain necessary file documentation such as up-to-date Action Plans, Case Management Needs Identifiers, and Releases of Information

### Supportive Services Case Manager

Somerville Homeless Coalition, Somerville, MA

March 2014- October 2015

- Managed an active case load of 12-18 individuals who were formerly homeless and in recovery from substance abuse addiction and/or mental health diagnoses
- Provided services in home and community as outlined on an Individual Service Plan (ISP) in conjunction with supports to promote retention of permanent housing, sobriety, and symptom management
- Responded to crisis situations (including relapse) and utilized Harm Reduction tactics to promote client safety
- Produced documentation of all client interactions and maintained up-to-date ISPs and assessments

### Supported Employment Specialist

Genesis Behavioral Health, Laconia, NH

January 2013- February 2014

- Supported an active case load of 25-30 individuals with Severe and Persistent Mental Illness (SPMI) primarily with employment search and school related activities in the community using an Individualized Service Plan (ISP) to provide optimal treatment within a team approach
- Documented all interactions with clients to maintain continuity of care within and, if necessary, outside of agency
- Provided emergency services such as Crisis Intervention, support to local hospital emergency rooms, and/or contact of local authorities when necessary

- Facilitated more effective, streamlined processes for working in conjunction with local agencies, as well as within the Supported Employment team in the areas of service provision to clients and new hire training

#### **Research Data Coordinator**

Institute for Community Inclusion, Boston, MA

November 2010- December 2011

- Conducted research related activities (e.g. interviews, transcribing, literature reviews) on two projects focused on aiding individuals with disabilities
- Worked as a member of a research team and attended, and sometimes led, team meetings

#### **Teaching Assistant**

Gordon College, Wenham, MA

August 2008- March 2010

- Lead small group meetings ranging from six to twelve students and was responsible for grading students' papers and providing extra help, advice, and instruction
- Attended preparation and follow-up meetings

#### **Private Babysitter**

North Shore of Boston, MA

December 2007- May 2010

- Provided care for children ages 3 months- 10 years old through such activities as creating productive playtime, aiding with homework help, and meeting basic needs (mealtime, bathing, laundering)

#### **Food Program and Groceries Intern**

Rosie's Place, Boston, MA

September 2008- December 2008

- Completed internship through Gordon College's Boston Urban Semester primarily assisting women with their grocery selections in the food pantry while learning about the services provided through this organization (e.g. legal, housing, and health services)

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*References available upon request*

**CONTRACTOR NAME**

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Maureen Beauregard	President	153,699	0%	-
Meghan Shea	VP of Clinical Services	85,000	15%	12,750
Ann-Elise Bryant	Program Manager	43,000	20%	8,600

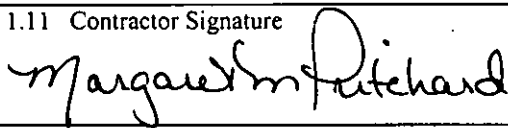
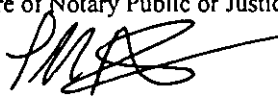
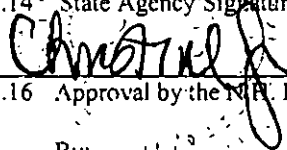

Subject: Continuum of Care, McGrath Street Permanent Housing Program, SS-2020-BHS-04-PERMA-14

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

**AGREEMENT**

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

**GENERAL PROVISIONS****1. IDENTIFICATION.**

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name The Lakes Region Mental Health Center, Inc.		1.4 Contractor Address 40 Beacon Street East Laconia, NH 03246	
1.5 Contractor Phone Number (603)516-9300	1.6 Account Number 05-95-42-423010-7927- 102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$99,835
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9330	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Margaret M. Pritchard Chief Executive Officer	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Deknop</u> On <u>5/31/19</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal] <b>TERESA M. POTTER-BROWN, Notary Public</b> <b>My Commission Expires September 17, 2019</b>			
1.13.2 Name and Title of Notary or Justice of the Peace			
1.14 State Agency Signature  Date: <u>5/31/19</u>		1.15 Name and Title of State Agency Signatory Christine Sanbiello, Director	
1.16 Approval by the NH Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>6/4/19</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

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

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

**4. CONDITIONAL NATURE OF AGREEMENT.**

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

**5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.**

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

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

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

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

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

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

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

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

**7. PERSONNEL.**

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

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

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**

**Permanent Supportive Housing Program**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:  
NH DHHS  
Bureau of Housing Supports (BHS)  
129 Pleasant Street  
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

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Date 5/31/19



Exhibit A

- 1.10. The Contractor shall support the primary goal of this program which is to facilitate the movement of homeless and chronically homeless individuals and families to permanent housing and maximum self-sufficiency.

**2. Scope of Services**

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Housing program comprised of four (4) housing units and fourteen (14) beds serving homeless, disabled adults with mental illness, and which includes, but is not limited to:
  - 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
  - 2.2.2. The development of a stabilization plan and crisis management plan with the participant, at intake and, at a minimum, annually. An ongoing Assessment of Housing and Supportive Services is required, with the ultimate goal being assistance to the participant in obtaining the skills necessary to live in the community independently.
- 2.3. The Contractor shall establish and maintain standard operating procedures to ensure CoC program funds are used in accordance with 24 CFR 578 and must establish and maintain sufficient records to enable HUD and BHS to determine Contractor requirement compliance, including:
  - 2.3.1. Continuum of Care Records: The Contractor shall maintain the following documentation related to establishing and operating a CoC:
    - 2.3.1.1. Records of Homeless Status. The Contractor shall maintain acceptable evidence of homeless status in accordance with 24 CFR 576.500(b).
    - 2.3.1.2. Records of at Risk of Homelessness Status: The Contractor shall maintain records that establish "at risk of homelessness" status of each individual or family who receives CoC homelessness prevention assistance, as identified in 24 CFR 576.500(c).
    - 2.3.1.3. Records of Reasonable Belief of Imminent Threat of Harm. The Contractor shall maintain documentation of each program participant who moved to a different CoC due to imminent threat of further domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR 578.51(c)(3). The Contractor shall retain documentation that includes, but is not limited to:
      - 2.3.1.3.1 The original incidence of domestic violence, dating violence, sexual assault, or stalking, only if the original violence is not already documented in the program participant's case file. This may be written observation of the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; medical or dental records; court records or law enforcement records; or written certification by the program participant to whom the violence occurred or by the head of household.

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Exhibit A

- 2.3.1.3.2 The reasonable belief of imminent threat of further domestic violence, dating violence, or sexual assault or stalking, which would include threats from a third-party, such as a friend or family member of the perpetrator of the violence. This may be written observation by the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; current restraining order; recent court order or other court records; law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts; or a written certification by the program participant to whom the violence occurred or the head of household.
- 2.3.1.4. Records of Annual Income. For each program participant who receives housing assistance where rent or an occupancy charge is paid by the program participant, the Contractor must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, government benefits administrator) or the written certification by the Contractor's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period; or
- 2.3.1.4.4. To the extent that source documents and third-party verification are unobtainable, the written certification by the program participant of the amount of income that the program participant is reasonably expected to receive over the three (3) month period following the evaluation.
- 2.3.1.5. Program Participant Records. In addition to evidence of homelessness status or at-risk-of-homelessness status, as applicable, the Contractor must keep records for each program participant that document:
- 2.3.1.5.1. The services and assistance provided to that program participant, including evidence that the Contractor has conducted an annual assessment of services for those program participants that remain in the program for more than a year and adjusted the service package accordingly, and including case management services as provided in 24 CFR 578.37(a)(1)(ii)(F); and
- 2.3.1.5.2. Where applicable, compliance with the termination of assistance requirement in 24 CFR 578.91.
- 2.3.1.6. Housing Standards. The Contractor must retain documentation of compliance with the housing standards in 24 CFR 578.75(b), including inspection reports.
- 2.3.1.7. Services Provided. The Contractor must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were reviewed at least annually and that the service package offered to program participants was adjusted as necessary.
- 2.4. The Contractor shall maintain records that document compliance with:
- 2.4.1. The Organizational conflict-of-interest requirements in 24 CFR 578.95(c).

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Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 2.4.3. The Other Conflicts requirements in 24 CFR 578.95(d).
- 2.5. The Contractor shall develop, implement and retain a copy of the personal conflict-of-interest policy that complies with the requirements in 24 CFR 578.95, including records supporting any exceptions to the personal conflict-of-interest prohibitions.
- 2.6. The Contractor shall comply and retain documentation of compliance with:
  - 2.6.1. The Homeless Participation requirements in accordance with 24 CFR 578.75(g).
  - 2.6.2. The Faith-based Activities requirements in accordance with 24 CFR 578.87(b).
  - 2.6.3. Affirmatively Furthering Fair Housing by maintaining copies of all marketing, outreach, and other materials used to inform eligible persons of the program in accordance with 24 CFR 578.93(c).
  - 2.6.4. Other Federal Requirements in 24 CFR 578.99, as applicable.
  - 2.6.5. Other Records Specified by HUD. The Contractor must keep other records as specified by HUD.
  - 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the specific confidentiality and security requirements for HMIS data (76 FR 76917), the Contractor shall develop and implement written procedures to ensure:
  - 2.7.1. All records containing protected identifying information of any individual or family who applies for and/or receives Continuum of Care assistance shall be kept secure and confidential as required by this Agreement and state and federal laws and regulations;
  - 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not be made public, except with written authorization of the person responsible for the operation of the project; and
  - 2.7.3. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality;
- 2.8. Period of Record Retention. The Contractor shall ensure all records, originals or copies made by microfilming, photocopying, or other similar methods, pertaining to Continuum of Care funds are retained for five (5) years following the Contract Completion Date and receipt of final payment by the Contractor unless records are otherwise required to be maintained for a period in excess of the five (5) year period according to state or federal law or regulation.

**3. Program Reporting Requirements**

- 3.1. The Contractor shall submit the following reports:
  - 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and

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Exhibit A

3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

**4. Contract Administration**

- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.

**5. Performance Measures**

- 5.1. The Contractor shall adhere to all terms and conditions as set forth in the HUD New Project Application, federal fiscal year 2018, #SF-424; and
  - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
  - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

**6. Deliverables**

- 6.1. The Contractor shall implement a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.
- 6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.
  - 6.2.1. Project outcomes shall include, but are not limited to:
    - 6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.
    - 6.2.1.2. Participants experience increased connections to:
      - 6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;
      - 6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and
      - 6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.
- 6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

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New Hampshire Department of Health and Human Services  
Continuum of Care Program

Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Permanent Housing Program Funding**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
- 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0013L1T001811
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Permanent Housing Program
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$99,835
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Supportive Services: \$18,308
      - 1.2.8.2.1 Life Skills \$18,308
    - 1.2.8.2. Operations \$79,193
    - 1.2.8.3. Administrative Expenses: \$2,334
    - 1.2.8.4. Total program amount: \$99,835
    - 1.2.8.5. Vendor Match (25%) \$25,543
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
- 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:  
NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301

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**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.
- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule: Review by the State**

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
  - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
  - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
  - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
  - 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.

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5/31/19



**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.

**3.4.5. Schedule of Payments:**

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingsupportsinvoices@dhhs.nh.gov](mailto:housingsupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.

**3.5. Review of the State Disallowance of Costs:**

- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services, products, required report submissions, as detailed in Exhibits A and B, or NH-HMIS data entry requirements have not been satisfactorily completed in accordance with the terms and conditions of this Agreement.

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5/31/19





**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;

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3/31/19



**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;
- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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5/31/19



New Hampshire Department of Health and Human Services  
Continuum of Care Program

Exhibit B

- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.
- 5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
- 5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
- 5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

**5.5. Administrative Costs:**

5.5.1. Eligible administrative costs include:

- 5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and
- 5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
  - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
    - 5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:

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New Hampshire Department of Health and Human Services  
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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

5.6.1. Requirements:

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- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

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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;

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

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

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

New Hampshire Department of Health and Human Services  
Exhibit C



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

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



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

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

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

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

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

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

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

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

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

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

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

**20. Contract Definitions:**

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

*[Handwritten Signature]*  
5/31/19



## REVISIONS TO STANDARD CONTRACT LANGUAGE

### 1. Revisions to Form P-37, General Provisions

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

#### 4. CONDITIONAL NATURE OF AGREEMENT.

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

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

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

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

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

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

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

### 2. Renewal

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

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**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

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

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

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

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

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

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

Vendor Initials *[Signature]*  
Date *5/31/19*

New Hampshire Department of Health and Human Services  
Exhibit D



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

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

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

Vendor Name: Lakes Region Mental Health Center Inc

5/31/19  
Date

Margaret M. Pritchard  
Name: Margaret M. Pritchard  
Title: Chief Executive Officer

Vendor Initials mf  
Date 5/31/19



**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

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

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

Vendor Name: Lakes Region Mental Health Center, Inc

5/31/19  
Date

Margaret M. Fitchard  
Name: Margaret M. Fitchard  
Title: Chief Executive Officer

Vendor Initials: mf  
Date: 5/31/19





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

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

**INSTRUCTIONS FOR CERTIFICATION**

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

*[Handwritten Signature]*  
5/31/19



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

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

#### PRIMARY COVERED TRANSACTIONS

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

#### LOWER TIER COVERED TRANSACTIONS

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

Vendor Name: Lakes Region Mental Health Center Inc

5/31/19  
Date

Margaret M. Pritchard  
Name: Margaret M. Pritchard  
Title: Chief Executive Officer

Vendor Initials mp  
Date 5/31/19



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

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

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

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

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

Exhibit G

Vendor Initials

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

Date 5/31/19

New Hampshire Department of Health and Human Services  
Exhibit G



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

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

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

Vendor Name: Lakes Region Mental Health Center Inc

5/31/19  
Date

Margaret M. Pritchard  
Name: Margaret M. Pritchard  
Title: Chief Executive Officer

Exhibit G

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

Vendor Initials mf

Date 5/31/19



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

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

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

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

Vendor Name: Lakes Region Mental Health Center, Inc

5/31/19  
Date

Margaret M. Richard  
Name: Margaret M. Richard  
Title: Chief Executive Officer

Vendor Initials MR  
Date 5/31/19



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

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

**(1 Definitions.**

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

3/2014

Vendor Initials

*mf*  
Date 5/31/19



Exhibit I

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

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

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

*[Signature]*  
5/31/14



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 (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.

3/2014

Vendor Initials

Date

*[Signature]*  
5/31/19



Exhibit I

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

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

Department of Health and Human Services

The State

*Christine Sannarillo*  
Signature of Authorized Representative

*Christine Sannarillo*  
Name of Authorized Representative

*Director, DEHS*  
Title of Authorized Representative

*5/31/19*  
Date

*Lakes Region Mental Health Center, Inc*  
Name of the Vendor

*Margaret M Pritchard*  
Signature of Authorized Representative

*Margaret M Pritchard*  
Name of Authorized Representative

*Chief Executive Officer*  
Title of Authorized Representative

*5/31/19*  
Date

*MP*  
Date *5/31/19*



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

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

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

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

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

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

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

Vendor Name: Wakes Region Mental Health Center, Inc

Date: 5/31/19

Margaret M. Pritchard  
Name: Margaret M. Pritchard  
Title: Chief Executive Officer

Vendor Initials: MP  
Date: 5/31/19

New Hampshire Department of Health and Human Services  
Exhibit J



FORM A

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

1. The DUNS number for your entity is: 10-141-0652
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

✓ NO        YES

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

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

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

       NO        YES

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

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

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

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

# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements



#### A. Definitions

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

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

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

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

*[Signature]*  
5/31/19

# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements



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

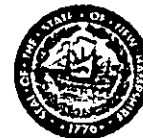
7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and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

#### I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

##### A. Business Use and Disclosure of Confidential Information.

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

5/31/19  
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request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

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

## II. METHODS OF SECURE TRANSMISSION OF DATA

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

*mf*  
5/31/19





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

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

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

#### A. Retention

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

5/31/19  
[Signature]  
[Signature]



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

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

**B. Disposition**

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

**IV. PROCEDURES FOR SECURITY**

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

*[Signature]*  
5/31/19

# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements

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

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5/31/19



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

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



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

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

## V. LOSS REPORTING

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

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

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

*[Signature]*  
5/31/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

**VI. PERSONS TO CONTACT**

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

# State of New Hampshire

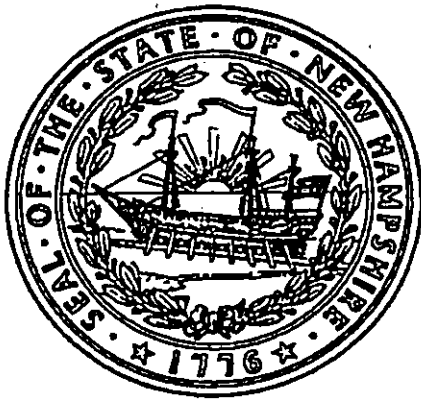
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE LAKES REGION MENTAL HEALTH CENTER, INC is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on July 14, 1969. 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: 64124

Certificate Number: 0004210224



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 November A.D. 2018.

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

William M. Gardner  
Secretary of State

## Business Information

### Business Details

---

Business Name:	THE LAKES REGION MENTAL HEALTH CENTER, INC	Business ID:	64124
Business Type:	Domestic Nonprofit Corporation	Business Status:	Good Standing
Business Creation Date:	07/14/1969	Name in State of Incorporation:	Not Available
Date of Formation in Jurisdiction:	07/14/1969		
Principal Office Address:	111 CHURCH ST, LACONIA, NH, 03246, USA	Mailing Address:	111 Church ST, Laconia, 03246, USA
Citizenship / State of Incorporation:	Domestic/New Hampshire		
		Last Nonprofit Report Year:	2015
		Next Report Year:	2020
Duration:	Perpetual		
Business Email:	NONE	Phone #:	NONE
Notification Email:	NONE	Fiscal Year End Date:	NONE

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### Principal Purpose

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

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Page 1 of 1, records 1 to 2 of 2

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## Filing History

 [Back to Home \(/online\)](#)**Business Name****Business ID**THE LAKES REGION MENTAL HEALTH CENTER,  
INC

64124

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Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0003185024	11/05/2015	11/05/2015	Nonprofit Report	2015
0000631137	12/21/2010	12/21/2010	Annual Report	2010
0000631136	10/08/2010	10/08/2010	Reminder Letter	N/A
0000631135	11/28/2005	11/28/2005	Annual Report	2005
0000631134	06/07/2000	06/07/2000	Annual Report	2000
0000631133	02/07/1995	02/07/1995	Annual Report	1995
0000631132	02/16/1990	02/16/1990	Annual Report	1990
0000631131	01/28/1976	01/28/1976	Annual Fee	N/A
0000631130	07/14/1969	07/14/1969	Business Formation	N/A

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Page 1 of 1, records 1 to 9 of 9

[Back](#)

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

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## CERTIFICATE OF VOTE

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

1. I am a duly elected Officer of The Lakes Region Mental Health Center, 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 5/28/19:  
(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 3<sup>rd</sup> day of June, 2019.  
(Date Contract Signed)

4. Margaret Pritchard is the duly elected Chief Executive Officer  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

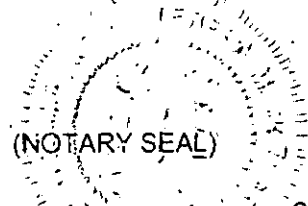
Jannine P. Sutcliffe  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Belknap

The forgoing instrument was acknowledged before me this 3 day of June, 2019.

By Jannine Sutcliffe  
(Name of Elected Officer of the Agency)



Commission Expires: 9/17/19

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

**TERESA M. POTTER-BROWN, Notary Public**  
**My Commission Expires September 17, 2019**

Client#: 525807

GENESBEH

ACORD

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/18/2018

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

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

<b>PRODUCER</b> USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123		<b>CONTACT NAME:</b> PHONE (A/C No, Ext): 855 874-0123 FAX (A/C No): E-MAIL: ADDRESS:															
<b>INSURED</b> The Lakes Region Mental Health Center, Inc. 40 Beacon Street East Laconia, NH 03246		<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NASC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Ace American Insurance Company</td> <td>22667</td> </tr> <tr> <td>INSURER B : All Mutual Insurance Company</td> <td>33758</td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NASC #	INSURER A : Ace American Insurance Company	22667	INSURER B : All Mutual Insurance Company	33758	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER B : All Mutual Insurance Company	33758																
INSURER C :																	
INSURER D :																	
INSURER E :																	
INSURER F :																	

## COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADOL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		SVRD37803601	06/26/2018	06/26/2019	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$250,000 MED EXP (Any one person) \$25,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COM/PROP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY		CALH08818574	06/26/2018	06/26/2019	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10000		XOOG25516540008	06/26/2018	06/26/2019	EACH OCCURRENCE \$4,000,000 AGGREGATE \$4,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	ECC6004009072018A	06/26/2018	06/26/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liability		OGLG2551662A008	06/26/2018	06/26/2019	\$5,000,000 Each Occ \$7,000,000 Aggregate

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

RE: McGrath Street Permanent Housing Contract

## CERTIFICATE HOLDER

## CANCELLATION

Department of Health and Human Services 129 Pleasant Street Concord, NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE <i>See Mark</i>
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# **Lakes Region Mental Health Center**

## ***Our Mission:***

Lakes Region Mental Health Center's mission is to provide integrated mental and physical health care for people with mental illness while creating wellness and understanding in our communities.

## ***Our Vision:***

Lakes Region Mental Health Center is the community leader providing quality, accessible and integrated mental and physical health services, delivered with dedication and compassion.

## ***Our Values:***

<b>R</b> espect	We conduct our business and provide services with respect and professionalism.
<b>A</b> dvocacy	We advocate for those we serve through enhanced collaborations, community relations and political actions.
<b>I</b> ntegrity	We work with integrity and transparency, setting a moral compass for the agency.
<b>S</b> tewardship	We are effective stewards of our resources for our clients and our agency's health.
<b>E</b> xcellence	We are committed to excellence in all programming and services.

*(Revised & Approved by the Board of Directors, 9/15/2015)*

**The Lakes Region Mental Health Center, Inc.**

**FINANCIAL STATEMENTS**

**June 30, 2018**

The Lakes Region Mental Health Center, Inc.  
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June 30, 2018

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**Kittell Branagan & Sargent**

*Certified Public Accountants*

Vermont License # 167

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
of The Lakes Region Mental Health Center, Inc.

We have audited the accompanying financial statements of The Lakes Region Mental Health Center, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2018, and the related statement of activities and changes in net assets and cash flows for the year 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 The Lakes Region Mental Health Center, Inc. as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Analysis of Accounts Receivables, the Analysis of BBH Revenues, Receipts & Receivables and schedules of functional public support; revenues and expenses on pages 12-15 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Kittell, Brannagan & Sargent*

St. Albans, Vermont  
September 19, 2018



The Lakes Region Mental Health Center, Inc.  
STATEMENT OF FINANCIAL POSITION  
June 30, 2018

ASSETS

CURRENT ASSETS

Cash	\$ 1,367,407
Investments	1,552,428
Accounts receivable (net of \$760,000 allowance)	1,647,960
Prepaid expenses and other current assets	<u>98,296</u>
TOTAL CURRENT ASSETS	<u>4,666,091</u>

PROPERTY AND EQUIPMENT - NET

6,352,596

OTHER ASSETS

Restricted cash	<u>34,234</u>
-----------------	---------------

TOTAL ASSETS

\$ 11,052,921

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 118,441
Current portion long-term debt	797,005
Accrued payroll and related	359,665
Deferred income	122,379
Accrued vacation	333,945
Accrued expenses	<u>310,477</u>
TOTAL CURRENT LIABILITIES	<u>2,041,912</u>

LONG-TERM DEBT, less current portion

Notes and Bonds Payable	4,609,770
Less: unamortized debt issuance costs	<u>(93,319)</u>
TOTAL LONG-TERM LIABILITIES	<u>4,516,451</u>

TOTAL LIABILITIES

6,558,363

NET ASSETS

Temporarily restricted	529,968
Unrestricted	<u>3,964,590</u>
TOTAL NET ASSETS	<u>4,494,558</u>

TOTAL LIABILITIES AND NET ASSETS

\$ 11,052,921

See Notes to Financial Statements

The Lakes Region Mental Health Center, Inc.  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
For the Year Ended June 30, 2018

	Unrestricted Funds	Temporarily Restricted Funds	All Funds
<b>PUBLIC SUPPORT AND REVENUES</b>			
Public support -			
Federal	\$ 509,721	\$ -	\$ 509,721
State of New Hampshire - BBH	320,087	-	320,087
Other public support	117,118	531,613	648,731
Total Public Support	<u>946,926</u>	<u>531,613</u>	<u>1,478,539</u>
Revenues -			
Program service fees	12,059,775	-	12,059,775
Rental income	87,536	-	87,536
Other revenue	138,196	-	138,196
Net assets released from restriction	58,754	(58,754)	-
Total Revenues	<u>12,344,261</u>	<u>(58,754)</u>	<u>12,285,507</u>
<b>TOTAL PUBLIC SUPPORT AND REVENUES</b>	<u>13,291,187</u>	<u>472,859</u>	<u>13,764,046</u>
<b>EXPENSES</b>			
BBH funded program services -			
Children Services	2,789,889	-	2,789,889
Multi-service	5,743,176	-	5,743,176
ACT	1,187,809	-	1,187,809
Emergency Services	1,008,000	-	1,008,000
Housing Services	276,874	-	276,874
Non-Eligible	761,212	-	761,212
Non-BBH funded program services	1,249,531	-	1,249,531
<b>TOTAL EXPENSES</b>	<u>13,016,491</u>	<u>-</u>	<u>13,016,491</u>
<b>INCREASE IN NET ASSETS FROM OPERATIONS</b>	274,696	472,859	747,555
<b>OTHER INCOME</b>			
Investment income	142,145	-	142,145
<b>TOTAL INCREASE IN NET ASSETS</b>	416,841	472,859	889,700
<b>NET ASSETS, beginning</b>	<u>3,547,749</u>	<u>57,109</u>	<u>3,604,858</u>
<b>NET ASSETS, ending</b>	<u>\$ 3,964,590</u>	<u>\$ 529,968</u>	<u>\$ 4,494,558</u>

See Notes to Financial Statements.

The Lakes Region Mental Health Center, Inc.  
STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2018

**CASH FLOWS FROM OPERATING ACTIVITIES**

Increase in net assets	\$ 889,700
Adjustments to reconcile to net cash provided by operations:	
Depreciation	228,153
Unrealized gain on investments	(37,331)
(Increase) decrease in:	
Accounts receivable	(342,050)
Prepaid expenses	(13,437)
Restricted Cash	(4,743)
Increase (decrease) in:	
Accounts payable & accrued liabilities	(146,600)
Deferred income	<u>84,801</u>

**NET CASH PROVIDED BY OPERATING ACTIVITIES** 658,493

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchases of property and equipment	(100,657)
Net investment activity	<u>51,762</u>

**NET CASH (USED) IN INVESTING ACTIVITIES** (48,895)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Debt issuance costs	(459)
Principal payments on long-term debt	<u>(178,532)</u>

**NET CASH (USED) IN FINANCING ACTIVITIES** (178,991)

**NET INCREASE IN CASH** 430,607

**CASH AT BEGINNING OF YEAR** 936,800

**CASH AT END OF YEAR** **\$ 1,367,407**

**SUPPLEMENTAL DISCLOSURE**

Cash Payments for Interest	<u>\$ 137,752</u>
Capital purchases acquired through issuance of long-term debt	<u><b>\$ 3,915,506</b></u>

See Notes to Financial Statements

The Lakes Region Mental Health Center, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Lakes Region Mental Health Center, Inc. (the Center) is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs; it is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code. In addition, the Center qualifies for the charitable contribution deduction under Section 170 (b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Depreciation

The cost of property, equipment and leasehold improvements is depreciated over the estimated useful life of the assets using the straight line method. Estimated useful lives range from 3 to 40 years.

State Grants

The Center receives a number of grants from and has entered into various contracts with the State of New Hampshire related to the delivery of mental health services.

Vacation Pay and Fringe Benefits

Vacation pay is accrued and charged to the programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on the programs.

Revenue

Revenue from federal, state and other sources is recognized in the period earned.

Client Service Revenue

The Center recognizes client service revenue relating to services rendered to clients that have third-party payer coverage and are self-pay. The Center receives reimbursement from Medicare, Medicaid and Insurance Companies at defined rates for services to clients covered by such third-party payer programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received. For services rendered to uninsured clients (i.e., self-pay clients), revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay clients, a provision for bad debts is recorded based on experience and the effects of newly identified circumstances and trends in pay rates. Client service revenue (net of contractual allowances and discounts but before taking account of the provision for bad debts) recognized during the year ended June 30, 2018 totaled \$10,922,923, of which \$10,760,248 was revenue from third-party payers and \$162,675 was revenue from self-pay clients.

The Lakes Region Mental Health Center, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Third Party Contractual Arrangements

A significant portion of patient revenue is derived from services to patients insured by third-party payors. The center receives reimbursement from Medicare, Medicaid, Blue Cross, and other third-party insurers at defined rates for services rendered to patients covered by these programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when recorded. A provision for estimated contractual allowances is provided on outstanding patient receivables at the balance sheet date.

Temporarily Restricted Funds

Specific purpose funds are used to differentiate resources, the use of which is restricted by donors, from resources of general funds on which the donors place no restriction or that arise as a result of the operations of the Center for its stated purposes. Specific purpose contributions and other donor-restricted resources are recorded as additions to temporarily restricted net assets at the time they are received and as released from restrictions when expended for the purpose for which they were given. The earnings from these funds will be used to fund operations. For the year ending June 30, 2018 \$58,754 was released from restrictions.

Accounts Receivable

Accounts receivable are recorded based on the amount billed for services provided, net of respective allowances.

Policy for Evaluating Collectability of Accounts Receivable

In evaluating the collectability of accounts receivable, the Center analyzes past results and identifies trends for each major payer source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts. Data in each major payer source is regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to clients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established for amounts outstanding for an extended period of time and for third-party payers experiencing financial difficulties; for receivables relating to self-pay clients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of clients to pay amounts for which they are financially responsible.

Based on management's assessment, the Center provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Center has used reasonable collection efforts are written off through a change to the valuation allowance and a credit to accounts receivable.

The allowance for doubtful accounts was \$760,000 and \$561,500 for the years ended June 30, 2018 and 2017. Total patient accounts receivable increased to \$1,950,374 as of June 30, 2018 from \$1,541,624 at June 30, 2017. As a result of this increase and changes to payer mix present at year end the allowance as a percentage of total accounts receivable increased from 36% to 39% of total patient accounts receivable.

The Lakes Region Mental Health Center, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising

Advertising costs are expensed as incurred. Total costs were \$80,133 at June 30, 2018 and consisted of advertising costs of \$49,587 and recruitment costs of \$30,546.

NOTE 2      PROPERTY AND EQUIPMENT

The Center elects to capitalize all purchases with a useful life of greater than one year and a cost of \$1,000 or more. Property and equipment, at cost, consists of the following:

Land, buildings and improvements	\$ 7,592,521
Computer equipment	1,017,720
Furniture, fixtures and equipment	1,905,622
Vehicles	<u>139,738</u>
	10,655,601
Accumulated depreciation	<u>(4,303,005)</u>
• NET BOOK VALUE	<u>\$ 6,352,596</u>

NOTE 3      ACCOUNTS RECEIVABLE

ACCOUNTS RECEIVABLE – TRADE

Due from clients	\$ 128,119
Receivable from insurance companies	617,886
Medicaid receivables	1,018,470
Medicare receivables	<u>185,899</u>
	1,950,374
Allowance for doubtful accounts	<u>(760,000)</u>
Total Receivable - Trade	<u>1,190,374</u>

The Lakes Region Mental Health Center, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE 3      ACCOUNTS RECEIVABLE (continued)

ACCOUNTS RECEIVABLE – OTHER

Housing Rent	11,966
HUD	51,738
Grafton County	5,750
Mount Prospect Academy	3,900
Capital Campaign Pledges	39,673
Tax Credits	240,000
Town Appropriations	18,450
NFI North, Inc.	7,425
SAMSHA	35,468
BBH - Bureau of Behavioral Health	1,408
Other Grants and Contracts	<u>41,808</u>
Total Receivable - Other	<u>457,586</u>

TOTAL ACCOUNTS RECEIVABLE      \$ 1,647,960

NOTE 4      LINE OF CREDIT

As of June 30, 2018, the Center had available a line of credit with an upper limit of \$1,000,000 with a local area bank. At that date, \$-0- had been borrowed against the line of credit. These funds are available at a variable rate of interest, with a floor no less than 4.0% per annum, currently 5.0%. The availability under this line will be limited to 70% of the current market value of the Vanguard Funds which have been pledged to the local area bank. This line of credit expires June 9, 2019, and is secured by all business assets.

NOTE 5      COMMITMENTS

The corporation leases real estate and equipment under various operating leases. Minimum future rental payments under non cancelable operating leases as of June 30, 2018 for each of the next four years and in the aggregate are:

<u>June 30,</u>	<u>Amount</u>
2019	\$ 14,902
2020	1,608
2021	1,608
2022	536

Total rent expense for the year ended June 30, 2018, including rent expense for leases with a remaining term of one year or less was \$144,718.

The Lakes Region Mental Health Center, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

**NOTE 6      EMPLOYEE BENEFIT PLAN**

The Center has the option to make contributions to a defined contribution 403(b) plan on behalf of its employees. This program covers substantially all full-time employees. During the year ended June 30, 2018 the total contributions into the plan were \$86,979. Total administrative fees paid into the plan for the year ended June 30, 2018 were \$9,962.

**NOTE 7      RESTRICTED CASH**

The Center maintains restricted depository accounts. At the balance sheet date the amounts are as follows:

Rural Development *	<u>\$    34,234</u>
---------------------	---------------------

\* Balance will accumulate per loan agreement to \$47,448 at a required monthly deposit of \$395.

**NOTE 8      LONG-TERM DEBT**

As of June 30, 2018, long-term debt consisted of the following:

5% mortgage note payable - Rural Development due in monthly aggregate installments of \$3,357 (including principal and interest) secured by land and buildings through June, 2027.	\$ 290,485
5% mortgage note payable - Rural Development due in monthly installments of \$597 (including principal and interest) secured by land and buildings through December, 2030.	65,985
4.43% bond payable - Meredith Village Savings Bank due in full in June, 2019. Secured by building.	676,555
2.97% bond payable - Meredith Village Savings Bank due in monthly installments of \$19,234 (principal and interest) beginning in June 2019. Secured by building through June, 2047.	<u>4,373,750</u>
Total long-term debt before unamortized debt issuance costs	5,406,775
Unamortized debt issuance costs	<u>(93,319)</u>
Total long-term debt	5,313,456
Less: Current Portion	<u>(797,005)</u>
Long-term debt, excluding current installments	<u>\$4,516,451</u>



The Lakes Region Mental Health Center, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

**NOTE 8      LONG-TERM DEBT (continued)**

Expected maturities for the next five years are as follows:

<u>Year Ending June 30,</u>	
2019	\$ 797,005
2020	131,920
2021	136,563
2022	141,380
2023	146,378
Thereafter	<u>4,053,529</u>
	<u>\$ 5,406,775</u>

**NOTE 9      CONTINGENT LIABILITIES**

The Center receives money under various State and Federal grants. Under the terms of these grants, the Center is required to use the money within the grant period for purposes specified in the grant proposal and is subject to compliance reviews and audits by the grantor agencies. It is the opinion of management that any liability, resulting from future grantor agency audits of completed grant contracts, would not be material in relation to the overall financial statements.

**NOTE 10      INVESTMENTS**

Investments consist of amounts invested in various Vanguard Equity and Bond Funds. At June 30, 2018, the status of these funds were as follows:

	<u>Cost</u>	<u>Unrealized Gain (Loss)</u>	<u>Market</u>
Large Blend	\$ 353,949	\$ 195,166	\$ 549,115
Health	236,601	42,577	279,178
Large Growth	162,583	(4,818)	157,765
Mid-Cap Value	147,366	152,879	300,245
Short-Term Bond	<u>182,635</u>	<u>83,490</u>	<u>266,125</u>
	<u>\$ 1,083,134</u>	<u>\$ 469,294</u>	<u>\$ 1,552,428</u>

The Lakes Region Mental Health Center, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

**NOTE 10 INVESTMENTS (continued)**

The related unrealized gain (losses) have been included in the investment income line on the accompanying statement of activities. Investment income is as follows:

Interest and Dividends	\$ 29,821
Realized Gains	74,993
Unrealized Gains	<u>37,331</u>
	<u>\$ 142,145</u>

**NOTE 11 FAIR VALUE MEASUREMENTS**

Professional accounting standards require a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under these professional accounting standards are described below:

**Basis of Fair Value Measurement**

- 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 markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

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.

All investments are categorized as Level 1 and recorded at fair value, as of June 30, 2018. As required by professional accounting standards, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

The Lakes Region Mental Health Center, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

**NOTE 12      CONCENTRATIONS OF CREDIT RISK**

At June 30, 2018, the carrying amount of the cash deposits is \$1,401,641 and the bank balance totaled \$1,478,103. Of the bank balance, \$561,813 was insured by Federal Deposit Insurance, \$796,014 was offset by debt and \$120,276 was uninsured.

The Center grants credit without collateral to its clients, most of who are area residents and are insured under third-party payor agreements. The mix of receivables due from clients and third-party payors at June 30, 2018 is as follows:

Due from clients	7 %
Insurance companies	32
Medicaid	52
Medicare	<u>9</u>
	<u>100 %</u>

**NOTE 13      SUBSEQUENT EVENTS**

In accordance with professional accounting standards, the Center has evaluated subsequent events through September 19, 2018 which is the date the financial statement was available to be issued. All events requiring recognition as of June 30, 2018, have been incorporated into the financial statements herein.

## SUPPLEMENTARY INFORMATION

The Lakes Region Mental Health Center, Inc.  
ANALYSIS OF ACCOUNTS RECEIVABLE  
For the Year Ended June 30, 2018

	<u>Accounts Receivable Beginning of Year</u>	<u>Gross Fees</u>	<u>Contractual Allowances and Other Discounts Given</u>	<u>Cash Receipts</u>	<u>Accounts Receivable End of Year</u>
CLIENT FEES	\$ 151,742	\$ 1,813,643	\$ (1,650,968)	\$ (186,298)	\$ 128,119
BLUE CROSS / BLUE SHIELD	196,238	811,829	(449,507)	(254,178)	304,382
MEDICAID	588,623	14,564,491	(5,193,277)	(8,941,367)	1,018,470
MEDICARE	220,026	1,567,290	(905,635)	(695,782)	185,899
OTHER INSURANCE	280,971	963,618	(598,561)	(332,524)	313,504
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(561,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(760,000)</u>
TOTAL	<u>\$ 876,100</u>	<u>\$ 19,720,871</u>	<u>\$ (8,797,948)</u>	<u>\$ (10,410,149)</u>	<u>\$ 1,190,374</u>

The Lakes Region Mental Health Center, Inc.  
**ANALYSIS OF BBH REVENUES, RECEIPTS AND RECEIVABLES**  
For the Year Ended June 30, 2018

	Receivable (Deferred Income) From BBH Beginning of Year	BBH Revenues Per Audited Financial Statements	Receipts for Year	Receivable (Deferred Income) From BBH End of Year
CONTRACT YEAR, June 30, 2018	<u>\$ 10,370</u>	<u>\$ 320,087</u>	<u>\$ (329,049)</u>	<u>\$ 1,408</u>

Analysis of Receipts

Date of Receipt Deposit Date	Amount
07/03/17	\$ 455
07/13/17	7,881
07/21/17	8,887
08/18/17	43,576
08/21/17	5,206
08/25/17	7,848
09/22/17	68,138
10/04/17	150
10/13/17	59,899
12/08/17	57,912
12/13/17	484
01/19/18	78,288
01/24/18	12,655
01/26/18	24,447
02/13/18	7,960
04/05/18	15,695
04/23/18	111
04/23/18	7,848
05/10/18	74
05/18/18	7,848
06/01/18	1,769
06/21/18	74
06/22/18	7,848
06/29/18	30,618
Less: Federal Monies	<u>(126,622)</u>
	<u>\$ 329,049</u>

The Lakes Region Mental Health Center, Inc.  
STATEMENT OF FUNCTIONAL PUBLIC SUPPORT AND REVENUES  
For the Year Ended June 30, 2018

	Total Agency	Admin.	Total Programs	Children	Multi- Service	ACT	Emergency Services	Housing Services		Non Eligible	Non BHH Funded Programs
								Apts. S.L. Sumner	Apts. S.L. McGrath		
<b>Program Service Fees:</b>											
Net Client Fee	\$ 162,675	\$ -	\$ 162,675	\$ 18,258	\$ 72,356	\$ 344	\$ 13,078	\$ -	\$ -	\$ 58,638	\$ -
Blue Cross/Blue Shield	362,322	-	362,322	77,649	89,240	1,678	69,027	-	-	124,728	-
Medicaid	9,371,214	-	9,371,214	3,610,839	4,891,747	559,520	229,495	-	-	79,593	-
Medicare	661,655	-	661,655	109	578,414	23,084	483	-	-	59,565	-
Other Insurance	365,057	-	365,057	53,024	117,324	2,997	77,940	-	-	113,772	-
<b>Program Sales:</b>											
Service	1,138,852	100	1,138,752	81,737	75,538	-	7,400	-	-	1,507	990,570
<b>Public Support - Other:</b>											
United Way	1,188	1,188	-	-	-	-	-	-	-	-	-
Local/County Government	23,000	-	23,000	-	-	-	-	-	-	23,000	-
Donations/Contributions	25,329	25,339	(10)	-	(10)	-	-	-	-	-	-
Other Public Support	596,584	566,256	30,308	15,542	14,768	-	-	-	-	-	-
Div. Voc. Rehab.	150	-	150	-	150	-	-	-	-	-	-
Div. Alc/Drug Abuse Prev & Recovery	2,500	220	2,280	480	960	295	545	-	-	-	-
<b>Federal Funding:</b>											
HUD Grant	121,228	-	121,228	-	-	-	-	28,857	92,371	-	-
Other Federal Grants	388,493	1,346	387,147	-	-	-	-	-	-	-	387,147
Rental Income	87,636	3,982	83,644	1,230	3,718	343	-	38,276	39,634	-	343
<b>DBH &amp; DS:</b>											
Community Mental Health	319,681	-	319,681	399	112	225,000	94,170	-	-	-	-
DCYF	406	-	406	406	-	-	-	-	-	-	-
Interest Income	632	632	-	-	-	-	-	-	-	-	-
Other Revenues	137,564	132,577	4,987	450	3,871	48	88	-	-	530	-
	13,764,048	731,650	13,032,398	3,840,144	5,848,186	813,309	492,226	87,133	132,005	461,333	1,378,060
Administration	-	(731,650)	731,650	215,589	328,322	45,660	27,634	3,789	7,411	25,879	77,366
<b>TOTAL PUBLIC SUPPORT AND REVENUES</b>	<b>\$ 13,764,048</b>	<b>\$ -</b>	<b>\$ 13,764,048</b>	<b>\$ 4,055,733</b>	<b>\$ 6,176,508</b>	<b>\$ 858,969</b>	<b>\$ 519,860</b>	<b>\$ 70,902</b>	<b>\$ 139,416</b>	<b>\$ 487,232</b>	<b>\$ 1,455,426</b>

The Lakes Region Mental Health Center, Inc.  
STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended June 30, 2018

	Total Agency	Administration	Total Programs	Children	Mult-Service	A&T	Emergency Services	Housing Services		Non-BBH Funded Programs
								Apts. S.L. Sumner	Apts. S.L. McGrath	
<b>Personnel Costs:</b>										
Salary and wages	\$ 8,280,038	\$ 678,387	\$ 7,564,742	\$ 1,843,119	\$ 3,331,278	\$ 704,702	\$ 637,752	\$ 34,484	\$ 53,562	\$ 482,323
Employee benefits	1,827,843	144,843	1,783,000	410,667	780,808	171,058	150,078	452	930	128,418
Payroll Taxes	571,882	48,271	523,421	110,151	238,650	48,788	48,070	2,577	4,504	32,458
Substitute Staff	72,637	9,788	62,851	-	47,074	15,764	-	-	-	-
<b>PROFESSIONAL FEES AND CONSULTANTS:</b>										
Accounting/audit fees	80,155	80,155	-	-	-	-	-	-	-	-
Legal fees	9,317	8,810	2,507	-	2,507	-	-	-	-	-
Other professional fees	74,874	30,918	44,058	383	513	28,788	-	-	-	18,384
<b>Staff Devel. &amp; Training:</b>										
Journals & publications	3,043	86	2,957	298	2,527	49	41	-	-	28
In-Service training	2,933	20	2,904	480	1,905	181	184	-	-	34
Conferences & conventions	88,501	7,808	80,693	11,129	30,188	1,985	4,125	-	-	858
Other staff development	37,393	3,457	33,936	5,380	18,713	8,118	3,308	-	-	64
<b>Occupancy costs:</b>										
Rent	118,844	25,307	93,537	31,855	50,133	1,578	1,202	-	-	8,151
Mortgage (Interest)	88,048	42,122	18,824	728	14,125	878	242	-	-	80
Heating Costs	42,234	7,815	34,319	8,827	7,853	800	202	8,440	7,040	484
Other Utilities	88,828	13,288	83,242	19,235	31,178	1,938	-	12,905	14,878	1,040
Maintenance & repairs	115,108	11,288	103,927	37,857	38,788	4,578	885	8,187	11,312	888
Taxes	27,873	27,873	-	-	-	-	-	-	-	-
<b>Consumable Supplies:</b>										
Office	32,485	8,811	25,654	7,408	13,524	1,838	1,213	-	-	780
Building/household	32,884	4,372	28,512	5,824	10,862	1,885	1,486	486	6,715	422
Medical	6,788	-	6,788	182	780	278	83	-	-	14
Other	128,328	7,048	119,278	38,137	80,088	11,324	10,077	-	-	2,408
Depreciation-Equipment	83,338	7,918	85,473	11,433	29,608	2,880	1,848	1,803	4,037	1,320
Depreciation-Building	184,814	42,871	122,203	28,558	34,703	8,375	4	15,885	30,318	878
Equipment rental	22,418	3,886	18,534	8,748	8,835	757	718	-	-	988
Equipment maintenance	38,514	2,268	37,246	9,142	17,935	3,188	2,814	891	1,545	838
Advertising	80,133	33,148	46,987	11,888	24,215	4,011	4,331	-	-	934
Printing	543	34	529	135	270	51	45	-	-	11
Telephone/communications	293,908	17,741	278,255	84,378	131,720	10,721	22,881	3,354	88	14,585
Postage/shipping	14,212	803	13,408	3,853	8,911	1,074	955	-	-	382
<b>Transportation:</b>										
Staff	182,447	1,809	182,438	52,780	111,221	27,801	2,895	115	115	517
Clients	8,854	-	8,854	-	8,854	-	-	-	-	-
<b>Assist to Individuals:</b>										
Client services	58,235	-	58,235	28,482	28,427	-	-	43	338	-
<b>Insurance:</b>										
Malpractice/bonding	84,454	13,735	40,718	8,878	18,880	5,134	2,433	-	-	601
Vehicles	3,802	148	3,453	484	2,235	134	108	708	708	33
Comp. Property/Liability	30,031	3,444	29,587	8,818	12,580	1,583	1,148	1,559	1,532	500
Membership Dues	38,103	2,082	36,041	83	285	32	28	-	-	7
Other Expenditures	154,873	113,383	41,620	8,138	18,580	1,273	1,178	8,811	11,025	453
Interest Expense	5,387	5,387	-	-	-	-	-	-	-	-
<b>Admin. Allocation</b>	<b>13,018,491</b>	<b>1,421,732</b>	<b>11,594,759</b>	<b>2,485,182</b>	<b>5,115,876</b>	<b>1,058,070</b>	<b>887,801</b>	<b>88,450</b>	<b>148,180</b>	<b>878,088</b>
		<b>(1,421,732)</b>	<b>1,421,732</b>	<b>204,727</b>	<b>827,300</b>	<b>129,728</b>	<b>110,088</b>	<b>12,074</b>	<b>18,170</b>	<b>83,143</b>
<b>TOTAL PROGRAM EXPENSES</b>	<b>\$ 13,018,491</b>	<b>\$ -</b>	<b>\$ 13,018,491</b>	<b>\$ 2,789,889</b>	<b>\$ 5,743,176</b>	<b>\$ 1,187,800</b>	<b>\$ 1,008,000</b>	<b>\$ 110,524</b>	<b>\$ 188,350</b>	<b>\$ 781,232</b>
										<b>\$ 1,249,831</b>



Lakes Region Mental Health Center, Inc.  
Board of Directors Listing  
October, 2018  
Maggie Pritchard Cell 630-7175 • Dawn Lacroix 524-1100 Ext. 132

Position	First Name	Last Name	Address	City	State	Zip Code	Phone #	Email Address	Joined Board	Term #/ End Date	Committee Assignments
President	Jannine	Sutcliffe		Holderness	NH				2011	3, October 2020	Executive, Development
Vice President	Deborah	Pendergast		Gilford	NH				2011	3, October 2020	Executive
Co-Treasurer	Ed	McFarland		Laconia	NH				2017	1, October 2020	Finance (Co-Chair)
Co-Treasurer	Matt	Soza		Laconia	NH				2011	3, October 2020	Finance (Co-Chair), Development, QI, Governance
Secretary	Susan	Stearns		Sanbornton	NH				2017	1, October 2020	Executive, Governance (Chair)
Member at Large	Matt	Humer		Concord	NH				2018	1, October 2021	
Member at Large	Marsha	Bourdon		Laconia	NH				2018	1, October 2021	Finance
Member at Large	Gail	Mears		Holderness	NH				2016	1, October 2019	Governance
Member at Large	Carol	Pierce		Laconia	NH				2011	3, October 2019	QI
Member at Large	Selfu	Ragassa		Gilford	NH				2016	1, October 2019	QI
Member at Large	Cinda	Shepard		Meredith	NH				2013	2, October 2019	QI
Member at Large	Kim	Sperry		Meredith	NH				2013	2, October 2019	Development (Chair)
Member at Large	James	Stapp		Holderness	NH				2017	1, October 2020	Development (?)
Member at Large	Jillian	Stogniew, DC		Sanbornton	NH				2018	1, October 2021	
Member at Large	Rev. Judith	Wright		Laconia	NH				2017	1, October 2010	QI Committee
Member at Large	Rick	Wyman		Laconia	NH				2016	1, October 2019	Finance Committee
Committee Member	Jerry	Fleischman		Laconia	NH						Finance Committee
Committee Member	Joe	Driscoll		Laconia	NH						Finance Committee
Committee Member	Cinder	Warrington		Concord	NH						Finance Committee

## Chelsea Lemke

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**Objective:** Seeking an immediate social work employment opportunity in central New Hampshire.

### Education

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**Boston College** May 2011  
Masters in Social Work  
Intervention Method: Clinical      Concentration: Older Adults and Families

**St. Lawrence University** May 2008  
Bachelor of Science  
Major: Psychology      Minor: Education      GPA: 3.0/4.0

**Study Abroad:** Denmark's International Study Program Spring 2007  
*Psychology & Child Development: Children with Special Needs Danish Theory and Practice*

### Internships

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**Social Work Intern, Truslow Adult Day Health Center** November 2010 - May 2011  
*Alzheimer's and Dementia Social Work Intern*

- Enrolled residents in appropriate health benefit programs and maintained existing enrollment/reimbursements.
- Organized care management, completed assessments of functioning and care planning for participants with dementia, Alzheimer's and other cognitive impairments.
- Provided care giver education and support.
- Completed extensive review of care program facilities.
- Revised and reformatted program policies alongside program director.

**Social Work Intern, Big Sister Association of Greater Boston** September 2009-May 2010  
*Community Based Mentoring Social Work Intern*

- Completed psychosocial assessments for big and little sisters and created matches for mentoring relationships, co-led big sister trainings, and participated as an active member of the CBM team.

**National Science Foundation Fellowship, Clarkson University** August 2007 - May 2008  
*Teaching Fellow*

- Revised and updated a Biomedical Engineering Curriculum for seventh graders

- Taught curriculum to multiple classes at an average size of twenty students
- Furthered teaching and curriculum development skills through teaching independently in a new subject area

**Clinical Internship, Rose Hill Rehabilitation Center**  
*Intern*

*Spring 2008*

- Observed and assisted in facilitation of therapy in a group setting for adolescents in residential substance abuse rehabilitation program.

**Bridging the Gap, St. Lawrence University**  
*Participant / Coordinator*

*Fall 2005 - Fall 2006*

- Established curriculum development skills through creating curriculums for various grade levels

**Math & Reading Tutor, St. Lawrence University**  
*Tutor*

*Fall 2005 - Fall 2006*

- Assisted students in classroom setting and in one on one tutorial sessions.

## **Employment**

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**Mount Prospect Academy, Teacher's Assistant/Youth Counselor** *July 2008 - October 2008*  
Plymouth, NH

- Residential program for adolescent boys in court ordered placement addressing substance abuse, conduct disorder, anger management and sexual deviance.

**Lago Trattoria Bartender/Server**  
Meredith, NH

*June 2007 - Present*

- Mentor- Serve as trainer to new staff.
- Specialized training and experience in hospitality and customer service to increase guest satisfaction and retention.

**Patsy's Inc. Accessible Vehicle Sales**  
Concord, NH

*April 2012 - Present*

- MV-1 Sales and local marketing for VPG MV-1 wheelchair accessible vehicle
- Organize sales incentives
- Maintain inventory

## **Skills**

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**Computer:** Proficient in Microsoft Word, PowerPoint, Excel, SPSS and Data Studio

## Katy Hillsgrove

### Work Experience

Optical Assistant	Visionworks	09/2015 – present
<ul style="list-style-type: none"><li>• Booking appointments and managing the doctors daily schedule</li><li>• Processing insurance, entering data, and running the front desk</li><li>• Working with customers and outside networks to increase exam volume and increase sales</li></ul>		
Sales Associate	Coach	09/2014 – 09/2015
<ul style="list-style-type: none"><li>• Increasing sales and obtaining customer contact information</li><li>• Increasing customer satisfaction scores by creating an excellent customer service experience</li><li>• Working as a team unit to improve customer service experience and increase sales</li></ul>		
Sales Associate	Lucky Brand	09/2014 – 2015
<ul style="list-style-type: none"><li>• Increasing sales through product knowledge and expertise</li><li>• Increasing revenue through obtaining customer contact information</li><li>• Creating visually dynamic and appealing displays for store use</li></ul>		
Customer Service Representative	Sunbodies Spa LLC	01/2014 – 07/2014
<ul style="list-style-type: none"><li>• Increasing revenue and reducing company costs</li><li>• Marketing and running current promotions</li><li>• Scheduling and overseeing flow of daily production</li></ul>		
Assistant Manager Tanning Consultant	Sun Tan City	08/2013 – 01/2014
<ul style="list-style-type: none"><li>• Increasing sales and revenue through personal sales</li><li>• Meeting and exceeding daily, weekly, and monthly sales quotas</li><li>• Managing staff and ensuring completion of daily tasks and routines</li></ul>		
Pharmacy Technician Wellness Ambassador	Rite Aid Pharmacy	05/2008 – 09/2013
<ul style="list-style-type: none"><li>• Liaison between front end and pharmacy to increase sales and ensure customer turnover</li><li>• Organizing and executing community outreach events</li><li>• Assisting pharmacist in daily tasks to increase script count and daily productivity</li></ul>		

### Education

B.S in Education	Plymouth State University	08/2008 – 05/2012
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Bachelor Degree of Science of Education with a focus on Teacher Certification grades K - 8  
Student teaching completed at Canterbury Elementary School, Second Grade  
Graduated May 2012 – GPA 3.51

### Additional Experience and Awards

Inducted into Kappa Delta Pi – National Honor Society for Educators in 2011, Member of Delta Zeta Nationally Affiliated Sorority and Vice President 2011-2012, Published in Who's Who in American Colleges in 2012, Member of the International Service Trip at Plymouth State University where we traveled to Bolivia in 2012 to perform community service.

## CONTRACTOR NAME

### Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Chelsea Lemke	Director, Community Support Program	\$65,945		
Maureen Doyle	Program Manager	\$43,500		
Katy Hillsgrove	Program Facilitator	\$39,520		

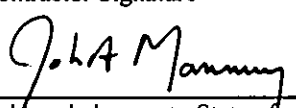
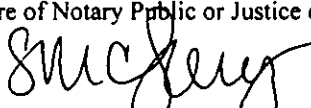
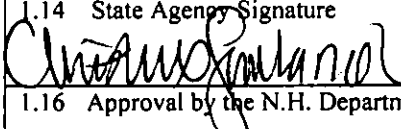
Subject: Continuum of Care, Permanent Housing Program (Cheshire County), SS-2020-BHS-03-PERMA-18

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

**AGREEMENT**

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

**GENERAL PROVISIONS****1. IDENTIFICATION.**

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Southwestern Community Services, Inc.		1.4 Contractor Address 63 Community Way P.O. Box 603 Keene, NH 03431-0603	
1.5 Contractor Phone Number (603) 352-7512	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$85,230
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory John A. Manning Chief Executive Officer	
1.13 Acknowledgement: State of NH, County of Cheshire On 05/23/19, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 			
1.13.2 Name and Title of Notary or Justice of the Peace Stacey McGilvery, Notary			
1.14 State Agency Signature  Date: 5/29/19 Christine Santanelli, Director, DHS			
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: Christina Welton On: June 4, 2019			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

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

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

**4. CONDITIONAL NATURE OF AGREEMENT.**

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

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

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

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

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

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

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

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

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

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

**7. PERSONNEL.**

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

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

Agreement. This provision shall survive termination of this Agreement.

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

## **8. EVENT OF DEFAULT/REMEDIES.**

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

## **9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

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

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

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

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

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

## **12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.**

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

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

## **14. INSURANCE.**

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

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

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

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



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

#### 15. WORKERS' COMPENSATION.

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

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

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

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

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

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

#### 19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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



**SCOPE OF SERVICES**

**Permanent Housing Program**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:  
NH DHHS  
Bureau of Housing Supports (BHS)  
129 Pleasant Street  
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

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Exhibit A

- 1.10. The Contractor shall support the primary goal of this program which is to facilitate the movement of homeless and chronically homeless individuals and families to permanent housing and maximum self-sufficiency.

**2. Scope of Services**

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Supportive Housing program serving approximately twenty-eight (28) homeless individuals and or families with a mental illness, substance use issue or other disabilities, and which includes, but is not limited to:
  - 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
  - 2.2.2. The development of a stabilization plan and crisis management plan with the participant, at intake and, at a minimum, annually. An ongoing Assessment of Housing and Supportive Services is required, with the ultimate goal being assistance to the participant in obtaining the skills necessary to live in the community independently.
- 2.3. The Contractor shall establish and maintain standard operating procedures to ensure CoC program funds are used in accordance with 24 CFR 578 and must establish and maintain sufficient records to enable HUD and BHS to determine Contractor requirement compliance, including:
  - 2.3.1. Continuum of Care Records: The Contractor shall maintain the following documentation related to establishing and operating a CoC:
    - 2.3.1.1. Records of Homeless Status: The Contractor shall maintain acceptable evidence of homeless status in accordance with 24 CFR 576.500(b).
    - 2.3.1.2. Records of at Risk of Homelessness Status: The Contractor shall maintain records that establish "at risk of homelessness" status of each individual or family who receives CoC homelessness prevention assistance, as identified in 24 CFR 576.500(c).
    - 2.3.1.3. Records of Reasonable Belief of Imminent Threat of Harm: The Contractor shall maintain documentation of each program participant who moved to a different CoC due to imminent threat of further domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR 578.51(c)(3). The Contractor shall retain documentation that includes, but is not limited to:
      - 2.3.1.3.1 The original incidence of domestic violence, dating violence, sexual assault, or stalking, only if the original violence is not already documented in the program participant's case file. This may be written observation of the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; medical or dental records; court records or law enforcement records; or written certification by the program participant to whom the violence occurred or by the head of household.

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Exhibit A

- 2.3.1.3.2 The reasonable belief of imminent threat of further domestic violence, dating violence, or sexual assault or stalking, which would include threats from a third-party, such as a friend or family member of the perpetrator of the violence. This may be written observation by the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; current restraining order; recent court order or other court records; law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts; or a written certification by the program participant to whom the violence occurred or the head of household.
- 2.3.1.4. Records of Annual Income. For each program participant who receives housing assistance where rent or an occupancy charge is paid by the program participant, the Contractor must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, government benefits administrator) or the written certification by the Contractor's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period; or
- 2.3.1.4.4. To the extent that source documents and third-party verification are unobtainable, the written certification by the program participant of the amount of income that the program participant is reasonably expected to receive over the three (3) month period following the evaluation.
- 2.3.1.5. Program Participant Records. In addition to evidence of homelessness status or at-risk-of-homelessness status, as applicable, the Contractor must keep records for each program participant that document:
- 2.3.1.5.1. The services and assistance provided to that program participant, including evidence that the Contractor has conducted an annual assessment of services for those program participants that remain in the program for more than a year and adjusted the service package accordingly, and including case management services as provided in 24 CFR 578.37(a)(1)(ii)(F); and
- 2.3.1.5.2. Where applicable, compliance with the termination of assistance requirement in 24 CFR 578.91.
- 2.3.1.6. Housing Standards. The Contractor must retain documentation of compliance with the housing standards in 24 CFR 578.75(b), including inspection reports.
- 2.3.1.7. Services Provided. The Contractor must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were reviewed at least annually and that the service package offered to program participants was adjusted as necessary.
- 2.4. The Contractor shall maintain records that document compliance with:
- 2.4.1. The Organizational conflict-of-interest requirements in 24 CFR 578.95(c).

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2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).

2.4.3. The Other Conflicts requirements in 24 CFR 578.95(d).

2.5. The Contractor shall develop, implement and retain a copy of the personal conflict-of-interest policy that complies with the requirements in 24 CFR 578.95, including records supporting any exceptions to the personal conflict-of-interest prohibitions.

2.6. The Contractor shall comply and retain documentation of compliance with:

2.6.1. The Homeless Participation requirements in accordance with 24 CFR 578.75(g).

2.6.2. The Faith-based Activities requirements in accordance with 24 CFR 578.87(b).

2.6.3. Affirmatively Furthering Fair Housing by maintaining copies of all marketing, outreach, and other materials used to inform eligible persons of the program in accordance with 24 CFR 578.93(c).

2.6.4. Other Federal Requirements in 24 CFR 578.99, as applicable.

2.6.5. Other Records Specified by HUD. The Contractor must keep other records as specified by HUD.

2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.

2.7. Confidentiality. In addition to meeting the specific confidentiality and security requirements for HMIS data (76 FR 76917), the Contractor shall develop and implement written procedures to ensure:

2.7.1. All records containing protected identifying information of any individual or family who applies for and/or receives Continuum of Care assistance shall be kept secure and confidential as required by this Agreement and state and federal laws and regulations;

2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not be made public, except with written authorization of the person responsible for the operation of the project; and

2.7.3. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality;

2.8. Period of Record Retention. The Contractor shall ensure all records, originals or copies made by microfilming, photocopying, or other similar methods, pertaining to Continuum of Care funds are retained for five (5) years following the Contract Completion Date and receipt of final payment by the Contractor unless records are otherwise required to be maintained for a period in excess of the five (5) year period according to state or federal law or regulation.

### 3. Program Reporting Requirements

3.1. The Contractor shall submit the following reports:

3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and

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Exhibit A

3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

**4. Contract Administration**

- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.

**5. Performance Measures**

- 5.1. The Contractor shall adhere to all terms and conditions as set forth in the HUD New Project Application, federal fiscal year 2018, #SF-424; and
  - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
  - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

**6. Deliverables**

- 6.1. The Contractor shall implement a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.
- 6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.
  - 6.2.1. Project outcomes shall include, but are not limited to:
    - 6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.
    - 6.2.1.2. Participants experience increased connections to:
      - 6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;
      - 6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and
      - 6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.
- 6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

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New Hampshire Department of Health and Human Services  
Continuum of Care Program

Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Permanent Supportive Housing Program Funding**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
  - 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0019L1T001811
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$85,230
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Operating Expenses: \$83,282
    - 1.2.8.2. Administrative Expenses: \$1,948
    - 1.2.8.3. Total program amount: \$85,230
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
  - 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:  
NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301
- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.



**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule; Review by the State**

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
- 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
- 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
- 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
- 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.

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**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.

3.4.5. Schedule of Payments:

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingsupportsinvoices@dhhs.nh.gov](mailto:housingsupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.

3.5. Review of the State Disallowance of Costs:

- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services, products, required report submissions, as detailed in Exhibits A and B, or NH-HMIS data entry requirements have not been satisfactorily completed in accordance with the terms and conditions of this Agreement.

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New Hampshire Department of Health and Human Services  
Continuum of Care Program

Exhibit B

**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;

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- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;
- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only. Property damages may be paid only from funds paid to the landlord from security deposits.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.
- 5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
- 5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
- 5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

- 5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and
- 5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
  - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
    - 5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:

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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

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5.6.1. Requirements:

- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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**Exhibit B**

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- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

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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;

Exhibit C – Special Provisions

Contractor Initials

Date

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

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

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

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Exhibit C



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

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



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

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

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

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

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

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

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

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

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



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

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

**20. Contract Definitions:**

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



## REVISIONS TO STANDARD CONTRACT LANGUAGE

### 1. Revisions to Form P-37, General Provisions

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

#### 4. CONDITIONAL NATURE OF AGREEMENT

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

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

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

### 2. Renewal

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

*Jm*  
Date 5/23/19



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

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

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

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

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

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

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

New Hampshire Department of Health and Human Services  
Exhibit D



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

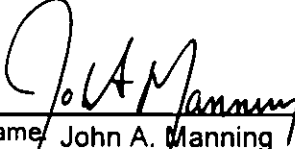
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
    - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements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

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

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

Vendor Name: Southwestern Community Services, Inc.

05/23/19  
Date

  
\_\_\_\_\_  
Name/ John A. Manning  
Title/ Chief Executive Officer





**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

- \*Temporary Assistance to Needy Families under Title IV-A
- \*Child Support Enforcement Program under Title IV-D
- \*Social Services Block Grant Program under Title XX
- \*Medicaid Program under Title XIX
- \*Community Services Block Grant under Title VI
- \*Child Care Development Block Grant under Title IV

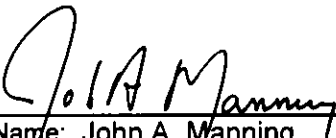
The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-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.

Vendor Name: Southwestern Community Services, Inc.

05/23/19  
Date

  
Name: John A. Manning  
Title: Chief Executive Officer



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION  
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**INSTRUCTIONS FOR CERTIFICATION**

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

New Hampshire Department of Health and Human Services  
Exhibit F



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

**PRIMARY COVERED TRANSACTIONS**

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
  - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

**LOWER TIER COVERED TRANSACTIONS**

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
  - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name: Southwestern Community Services, Inc.

05/23/19  
Date

  
Name: John A. Manning  
Title: Chief Executive Officer

Vendor Initials   
Date 5/23/19



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO  
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND  
WHISTLEBLOWER PROTECTIONS**

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations  
and Whistleblower protections

Vendor Initials

*Jm*

Date

5/23/19

New Hampshire Department of Health and Human Services  
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name: Southwestern Community Services, Inc.

05/23/19  
Date

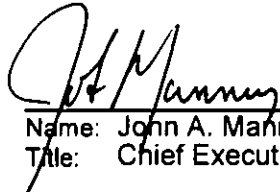
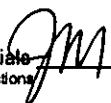
  
Name: John A. Mahning  
Title: Chief Executive Officer

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations  
and Whistleblower protections

Vendor Initials

  
Date 5/23/19



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name: Southwestern Community Services, Inc.

05/23/19  
Date

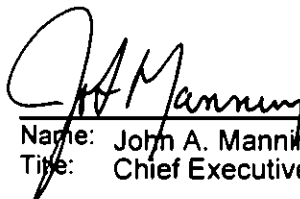
  
Name: John A. Manning  
Title: Chief Executive Officer



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

The Vendor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Vendor and subcontractors and agents of the Vendor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. **"Breach"** shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. **"Business Associate"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. **"Covered Entity"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. **"Designated Record Set"** shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. **"Data Aggregation"** shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. **"Health Care Operations"** shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. **"HITECH Act"** means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. **"HIPAA"** means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. **"Individual"** shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. **"Privacy Rule"** shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. **"Protected Health Information"** shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

3/2014

Exhibit I  
Health Insurance Portability Act  
Business Associate Agreement  
Page 1 of 6

Vendor Initials

*Jm*

Date 5/23/14



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
  - I. For the proper management and administration of the Business Associate;
  - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business





Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

**(3) Obligations and Activities of Business Associate.**

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
  - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
  - o The unauthorized person used the protected health information or to whom the disclosure was made;
  - o Whether the protected health information was actually acquired or viewed
  - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



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.

3/2014

Vendor Initials

*Jm*  
Date 5/23/19



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) l, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

*Christine Santanillo*  
Signature of Authorized Representative

*Christine Santanillo*  
Name of Authorized Representative

*Director, DEHS*  
Title of Authorized Representative

*5/29/19*  
Date

Southwestern Community Services, Inc.

Name of the Vendor

*John A. Manning*  
Signature of Authorized Representative

*John A. Manning*  
Name of Authorized Representative

*Chief Executive Officer*  
Title of Authorized Representative

*05/23/19*  
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.

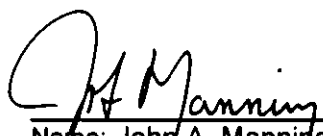
The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Vendor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date

  
Name: John A. Manning  
Title: Chief Executive Officer

New Hampshire Department of Health and Human Services  
Exhibit J



**FORM A**

As the Vendor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 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?

x NO        YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

       NO        YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

**I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR**

**A. Business Use and Disclosure of Confidential Information.**

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a



DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

## II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

**DHHS Information Security Requirements**



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

**III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS**

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

**A. Retention**

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

**B. Disposition**

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

**IV. PROCEDURES FOR SECURITY**

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

DHHS Information Security Requirements



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
  - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
  - b. safeguard this information at all times.
  - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
  - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

**DHHS Information Security Requirements**



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

**V. LOSS REPORTING**

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

- 1. Identify Incidents;
- 2. Determine if personally identifiable information is involved in Incidents;
- 3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
- 4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

**VI. PERSONS TO CONTACT**

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

# State of New Hampshire

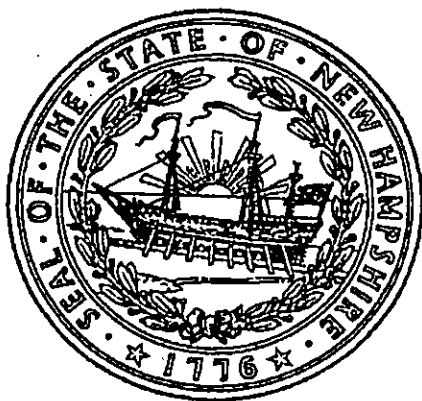
## Department of State

### 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

Certificate Number: 0004490855



IN TESTIMONY WHEREOF,  
I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 8th day of April A.D. 2019.

A handwritten signature in cursive script, appearing to read "Wm Gardner".

William M. Gardner  
Secretary of State



## CERTIFICATE OF VOTE

I, Elaine M. Amer, Clerk Secretary, 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 February 18, 2016 :  
(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 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 23rd day of May, 2019.  
(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.

Elaine M. Amer  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

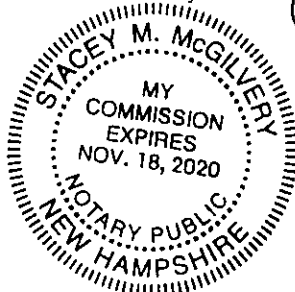
County of Cheshire

The forgoing instrument was acknowledged before me this 23<sup>rd</sup> day of May, 2019.

By Elaine M. Amer  
(Name of Elected Officer of the Agency)

Stacey McGilvery  
Stacey McGilvery, Notary

Commission Expires: 11/18/2020



gm  
5/23/19



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/4/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must 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> Clark - Mortenson Insurance P.O. Box 606 Keene NH 03431	<b>CONTACT NAME:</b>		
	<b>PHONE (A/C, Hq, Ext):</b> 603-352-2121	<b>FAX (A/C, Hq):</b> 603-357-8491	
	<b>E-MAIL ADDRESS:</b> csr24@clark-mortenson.com		
<b>INSURED</b> Southwestern Comm Services Inc PO Box 603 Keene NH 03431	<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
	<b>INSURER A:</b> Philadelphia Insurance Company		0
	<b>INSURER B:</b> Maine Employer Mutual Insurance Co.		
	<b>INSURER C:</b>		
	<b>INSURER D:</b>		
	<b>INSURER E:</b>		
<b>INSURER F:</b>			

**COVERAGES**

CERTIFICATE NUMBER: 1977689129

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK1835086	6/30/2018	6/30/2019	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			PHPK1835086	6/30/2018	6/30/2019	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10,000 <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE			PHU9633333	6/30/2018	6/30/2019	EACH OCCURRENCE \$2,000,000 AGGREGATE \$2,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input checked="" type="checkbox"/> N N/A			3102800788	4/1/2019	4/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liability			PHPK1835086	6/30/2018	6/30/2019	\$1,000,000 per occurrence \$2,000,000 general aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Workers Compensation Statutory coverage provided for the State of NH  
All Executive Officers are included in the Workers Compensation coverage

**CERTIFICATE HOLDER****CANCELLATION**

NH -DHHS  
Brown Building  
129 Pleasant Street  
Concord NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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# Southwestern Community Services

Over 45 years of people helping people in Cheshire and Sullivan counties

## 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.

## Mission Statement

SCS strives to empower low income people and families. *With dignity and respect*, SCS will provide direct assistance, reduce stressors and advocate for such persons and families as they lift themselves toward *self-sufficiency*.

## Community Statement

In *partnership and close collaboration* with local communities, SCS will provide *leadership and support* To develop resources, programs and services to further aid this population.

63 Community Way  
PO Box 603  
Keene, NH 03431-0603  
Phone: (603) 352-7512  
Fax: (603) 352-3618



Call Toll Free: (800) 529-0005  
TTY-NH: (800) 735-2964

96-102 Main Street  
PO Box 1338  
Claremont, NH 03743  
Phone: (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, 2018 AND 2017  
AND  
INDEPENDENT AUDITORS' REPORTS**

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2018 AND 2017**

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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, 2018 and 2017, and the related consolidated statements of cash flows, and notes to the consolidated financial statements for the years then ended, and the related consolidated statements of activities and functional expenses for the year ended May 31, 2018.

### **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, 2018 and 2017, 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' 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 11, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2017, 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 September 17, 2018, 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*

September 17, 2018  
Wolfeboro, New Hampshire

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES****CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
MAY 31, 2018 AND 2017****ASSETS**

	<u>2018</u>	<u>2017</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,086,895	\$ 947,175
Accounts receivable	1,095,486	1,360,685
Prepaid expenses	35,019	19,252
Notes receivable	112,000	112,000
Interest receivable	<u>45,547</u>	<u>41,067</u>
Total current assets	<u>2,374,947</u>	<u>2,480,179</u>
<b>PROPERTY</b>		
Land and buildings	14,438,178	13,335,396
Vehicles and equipment	549,305	703,635
Furniture and fixtures	<u>39,617</u>	<u>25,756</u>
Total property	<u>15,027,100</u>	<u>14,064,787</u>
Less accumulated depreciation	<u>4,880,952</u>	<u>4,579,760</u>
Property, net	<u>10,146,148</u>	<u>9,485,027</u>
<b>OTHER ASSETS</b>		
Investment in related parties	88,706	142,782
Due from related parties	152,959	219,108
Cash escrow and reserve funds	517,853	359,589
Security deposits	51,996	37,906
Other assets	<u>384</u>	<u>384</u>
Total other assets	<u>811,898</u>	<u>759,769</u>
Total assets	<u>\$ 13,332,993</u>	<u>\$ 12,724,975</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 124,085	\$ 166,495
Accrued expenses	206,178	233,842
Accrued payroll and payroll taxes	250,692	241,035
Other current liabilities	135,573	148,698
Refundable advances	193,931	238,345
Current portion of long term debt	<u>216,438</u>	<u>211,313</u>
Total current liabilities	1,126,897	1,239,728
<b>NONCURRENT LIABILITIES</b>		
Long term debt, less current portion shown above	<u>8,273,983</u>	<u>8,087,475</u>
Total liabilities	<u>9,400,880</u>	<u>9,327,203</u>
<b>NET ASSETS</b>		
Unrestricted	3,774,641	3,243,933
Temporarily restricted	<u>157,472</u>	<u>153,839</u>
Total net assets	<u>3,932,113</u>	<u>3,397,772</u>
Total liabilities and net assets	<u>\$ 13,332,993</u>	<u>\$ 12,724,975</u>

See Notes to Consolidated Financial Statements



**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MAY 31, 2018  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2018 Total</u>	<u>2017 Total</u>
<b>REVENUES AND OTHER SUPPORT</b>				
Government contracts	\$ 11,055,093	\$ -	\$ 11,055,093	\$ 9,722,823
Program service fees	1,868,188	-	1,868,188	1,862,236
Rental income	801,642	-	801,642	661,932
Developer fee income	50,000	-	50,000	265,000
Support	389,363	119,866	509,229	400,116
Fundraising	105,286	-	105,286	80,170
Interest income	8,959	-	8,959	6,699
Forgiveness of debt	75,971	-	75,971	90,148
Miscellaneous	100,772	-	100,772	140,537
In-kind contributions	161,852	-	161,852	162,966
Total revenues and other support	14,617,126	119,866	14,736,992	13,392,627
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u>116,233</u>	<u>(116,233)</u>	<u>-</u>	<u>-</u>
Total revenues, other support, and net assets released from restrictions	<u>14,733,359</u>	<u>3,633</u>	<u>14,736,992</u>	<u>13,392,627</u>
<b>EXPENSES</b>				
<b>Program services</b>				
Home energy programs	4,847,201	-	4,847,201	3,812,708
Education and nutrition	2,530,152	-	2,530,152	2,367,558
Homeless programs	2,172,388	-	2,172,388	2,056,525
Housing services	2,048,214	-	2,048,214	2,073,178
Economic development services	728,119	-	728,119	571,865
Other programs	945,391	-	945,391	963,917
Total program services	13,271,465	-	13,271,465	11,845,751
<b>Supporting activities</b>				
Management and general	1,749,700	-	1,749,700	1,776,106
Total expenses	<u>15,021,165</u>	<u>-</u>	<u>15,021,165</u>	<u>13,621,857</u>
<b>CHANGES IN NET ASSETS BEFORE LOSS ON SALE OF PROPERTY</b>	(287,806)	3,633	(284,173)	(229,230)
<b>LOSS ON SALE OF PROPERTY</b>	(4,583)	-	(4,583)	(19,355)
<b>(LOSS) GAIN ON INVESTMENT IN LIMITED PARTNERSHIPS</b>	<u>(188)</u>	<u>-</u>	<u>(188)</u>	<u>132,782</u>
<b>CHANGE IN NET ASSETS</b>	<u>(292,577)</u>	<u>3,633</u>	<u>(288,944)</u>	<u>(115,803)</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	3,243,933	153,839	3,397,772	3,513,575
<b>NET ASSETS TRANSFERRED FROM LIMITED PARTNERSHIP</b>	<u>823,285</u>	<u>-</u>	<u>823,285</u>	<u>-</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>4,067,218</u>	<u>153,839</u>	<u>4,221,057</u>	<u>3,513,575</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 3,774,641</u>	<u>\$ 157,472</u>	<u>\$ 3,932,113</u>	<u>\$ 3,397,772</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, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (288,944)	\$ (115,803)
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Depreciation and amortization	467,929	415,720
Loss on sale of property	4,583	19,355
Loss (gain) on investment in limited partnerships	188	(132,782)
Forgiveness of debt	(75,971)	(90,148)
(Increase) decrease in assets:		
Accounts receivable	265,199	(258,318)
Prepaid expenses	(3,439)	4,161
Interest receivable	(4,480)	(4,480)
Due from related parties	66,149	73,417
Security deposits	(2,623)	(1,945)
Increase (decrease) in liabilities:		
Accounts payable	(53,220)	11,248
Accrued expenses	(38,863)	87,479
Accrued payroll and payroll taxes	9,657	22,853
Other current liabilities	(13,125)	(32,998)
Refundable advances	(44,414)	37,281
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>288,626</u>	<u>35,040</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease (increase) in escrow funds	5,846	(18,222)
Proceeds from sale of property	-	6,000
Purchase of property	(142,791)	(247,598)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(136,945)</u>	<u>(259,820)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term debt	76,143	106,019
Repayment of long term debt	(112,612)	(122,890)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(36,469)</u>	<u>(16,871)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	115,212	(241,651)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	947,175	1,188,826
<b>CASH TRANSFERRED FROM LIMITED PARTNERSHIP</b>	<u>24,508</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,086,895</u>	<u>\$ 947,175</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, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash paid during the year for interest	<u>\$ 142,467</u>	<u>\$ 141,285</u>
<b>SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Property financed by long term debt	<u>\$ -</u>	<u>\$ 33,100</u>
Transfer of assets from newly consolidated LP:		
Prepaid expenses	\$ (12,328)	\$ -
Land and buildings	(894,504)	-
Furniture and fixtures	(96,338)	-
Cash escrow and reserve funds	(164,110)	-
Security deposits	<u>(11,467)</u>	<u>-</u>
Total transfer of assets from newly consolidated LP	<u>\$ (1,178,747)</u>	<u>\$ -</u>
Transfer of liabilities from newly consolidated LP:		
Accounts payable	\$ 10,810	\$ -
Accrued expenses	11,199	-
Long term debt	<u>304,073</u>	<u>-</u>
Total transfer of liabilities from newly consolidated LP	<u>\$ 326,082</u>	<u>\$ -</u>
Total partners' capital from newly consolidated LP	<u>\$ 877,173</u>	<u>\$ -</u>
Partners' capital previously recorded as investment in related parties	<u>(53,888)</u>	<u>-</u>
Total transfer of partners' capital from newly consolidated LP	<u>\$ 823,285</u>	<u>\$ -</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, 2018  
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	2018 Total	2017 Total
Payroll	\$ 398,452	\$ 1,208,531	\$ 435,538	\$ 771,028	\$ 405,189	\$ 439,358	\$ 3,658,198	\$ 774,486	\$ 4,432,082	\$ 4,142,843
Payroll taxes	31,899	99,882	34,153	56,903	30,418	38,918	289,771	80,913	350,684	331,560
Employee benefits	122,762	453,204	146,384	278,393	87,744	187,020	1,275,517	54,500	1,330,107	1,361,824
Retirement	24,980	60,878	21,031	64,244	19,280	17,448	218,821	73,148	289,969	274,815
Advertising	-	142	1,897	4,186	2,114	16,172	24,491	-	24,491	29,517
Bank charges	15	-	120	3,834	-	-	3,969	9,078	13,048	12,127
Computer cost	-	9,185	4,300	14,144	14,298	3,500	45,427	62,062	107,479	115,143
Contractual	618,340	62,483	242,935	20,362	2,718	109,718	948,536	14,921	963,457	587,284
Depreciation	-	28,300	108,291	167,840	-	16,131	320,562	147,367	467,929	415,720
Dues/registration	-	6,038	-	343	968	997	8,364	10,178	18,538	19,077
Duplicating	1,584	8,148	-	-	-	-	9,732	4,321	14,053	9,842
Insurance	5,909	13,361	23,853	52,287	14,610	8,248	118,068	38,380	156,448	147,175
Interest	-	8,659	7,759	6,997	-	2,554	25,969	118,501	142,467	141,286
Meeting and conference	3,981	58	9,293	7,177	800	19,305	40,394	30,924	78,318	49,122
Miscellaneous expense	909	971	2,303	18,906	4,442	18,660	45,881	13,182	59,063	168,334
Miscellaneous taxes	-	-	-	25,381	-	-	25,381	886	27,267	32,868
Equipment purchases	4,870	24,320	60	12,348	-	-	41,418	2,305	43,723	9,991
Office expense	34,413	12,613	8,440	14,505	12,042	4,075	86,090	20,402	106,492	73,351
Postage	132	274	182	31	348	50	1,017	22,918	23,935	24,328
Professional fees	4,890	-	1,675	15,879	-	-	22,844	53,789	106,410	134,341
Staff development and training	1,430	23,724	2,624	8,287	5,675	28,044	69,784	2,643	72,727	51,472
Subscriptions	-	-	28	87	-	-	115	1,329	1,444	2,397
Telephone	2,080	15,297	19,681	14,508	2,435	3,239	57,307	56,576	113,883	114,072
Travel	5,335	20,013	20,312	5,196	28,509	2,000	82,364	3,509	85,873	77,044
Vehicle	2,140	2,510	712	31,826	45,200	9,201	91,586	10,981	102,570	86,571
Rent	-	25,201	-	-	-	-	25,201	-	25,201	25,200
Space costs	148	140,213	256,849	438,344	-	1,009	836,563	128,898	965,529	934,572
Direct client assistance	3,883,480	148,220	823,838	14,447	60,531	23,843	4,741,445	-	4,741,445	4,097,787
In-kind expenses	-	181,852	-	-	-	-	181,852	-	181,852	182,956
<b>TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION</b>	<b>4,647,201</b>	<b>2,630,162</b>	<b>2,172,388</b>	<b>2,048,214</b>	<b>728,119</b>	<b>945,391</b>	<b>13,271,465</b>	<b>(1,749,700)</b>	<b>15,021,165</b>	<b>13,621,857</b>
Allocation of management and general expenses	639,051	333,574	289,408	270,035	95,995	124,639	1,749,700	(1,749,700)	-	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 5,486,252</b>	<b>\$ 2,963,736</b>	<b>\$ 2,461,796</b>	<b>\$ 2,318,249</b>	<b>\$ 824,114</b>	<b>\$ 1,070,030</b>	<b>\$ 15,021,165</b>	<b>\$ -</b>	<b>\$ 15,021,165</b>	<b>\$ 13,621,857</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, 2018 AND 2017**

#### **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 Corporation, SCS Housing, Inc., SCS Development Corporation, SCS Housing Development, Inc., and various limited partnerships, as described below. 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.

##### **Principles of Consolidation**

The consolidated financial statements include the accounts of Southwestern Community Services, Inc. and the following entities as Southwestern Community Services, Inc. has both an economic interest and control of the entities through a majority voting interest in their governing board. All significant intercompany items and transactions have been eliminated from the basic consolidated financial statements.

- SCS Management Corporation
- SCS Housing, Inc.
- SCS Development Corporation
- SCS Housing Development, Inc.
- Drewsville Carriage House Associates, Limited Partnership (Drewsville)
- Jaffrey Housing Associates, Limited Partnership (Jaffrey)
- Troy Senior Housing Associates, Limited Partnership (Troy Senior)
- Keene East Side Senior Housing Associates, Limited Partnership (Keene East Side)
- Winchester Senior Housing Associates, Limited Partnership (Winchester) (2018 only)

### **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, 2018 and 2017, 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, 2017 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, 2018 and 2017. 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 receivables 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 at May 31, 2018 was \$112,000 and \$45,547, respectively. At May 31, 2017, the balance of the notes receivable and related interest receivable were \$112,000 and \$41,067, respectively.

### **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, 2018 and 2017, approximately 75% and 73%, 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.

### **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. Depreciation expense for the years ended May 31, 2018 and 2017 totaled \$467,929 and \$415,720, respectively.

### **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 private foundations. As such, they are exempt from income tax on their exempt function income.

SCS Housing, Inc., SCS Development Corporation and SCS Housing Development, Inc. are taxed as corporations. SCS Housing Inc. has federal net operating loss carryforwards totaling \$915,425 and \$840,803 at May 31, 2018 and 2017, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2027. SCS Development Corporation has federal net operating loss carryforwards totaling \$607 and \$629 at May 31, 2018 and 2017, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2020.



The tax effects of the carryforwards as related to deferred tax assets is as follows as of May 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Tax benefit from loss carryforwards	\$137,408	\$126,215
Valuation allowance	<u>(137,408)</u>	<u>(126,215)</u>
Deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

Drewsville, Jaffrey, Troy Senior, Winchester and Keene East Side 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, 2015 – 2018), 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, 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. Interest is due monthly and is stated at the Wall Street Journal Prime Rate. The line is secured by all the Organization's assets. As of May 31, 2018 and 2017, the interest rate was 4.75% and 4.00%, respectively. There was no outstanding balance at May 31, 2018 and 2017.

**NOTE 3      LONG TERM DEBT**

The long term debt at May 31, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
1% mortgage payable to New Hampshire Housing in monthly installments for principal and interest of \$891 through August 2032. The note is secured by real estate of the Organization (NHHFA, 96 Main Street).	\$ 154,832	\$ 163,926
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 (CDFA, 96 Main Street).	32,147	32,147
4.5% note payable to a bank in monthly installments for principal and interest of \$978 through March 2021. The note is secured by real estate of the Organization (People's United Bank, Ashuelot).	31,143	42,099

Non-interest bearing mortgage payable to New Hampshire Housing. 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 (NHHFA, 17 Pearl).	244,505	244,505
Non-interest bearing mortgage payable to New Hampshire Housing. 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 (NHHFA, 41-43 Central).	376,363	376,558
4.25% mortgage payable to a bank in monthly installments for principal and interest of \$1,875 through December 2016, with a balloon payment that was due January 2017. The note was amended during the year ended May 31, 2018 and is now due December 2026. Under the amendment, interest rate is 4.94% and monthly installments for principal and interest are \$1,957. The note is secured by real estate of the Organization (People's United Bank, Milestones).	162,223	177,050
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 (TD Bank, Keene Office).	2,247,266	2,280,750
Non-interest bearing note payable to Cheshire County in New Hampshire. Payment is not necessary unless Organization defaults on contract. The note is secured by real estate of the Organization (CDBG, Keene Office).	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, 2018 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).	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, 2018 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).

45,000 45,000

Note payable to a bank in monthly installments for principal and interest of \$2,463 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, 2018 and 2017. The note is secured by real estate of the Organization (TD Bank, Keene Office/Community Way).

414,567 426,734

5.19% note payable to a bank in monthly installments for principal and interest of \$889 through May 2021. The note is secured by real estate of the Organization (TD Bank, 45 Central Street).

100,254 105,495

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 (HUD, Ashuelot).

150,000 175,000

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 (HUD, 112 Charlestown Road).

90,000 105,000

Non-interest bearing note payable to New Hampshire Finance Authority in annual payments in the amount of 50% of annual surplus cash through July 2042 at which time the remaining balance is due. The note is secured by real estate of the Organization (NHHFA, Second Chance).

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 (CDBG, Second Chance).	363,677	382,818
3.99% note payable to a bank in monthly installments for principal and interest of \$355. The note was paid off in May 2018. The note was secured by a vehicle of the Organization (Ally, Kia Soul).	-	4,070
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 (TCF, Econoline Van).	8,741	15,688
5.54% note payable to a finance company in monthly installments for principal and interest of \$543 through August 2022. The note is secured by a vehicle (Ally, Econoline Van).	24,564	29,572
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 includes cumulative accrued interest of \$53,651 (CDBG).	303,651	300,645
Jaffrey - 6% note payable to a bank in monthly installments for principal and interest of \$485 through August 2027. The note is secured by land and buildings (TD Bank).	41,099	43,533
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 (CDBG).	640,000	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 (NHHFA).	140,210	140,210

Keene East Side - 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 (CDBG).

900,000 900,000

Keene East Side - Non-interest bearing note payable to New Hampshire Community Development Finance Authority (CDFA) to fund energy upgrades and capital improvements. Beginning in 2016, 10% of the note is forgiven each year based on the rolling balance. The mortgage may be released after ten years in January 2026. The note is secured by real estate of the Organization (CDFA).

178,172 121,865

Keene East Side - 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 (NHHFA).

228,934 228,934

Winchester - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due May 2032, payable in monthly installments of \$370, including interest at 2.00%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHHFA).

53,826 -

Winchester - Non-recourse, zero interest bearing mortgage note payable to New Hampshire Housing (FAF), due May 2032, payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30-year term of the mortgage note (NHHFA).

92,058 -

Winchester - Non-recourse, zero interest bearing, direct subsidy AHP loan secured by the Partnership's land and buildings, subject to low-income housing restrictions under the terms of the AHP agreement. In the event of a default under the aforementioned agreement, the loan is due upon demand with interest accrued at a rate of 11.67% for the period the funds were outstanding (Federal Loan Home Bank).

	<u>150,000</u>	<u>-</u>
	8,490,421	8,298,788
Less current portion due within one year	<u>216,438</u>	<u>211,313</u>
	<u>\$ 8,273,983</u>	<u>\$ 8,087,475</u>

The schedule of maturities of long term debt at May 31, 2018 is as follows:

<u>Year Ending</u> <u>May 31</u>	<u>Amount</u>
2019	\$ 216,438
2020	106,557
2021	108,028
2022	102,681
2023	102,148
Thereafter	<u>7,854,569</u>
Total	<u>\$ 8,490,421</u>

#### NOTE 4 OPERATING LEASES

The Organization leases facilities, equipment and vehicles under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2022. Monthly lease payments range from \$200 to \$3,521. Lease expense for the years ended May 31, 2018 and 2017 totaled \$176,479 and \$179,178, respectively.

Future minimum payments as of May 31, 2018 on the above leases are as follows:

<u>Year Ending</u> <u>May 31</u>	<u>Amount</u>
2019	\$ 76,776
2020	22,372
2021	18,977
2022	<u>15,618</u>
Total	<u>\$ 133,743</u>

**NOTE 5      ACCRUED COMPENSATED BALANCES**

At May 31, 2018 and 2017, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$130,140 and \$127,577, respectively.

**NOTE 6      CONTINGENCIES**

Southwestern Community Services, Inc. is the 100% owner of SCS Housing, Inc. and SCS Housing Development, Inc. SCS Housing, Inc. and SCS Housing Development, Inc. are the general partners of ten limited partnerships formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc., SCS Housing, Inc. and SCS Housing Development, Inc. have guaranteed repayment of liabilities of various partnerships totaling approximately \$15,569,000 and \$15,590,000 at May 31, 2018 and 2017, respectively.

Partnership real estate with a cost basis of approximately \$41,158,000 and \$41,027,000 provides collateral on these loans at May 31, 2018 and 2017, respectively.

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, 2018 and 2017.

**NOTE 7      RELATED PARTY TRANSACTIONS**

During the years ended May 31, 2018 and 2017, SCS Housing, Inc. managed ten limited partnerships. Management fees charged by SCS Housing, Inc. totaled \$322,973 and \$308,448, for the years ended May 31, 2018 and 2017, respectively. Additionally, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years.

The Organization has also advanced funds to a related entity for Department of Housing and Urban Development (HUD) sponsorship purposes.

The total amount due and expected to be collected from the limited partnerships and related entity was \$142,959 and \$219,108 at May 31, 2018 and 2017, respectively.



**NOTE 8**      **EQUITY INVESTMENT**

Southwestern Community Services, Inc. and related companies use the equity method to account for their financial interests in the following companies:

	<u>2018</u>	<u>2017</u>
Cityside Housing Associates, LP	\$ (9,492)	\$ (9,481)
Marlborough Homes, LP	8	30
Payson Village Senior Housing Associates, LP	(12,491)	(12,477)
Railroad Square Senior Housing Associates, LP	(1,715)	(1,527)
Warwick Meadows Housing Associates, LP	(17)	(9)
Woodcrest Drive Housing Associates, LP	222,846	222,850
Winchester Senior Housing Associates, LP	-	53,888
Westmill Senior Housing, LP	90	-
Swanzey Township Housing Associates, LP	(31,190)	(31,183)
Snow Brook Meadow Village Housing Associates, LP	(60,716)	(60,709)
Keene Highland Housing Associates, LP	(243)	(226)
Pilot Health, LLC	<u>(18,374)</u>	<u>(18,374)</u>
	<u>\$ 88,706</u>	<u>\$ 142,782</u>

SCS Housing Development, Inc. is a 0.01% partner of Cityside Housing Associates, LP, Marlborough Homes, LP, Payson Village Senior Housing Associates, LP, Warwick Meadows Housing Associates, LP, and Woodcrest Drive Housing Associates, LP, a 0.10% partner of Railroad Square Senior Housing Associates, LP, and a 1% partner in Westmill Senior Housing, LP during the years ended May 31, 2018 and 2017.

SCS Housing, Inc. is a 0.01% partner of Winchester Senior Housing Associates, LP, Swanzey Township Housing Associates, LP, Snow Brook Meadow Village Housing Associates, LP, and Keene Highland Housing Associates, LP during the years ended May 31, 2018 and 2017.

The remaining 99.99% ownership interest in Winchester Senior Housing Associates, LP was acquired by Southwestern Community Service, Inc. during the year ended May 31, 2018 (see Note 12), and therefore the limited partnership is included in the consolidated financial statements for the year ended May 31, 2018.

Southwestern Community Services, Inc. is 14.3% member of Pilot Health, LLC.

Summarized financial information for entities accounted for under the equity method, as of May 31, 2018 and 2017, consists of the following:

	<u>2018</u>	<u>2017</u>
Total assets	\$ <u>32,782</u>	\$ <u>33,140</u>
Total liabilities	47,461	47,490
Capital/Member's equity	<u>(14,679)</u>	<u>(14,350)</u>
	\$ <u>32,782</u>	\$ <u>33,140</u>
Income	\$ 84,713	\$ 84,728
Expenses	<u>81,478</u>	<u>81,515</u>
Net income	\$ <u>3,235</u>	\$ <u>3,213</u>

**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 \$281,784 and \$274,815 for the years ended May 31, 2018 and 2017, respectively.

**NOTE 10      RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets are available for the following purposes:

	<u>2018</u>	<u>2017</u>
NNECAC – Annual Conference Fund	\$ 21,327	\$ 38,129
WM Marcello GAPS Fund	12,781	14,789
Stand Down	4,963	-
GAPS/Warm Fund	<u>118,401</u>	<u>100,921</u>
Total temporarily restricted net assets	\$ <u>157,472</u>	\$ <u>153,839</u>

**NOTE 11      FORGIVENESS OF DEBT**

During the year ended May 31, 2018, the Organization realized forgiveness of debt income in connection with notes payable to the County of Cheshire, HUD and Community Development Finance Authority. Forgiveness of debt income totaled \$75,971 for the year ended May 31, 2018.

During the year ended May 31, 2017, the Organization realized forgiveness of debt income in connection with notes payable to the County of Cheshire, HUD and New Hampshire Housing. Forgiveness of debt income totaled \$90,148 for the year ended May 31, 2017.

**NOTE 12     TRANSFER OF PARTNERSHIP INTEREST**

During 2018, Southwestern Community Services, Inc. acquired a partnership interest in a low-income housing limited partnership: Winchester. The amount paid for the partnership interest was \$1 and at the time of acquisition, Southwestern Community Services, Inc. became the general partner. The following is a summary of the assets and liabilities of the partnership at the date of acquisition:

Date of transfer	<u>08/16/2018</u>
	<u>Winchester</u>
Cash	\$ 24,508
Security deposits	11,467
Cash-reserves	164,110
Property – net	990,842
Other assets	<u>12,328</u>
Total assets	<u>1,203,255</u>
Notes payable	304,073
Other liabilities	<u>22,009</u>
Total liabilities	<u>326,082</u>
Partners' capital	877,173
Partners' capital previously recorded as an investment in related parties	<u>(53,888)</u>
Partners' capital transferred	<u>\$ 823,285</u>

**NOTE 13     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 14     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 September 17, 2018, the date the financial statements were available to be issued.

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**  
**CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED MAY 31, 2018**  
**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	2018 Total	2017 Total
<b>REVENUES</b>										
Government contracts	\$ 4,034,242	\$ 2,823,886	\$ 1,920,112	\$ 47,823	\$ 750,932	\$ 106,921	\$ 10,849,748	\$ 406,345	\$ 11,065,093	\$ 9,722,823
Program service fees	-	-	76,506	878,904	17,815	784,863	1,868,184	-	1,868,184	1,862,236
Rental income	-	-	117,370	884,072	-	200	801,842	-	801,842	861,832
Developer income	-	-	-	50,000	-	-	50,000	-	50,000	288,000
Support	104,817	36,406	98,437	-	139,240	130,530	609,229	-	609,229	400,116
Fundraising	-	-	80	-	-	105,206	105,286	-	105,286	80,170
Interest income	23	7	1,061	1,362	-	35	2,478	6,481	8,959	6,899
Forgiveness of Debt	-	-	50,141	18,830	-	-	75,971	-	75,971	90,148
Miscellaneous	2,010	128	6,485	42,373	47,352	-	96,346	2,426	100,772	140,537
In-kind contributions	-	181,852	-	-	-	-	181,852	-	181,852	182,996
<b>Total revenue and other support</b>	<b>\$ 4,040,892</b>	<b>\$ 3,021,089</b>	<b>\$ 2,290,182</b>	<b>\$ 1,821,364</b>	<b>\$ 861,479</b>	<b>\$ 1,187,755</b>	<b>\$ 14,322,740</b>	<b>\$ 414,232</b>	<b>\$ 14,736,992</b>	<b>\$ 13,397,627</b>
<b>EXPENSES</b>										
Payroll	\$ 386,452	\$ 1,208,831	\$ 430,538	\$ 771,028	\$ 405,189	\$ 436,358	\$ 3,858,186	\$ 774,466	\$ 4,432,862	\$ 4,142,843
Payroll taxes	31,598	99,882	34,153	35,803	30,416	36,818	259,771	80,913	350,884	331,590
Employee benefits	122,782	453,254	146,384	278,393	87,744	167,020	1,275,517	64,560	1,330,107	1,351,924
Retirement	24,960	88,878	21,031	84,244	19,280	17,448	218,821	73,148	289,969	274,815
Advertising	-	142	1,887	4,186	2,114	16,172	24,491	-	24,491	29,517
Bank charges	15	-	120	3,834	-	-	3,969	9,079	13,048	12,127
Computer cost	-	8,185	4,300	14,144	14,298	3,900	45,427	62,052	107,479	115,143
Contractual	618,340	52,463	242,836	20,382	2,718	109,718	946,536	14,821	961,457	587,254
Depreciation	-	28,300	108,291	187,840	-	18,131	320,562	147,267	467,829	415,720
Dues/registration	-	6,036	-	343	688	997	8,364	10,178	18,538	18,077
Duplicating	1,584	9,148	-	-	-	-	9,732	4,321	14,053	8,842
Insurance	5,909	12,361	23,853	62,287	14,610	6,248	118,058	38,380	156,448	147,175
Interest	-	8,856	7,759	6,987	-	2,554	25,996	116,501	142,497	141,285
Meeting & conference	3,951	58	9,293	7,177	600	19,305	40,364	35,924	76,318	49,122
Miscellaneous expense	908	971	2,303	15,886	4,442	18,560	45,851	13,182	59,033	168,334
Miscellaneous taxes	-	-	-	28,381	-	-	28,381	-	28,381	32,856
Equipment purchases	4,670	24,320	80	12,348	-	-	41,418	2,305	43,723	8,961
Office expense	34,413	12,613	8,440	14,506	12,042	4,076	86,090	20,402	106,492	73,351
Postage	132	274	182	31	348	80	1,017	22,918	23,935	24,329
Professional fees	4,890	-	1,875	15,879	-	-	22,644	83,780	106,410	134,341
Staff development and training	1,430	23,724	2,624	8,287	5,675	28,044	69,784	2,943	72,727	51,472
Subscriptions	-	-	28	87	-	-	115	1,329	1,444	2,387
Telephone	2,086	15,297	19,881	14,508	2,435	3,239	57,307	86,576	113,883	114,072
Travel	5,335	20,013	20,312	5,195	29,508	2,000	62,364	3,509	65,873	77,044
Vehicle	2,140	2,510	712	31,820	45,200	9,201	91,588	10,981	102,570	65,571
Rent	-	25,201	-	-	-	-	25,201	-	25,201	25,290
Space costs	148	140,213	256,849	438,344	-	1,009	636,563	128,098	965,529	934,572
Direct client assistance	3,063,406	148,220	823,938	14,447	50,531	23,843	4,741,445	-	4,741,445	4,087,787
In-kind expenses	-	181,852	-	-	-	-	181,852	-	181,852	182,996
<b>TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION</b>	<b>4,847,201</b>	<b>2,630,152</b>	<b>2,172,388</b>	<b>2,048,214</b>	<b>728,119</b>	<b>948,391</b>	<b>13,271,465</b>	<b>1,749,700</b>	<b>15,021,165</b>	<b>13,821,857</b>
Allocation of management and general expenses	639,061	333,674	286,400	270,035	95,995	124,639	1,749,700	(1,749,700)	-	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 5,486,262</b>	<b>\$ 2,963,826</b>	<b>\$ 2,458,788</b>	<b>\$ 2,318,249</b>	<b>\$ 824,114</b>	<b>\$ 1,073,030</b>	<b>\$ 15,021,165</b>	<b>\$ -</b>	<b>\$ 15,021,165</b>	<b>\$ 13,821,857</b>

See Independent Auditors' Report

**SUPPLEMENTAL INFORMATION**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

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**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MAY 31, 2018**

<b>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>PASS-THROUGH GRANTOR'S NAME</b>	<b>GRANTOR'S NUMBER</b>	<b>FEDERAL EXPENDITURE</b>
<b>U.S. Department of Agriculture</b>				
Rural Housing Preservation Grant	10.433	Direct Funding	3403-02801-808	\$ 14,188
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	304,381
Child and Adult Care Food Program	10.558	State of NH, Dept of Education	Unknown	121,328
Food Distribution Cluster				
Commodity Supplemental Food Program	10.565	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	\$ 100,788
Emergency Food Assistance Program (Food Commodities)	10.569	Community Action Program Belknap-Merrimack Counties	Unknown	103
				100,891
WIC Grants to States (Infrastructure)	10.578	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	42,151
WIC Grants to States (Breastfeeding Peer Counseling Program)	10.578	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	13,797
				55,948
Total U.S. Department of Agriculture				\$ 598,726
<b>U.S. Department of Housing and Urban Development</b>				
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Homeless & Housing	05-85-85-658310-717800000-102-50731	\$ 238,745
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Office of Human Services	010-042-7627-102-0731	117,877
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Homeless & Housing	05-85-85-658310-717800000-102-50731	308,422
Shelter Plus Care	14.238	State of NH, DHHS, Bureau of Homeless & Housing	05-85-85-658310-717800000-102-50731	261,048
Continuum of Care Program	14.257	State of NH, DHHS, Bureau of Homeless & Housing	05-85-85-658310-717800000-102-50731	272,181
				178,539
Total U.S. Department of Housing and Urban Development				\$ 1,085,188
<b>U.S. Department of Labor</b>				
WIA Cluster				
WIA Adult Program	17.258	Southern NH Services	Unknown	\$ 84,427
WIA Dislocated Worker Formula Grants	17.278	Southern NH Services	Unknown	35,084
				99,511
Total U.S. Department of Labor WIA Cluster				\$ 99,511
<b>U.S. Department of Transportation Federal Transit Administration (FTA)</b>				
Formula Grants for Rural Areas	20.508	State of NH, Department of Transportation	04-85-85-664010-2915	\$ 221,468
Transit Services Programs Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of NH, Department of Transportation	04-85-85-664010-2915	24,971
				246,439
Total U.S. Department of Transportation Federal Transit Administration (FTA)				\$ 246,439
<b>U.S. Department of Veterans Affairs</b>				
VA Supportive Services for Veteran Families Program	84.033	Harbor Homes, Inc.	Unknown	\$ 280,842
				280,842
Total U.S. Department of Veterans Affairs				\$ 280,842
<b>U.S. Department of Energy</b>				
Weatherization Assistance for Low-Income Persons	81.042	State of NH, Office of Energy & Planning	01-02-024010-7708-074-500587	\$ 184,008
				184,008
Total U.S. Department of Energy				\$ 184,008
<b>U.S. Department of Health &amp; Human Services</b>				
Aging Cluster				
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	01-02-024010-7708-074-500587	\$ 5,400
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, DHHS, Bureau of Elderly & Adult Services	05-85-48-481010-7872	42,144
Grants to States to Support Oral Health Workforce Activities	83.230	State of NH, DHHS, Division of Family Assistance	Unknown	47,844
Drug-Free Communities Support Program Grants	93.276	Direct Funding	8-798P018677-08	8,615
Affordable Care Act (ACA) - Consumer Assistance Program Grants	93.519	Direct Funding	HCB/CPI	111,278
TANF Cluster				5,293
Temporary Assistance for Needy Families	93.558	Southern NH Services	Unknown	327,983
Low Income Home Energy Assistance (Fuel Assistance)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-770800000-500587	4,008,188
Low Income Home Energy Assistance (HRRP)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-770800000-500587	184,802
Low Income Home Energy Assistance (BWP)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-770800000-500587	207,878
Community Services Block Grant	93.588	State of NH, DHHS, Div. of Family Assistance	500731	4,370,347
Head Start	93.600	Direct Funding	01C-09658	354,428
Block Grants for Prevention and Treatment of Substance Abuse	93.958	State of NH, DHHS, Bureau Drug and Alcohol Services	05-85-48-481510-28880000	2,321,897
				35,913
Total U.S. Department of Health & Human Services				\$ 7,582,907
<b>U.S. Department of Homeland Security</b>				
Emergency Food and Shelter National Board Program	97.024	State of NH, DHHS, Office of Human Services	Unknown	\$ 3,178
				3,178
Total U.S. Department of Homeland Security				\$ 3,178
<b>TOTAL</b>				<b>\$ 10,078,878</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, 2018**

**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, 2018. 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.

**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.

**NOTE 5      SUBRECIPIENTS**

Southwestern Community Services, Inc. had no subrecipients for the year ended May 31, 2018.

**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, 2018, 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 September 17, 2018.

**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.

*Leone McDonnell & Roberts*  
*Professional Association*

September 17, 2018  
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, 2018. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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, 2018.

### 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Leone McDonnell & Roberts*  
*Professional Association*

September 17, 2018  
Wolfeboro, New Hampshire

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED MAY 31, 2018**

**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*. No material weaknesses are reported.
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. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
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. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs were: U.S. Department of Health and Human Services; Low-Income Home Energy Assistance, 93.568, and Head Start, 93.600, and U.S. Department of Agriculture; Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), 10.557.
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**

None

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED MAY 31, 2017**

There were no findings or questioned costs that were required to be reported in the Schedule of Findings and Questioned Costs for the year ended May 31, 2017.

<b>Southwestern Community Services, Inc. Board of Directors - Composition – 2019 –</b>
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**CHESHIRE COUNTY**

**SULLIVAN COUNTY**

**CONSTITUENT  
SECTOR**

**Anne Beattie**  
Newport Service Organization

**Mary Lou Huffling**  
Fall Mountain Emergency Food Shelf  
Alstead Friendly Meals

**Brianna Trombi**  
Head Start Policy Council  
Parent Representative

open

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**PRIVATE  
SECTOR**

**Elaine Amer, Clerk/Treasurer**  
Amer Electric Company (*retired*)

**David Edkins**  
Town of Walpole

**Kevin Watterson, Chair**  
Clarke Companies (*retired*)

**Kerry Belknap Morris, M.Ed.**  
Early Childhood Education  
River Valley Community College

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**PUBLIC  
SECTOR**

**Jay Kahn**  
State Senator, District 10

**Derek Ferland**  
Sullivan County Manger

**Beth Fox**  
Assistant City Manager/  
Human Resources Director  
City of Keene

open

# 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

# **CRAIG A. HENDERSON**

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## **SUMMARY OF QUALIFICATIONS**

- Proficient in: Word, Excel, PowerPoint, Internet, Outlook, Photoshop,
- Ability to prioritize in a fast paced environment and to learn new tasks quickly and effectively
- Dedicated, reliable and responsible
- Extensive background in Social Services, Property Management, Finance, and Customer Service

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## **EDUCATION**

- **B.A** Psychology with a specialization in counseling **May, 1999**
- **B.S** Business Management  
Keene State College  
Keene, NH 03435

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## **EMPLOYMENT HISTORY**

**Henderson & Bosley Property Management** **8/02-Present**  
**President** **Keene, NH**

- Adhering to NH State housing laws and government housing programs
- Advertising and marketing of vacant apartments, Creating leases, Performing credit checks
- Property inspections and maintenance- including basic carpentry, landscaping etc.
- Research and management of investment opportunities

**Southwestern Community Services** **10/07-Present**  
**Director of Housing Stabilization Services**

- Designs and implements systems to provide efficient operation of all Housing Stabilization programs.
- Manages and leads assigned staff to ensure SCS policies and procedures are followed in a manner consistent with the organization's mission, values, and culture.
- Participates in the hiring of new employees and oversees the orientation and training of all assigned staff.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

**Southwestern Community Services** **10/07-Present**  
**Assistant Director of Housing Stabilization Services** **Keene, NH**

- Monitor quality of services, operation of assigned programs, facilities, and staff.
- Process and certify tenant/client applications for all Supportive Housing Programs; facilitate move-in process; track and collect rents/subsidies utilizing Classic Real Estate Software; track and collect all match documentation; recertify tenants when necessary and in a timely manner.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

**Southwestern Community Services** **02/03-10/07**  
**Long Term Transitional Housing Program Administrator** **Keene, NH**

- Responsibilities include: Assisting the homeless of Cheshire County with budgeting and referrals to other needed services; Advocating on behalf of clients to create new networks and improve current relationships; providing counsel through tough transitions, as well as, creating and maintaining an environment of success through programs such as Mediation Training, Consumer Credit Counseling, Psychological Therapy, Parenting Classes, and First Time Homebuyers programs.
- Basic maintenance of shelter properties and inventory control
- Responsible to track data and create statistical reports based on information collected to assist in budget allocations for Southwestern Community Services

**Coldwell Banker / Tattersall** **1/02-3/04**  
**Real Estate Sales Associate** **Keene, NH**

- Assisting buyers and sellers of real estate through customer/client interaction
- Informing clients/customers of federal and state regulations, financing options, and negotiating
- Creating marketing plans and researching pricing through competitive market analysis

- Assured accurate and consistent real-estate assessments with the emphasis in field work
- Position required strong attention to detail with the emphasis in property measurement and appraisal as well as requiring strong customer skill by acting as a liaison between town assessors office and the property owner

**Monadnet  
Customer Service Supervisor**

**8/99-8/01  
Keene, NH**

- Responsibilities include maintaining all major accounts and new account data; managing projects and delegating responsibilities, A/R and A/P reconciliation, Collections of delinquent accounts.
- Financial Analysis and Trend Monitoring, Billing Systems Analyst
- Direct mediation and resolution of customer service issues.

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**AWARDS RECEIVED**

- Delta Mu Delta: National Business Honor Society
- Psi Chi: National Psychology Honor Society

**CONTINUING EDUCATION AND CERTIFICATIONS**

**04/18/2007 Certified Occupancy Specialist – National Center for Housing Management**

**09/23/2008 Successful completion of “Landlord and Tenant Law” seminar – Lorman Educational Services**

**02/23/2016 HUD Certified Housing Quality Standards Inspector**

**01/21/2016 Completed 8.5 hours of Nonviolent Crisis Intervention training**

**04/26/2013 Certification in Fair Housing Law – Granite State Managers Association**

**08/10/2016 Blood Borne Pathogen Training**

**08/24/2016 6 hours of comprehensive low income housing tax credit training – Johnson Consulting Services, Inc**

**SOUTHWESTERN COMMUNITY SERVICES INC**  
**Cheshire Permanent Housing Program**

**Key Personnel**

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
John Manning	CEO	\$132,080	0	0
Meg Freeman	CFO	\$90,854	0	0
Craig Henderson	Director of Housing Stabilization	\$50,003	0	0

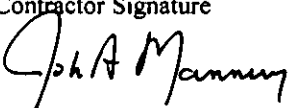
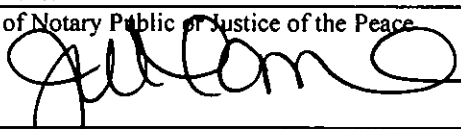
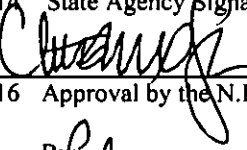


Subject: Continuum of Care, Coordinated Entry Program, SS-2020-BHS-05-Coord-02

**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

**GENERAL PROVISIONS****1. IDENTIFICATION.**

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Southwestern Community Services, Inc.		1.4 Contractor Address 63 Community Way P.O. Box 603 Keene, NH 03431-0603	
1.5 Contractor Phone Number (603) 352-7512	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$86,552
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory John A. Manning Chief Executive Officer	
1.13 Acknowledgement: State of NH, County of Cheshire			
On 05/23/19, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal] JILL A. TOMLIN, Justice of the Peace State of New Hampshire My Commission Expires April 5, 2022			
1.13.2 Name and Title of Notary or Justice of the Peace Jill Tomlin, Justice of the Peace			
1.14 State Agency Signature  Date: 5/29/19		1.15 Name and Title of State Agency Signatory Crushu Santamelo, Director, DEIS	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By:  Director, On:			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 6/4/2019			
1.18 Approval by the Governor and Executive Council (if applicable) By: On:			

gm  
5/23/19

**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

## **8. EVENT OF DEFAULT/REMEDIES.**

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

## **9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

**11. CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

## **12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.**

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

**13. INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

## **14. INSURANCE.**

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate ; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

#### **15. WORKERS' COMPENSATION.**

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A (*"Workers' Compensation"*).

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

**16. WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

**17. NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

#### **19. CONSTRUCTION OF AGREEMENT AND TERMS.**

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

**20. THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

**21. HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

**22. SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

**23. SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

**24. ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.





## SCOPE OF SERVICES

### **Coordinated Entry Program**

#### **1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:

NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301

- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports (BHS), has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.7. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.
- 1.8. Failure to submit required reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by BHS.

*gm*  
5/23/19



## **2. Scope of Services**

- 2.1. Based on the continued receipt/availability of federal funds from HUD Continuum of Care Program, the Contractor shall provide a Coordinated Entry program that shall serve approximately one-thousand (1000) homeless individuals or individuals at imminent risk of homelessness.
- 2.2. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 2.3. The Contractor shall support the primary goal of this program which is to identify and engage unsheltered homeless persons and persons at imminent risk of homelessness, and to provide basic interventions such as food and referrals to services and to facilitate their movement to shelter, permanent housing and maximum self-sufficiency.
- 2.4. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations, or at imminent risk of homelessness. The Contractor must obtain and retain appropriate documentation.
- 2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.
- 2.6. The contractor shall participate in their regional Coordinated Entry process.

## **3. Program Reporting Requirements**

- 3.1. The Contractor shall submit the following reports:
  - 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract/Grant Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and
  - 3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

## **4. Contract Administration**

- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.
- 4.3. All contract records (originals or copies made by microfilming, photocopying, or other similar methods) shall be retained for a period of five (5) years or as required by state or federal law, following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

*gm*

5/23/19



Exhibit A

**5. Performance Measures**

- 5.1. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and all terms and conditions, and amendments thereto, as detailed in the relevant fiscal year Notice of Funding Available (NOFA) CoC Project Application approved by HUD; and
  - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
  - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

gm

5/23/19



New Hampshire Department of Health and Human Services  
Continuum of Care Program

Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Coordinated Entry Program**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
  - 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0096L1T001803
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Coordinated Entry
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$86,552
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Leasing Expenses: \$0.000
    - 1.2.8.2. Rental Assistance: \$0,000
    - 1.2.8.3. Operating Expenses: \$0,000
    - 1.2.8.4. Supportive Services: \$84,092
    - 1.2.8.5. Administrative Expenses: \$2,460
    - 1.2.8.6. Total program amount: \$86,552
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
  - 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:

NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301

*gm*

5/23/19



**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.
- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule; Review by the State**

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
  - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
  - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
  - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
  - 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.

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5/23/19



**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.
- 3.4.5. Schedule of Payments:
- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingsupportsinvoices@dhhs.nh.gov](mailto:housingsupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.
- 3.5. Review of the State Disallowance of Costs:
- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

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Continuum of Care Program**

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**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, and may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;

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- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;
- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only. Property damages may be paid only from funds paid to the landlord from security deposits.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.

5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and

5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:

5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.

5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:

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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

5.6. Leasing:

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

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**5.6.1. Requirements:**

- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

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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;

Exhibit C – Special Provisions

Contractor Initials Jm

Date 5/23/19



- 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

*Jm*

5/23/19



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

**20. Contract Definitions:**

- 20.1. **COSTS:** Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.
- 20.2. **DEPARTMENT:** NH Department of Health and Human Services.
- 20.3. **PROPOSAL:** If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the services and/or goods to be provided by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.
- 20.4. **UNIT:** For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.
- 20.5. **FEDERAL/STATE LAW:** Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from time to time.
- 20.6. **SUPPLANTING OTHER FEDERAL FUNDS:** Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.



## REVISIONS TO STANDARD CONTRACT LANGUAGE

### 1. Revisions to Form P-37, General Provisions

1.1. Section 4, Conditional Nature of Agreement, is replaced as follows:

#### 4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account in the event funds are reduced or unavailable.

1.2. Section 10, Termination, is amended by adding the following language:

- 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
- 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
- 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
- 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
- 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

### 2. Renewal

- 2.1. The Department reserves the right to extend this agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

*Jm*  
Date 5/23/19



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner  
NH Department of Health and Human Services  
129 Pleasant Street,  
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
  - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
    - 1.2.1. The dangers of drug abuse in the workplace;
    - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
    - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
  - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
    - 1.4.1. Abide by the terms of the statement; and
    - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
  - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services  
Exhibit D



has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
    - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
  - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.


Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date

  
Name: John A. Manning  
Title: Chief Executive Officer



**CERTIFICATION REGARDING LOBBYING**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- \*Temporary Assistance to Needy Families under Title IV-A
- \*Child Support Enforcement Program under Title IV-D
- \*Social Services Block Grant Program under Title XX
- \*Medicaid Program under Title XIX
- \*Community Services Block Grant under Title VI
- \*Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-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.

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date

Name: John A. Manning  
Title: Chief Executive Officer



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION  
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**INSTRUCTIONS FOR CERTIFICATION**

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



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).

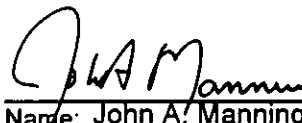
#### LOWER TIER COVERED TRANSACTIONS

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.

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date



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 Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations  
and Whistleblower protections

Vendor Initials

*Jm*  
5/23/19  
Date

New Hampshire Department of Health and Human Services  
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date

A handwritten signature in black ink, appearing to read "John A. Manning".

Name: John A. Manning  
Title: Chief Executive Officer

Exhibit G

Vendor Initials

Handwritten initials "Jm" in black ink.

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Date 5/23/19



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date

A handwritten signature in black ink, appearing to read "John A. Manning".

Name: John A. Manning  
Title: Chief Executive Officer



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

The Vendor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Vendor and subcontractors and agents of the Vendor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

**(1) Definitions.**

- a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

3/2014

Exhibit I  
Health Insurance Portability Act  
Business Associate Agreement  
Page 1 of 6

Vendor Initials

*Jm*  
5/23/19  
Date



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
  - I. For the proper management and administration of the Business Associate;
  - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

**(3) Obligations and Activities of Business Associate.**

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
- o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
  - o The unauthorized person used the protected health information or to whom the disclosure was made;
  - o Whether the protected health information was actually acquired or viewed
  - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



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.

3/2014

Vendor Initials gm  
Date 5/23/19





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) l, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

Southwestern Community Services, Inc.

The State

Name of the Vendor

Christine Sanborn  
Signature of Authorized Representative

John A. Manning  
Signature of Authorized Representative

Christine Sanborn  
Name of Authorized Representative

John A. Manning  
Name of Authorized Representative

Director, D9115  
Title of Authorized Representative

Chief Executive Officer  
Title of Authorized Representative

5/29/19  
Date

05/23/19  
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.

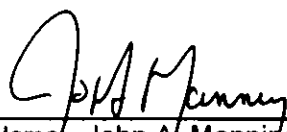
The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Vendor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date

  
Name: John A. Manning  
Title: Chief Executive Officer

New Hampshire Department of Health and Human Services  
Exhibit J



**FORM A**

As the Vendor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 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?

  X   NO            YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

           NO            YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

**I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR**

**A. Business Use and Disclosure of Confidential Information.**

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

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DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

## II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

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DHHS Information Security Requirements



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

#### A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

**B. Disposition**

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

**IV. PROCEDURES FOR SECURITY**

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
  1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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DHHS Information Security Requirements



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
  - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
  - b. safeguard this information at all times.
  - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
  - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

## V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

**VI. PERSONS TO CONTACT**

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

*gm*  
5/23/19

# State of New Hampshire

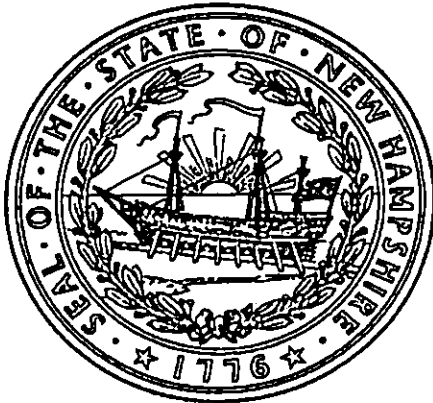
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that 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

Certificate Number: 0004490855



IN TESTIMONY WHEREOF,  
I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 8th day of April A.D. 2019.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner  
Secretary of State

## CERTIFICATE OF VOTE

I, Elaine M. Amer, Clerk Secretary, 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 February 18, 2016 :  
(Date)

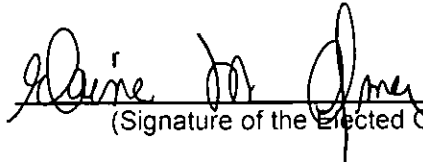
**RESOLVED:** That the Chief Executive Officer  
(Title of Contract Signatory)

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 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 23rd day of May, 2019.  
(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.

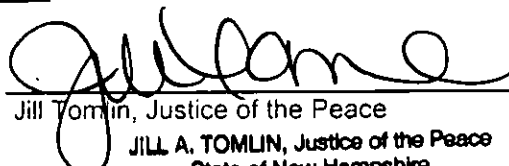
  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Cheshire

The forgoing instrument was acknowledged before me this 23<sup>rd</sup> day of May, 2019.

By Elaine M. Amer  
(Name of Elected Officer of the Agency)

  
Jill Tomlin, Justice of the Peace  
JILL A. TOMLIN, Justice of the Peace  
State of New Hampshire  
My Commission Expires April 5, 2022

Commission Expires: 4.5.22

gm  
5/23/19



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/4/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must 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> Clark - Mortenson Insurance P.O. Box 606 Keene NH 03431	<b>CONTACT NAME:</b>	
	<b>PHONE</b> (A/C No. Ext): 603-352-2121	<b>FAX</b> (A/C No): 603-357-8491
<b>INSURED</b> Southwestern Comm Services Inc PO Box 603 Keene NH 03431	<b>E-MAIL</b> ADDRESS: csr24@clark-mortenson.com	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
	<b>INSURER A:</b> Philadelphia Insurance Company	
	<b>INSURER B:</b> Maine Employer Mutual Insurance Co.	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
<b>INSURER E:</b>		
<b>INSURER F:</b>		

**COVERAGES**

CERTIFICATE NUMBER: 1977689129

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	ADOL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:		PHPK1835086	6/30/2018	6/30/2019	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		PHPK1835086	6/30/2018	6/30/2019	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10,000		PHUB833333	6/30/2018	6/30/2019	EACH OCCURRENCE \$2,000,000 AGGREGATE \$2,000,000 \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N N/A	3102800768	4/1/2019	4/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liability		PHPK1835086	6/30/2018	6/30/2019	\$1,000,000 per \$2,000,000 general occurrence aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Workers Compensation Statutory coverage provided for the State of NH  
All Executive Officers are included in the Workers Compensation coverage

**CERTIFICATE HOLDER****CANCELLATION**

NH -DHHS Brown Building 129 Pleasant Street Concord NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

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# Southwestern Community Services

Over 45 years of people helping people in Cheshire and Sullivan counties

## 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.

## Mission Statement

SCS strives to empower low income people and families. *With dignity and respect*, SCS will provide direct assistance, reduce stressors and advocate for such persons and families as they lift themselves toward *self-sufficiency*.

## Community Statement

*In partnership and close collaboration* with local communities, SCS will provide *leadership and support* To develop resources, programs and services to further aid this population.

63 Community Way  
PO Box 603  
Keene, NH 03431-0603  
Phone: (603) 352-7512  
Fax: (603) 352-3618



Call Toll Free: (800) 529-0005  
TTY-NH: (800) 735-2964

96-102 Main Street  
PO Box 1338  
Claremont, NH 03743  
Phone: (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, 2018 AND 2017  
AND  
INDEPENDENT AUDITORS' REPORTS**

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2018 AND 2017**

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**Leone,  
McDonnell  
& Roberts**

PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

WOLFEBORO • NORTH CONWAY  
DOVER • CONCORD  
STRATHAM

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, 2018 and 2017, and the related consolidated statements of cash flows, and notes to the consolidated financial statements for the years then ended, and the related consolidated statements of activities and functional expenses for the year ended May 31, 2018.

**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, 2018 and 2017, 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' 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 11, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2017, 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 September 17, 2018, 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*

September 17, 2018  
Wolfeboro, New Hampshire

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
MAY 31, 2018 AND 2017**

**ASSETS**

	<u>2018</u>	<u>2017</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,086,895	\$ 947,175
Accounts receivable	1,095,486	1,360,685
Prepaid expenses	35,019	19,252
Notes receivable	112,000	112,000
Interest receivable	<u>45,547</u>	<u>41,067</u>
Total current assets	<u>2,374,947</u>	<u>2,480,179</u>
<b>PROPERTY</b>		
Land and buildings	14,438,178	13,335,396
Vehicles and equipment	549,305	703,635
Furniture and fixtures	<u>39,617</u>	<u>25,756</u>
Total property	<u>15,027,100</u>	<u>14,064,787</u>
Less accumulated depreciation	<u>4,880,952</u>	<u>4,579,760</u>
Property, net	<u>10,146,148</u>	<u>9,485,027</u>
<b>OTHER ASSETS</b>		
Investment in related parties	88,706	142,782
Due from related parties	152,959	219,108
Cash escrow and reserve funds	517,853	359,589
Security deposits	51,996	37,906
Other assets	<u>384</u>	<u>384</u>
Total other assets	<u>811,898</u>	<u>759,769</u>
Total assets	<u>\$ 13,332,993</u>	<u>\$ 12,724,975</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 124,085	\$ 166,495
Accrued expenses	206,178	233,842
Accrued payroll and payroll taxes	250,692	241,035
Other current liabilities	135,573	148,698
Refundable advances	193,931	238,345
Current portion of long term debt	<u>216,438</u>	<u>211,313</u>
Total current liabilities	1,126,897	1,239,728
<b>NONCURRENT LIABILITIES</b>		
Long term debt, less current portion shown above	<u>8,273,983</u>	<u>8,087,475</u>
Total liabilities	<u>9,400,880</u>	<u>9,327,203</u>
<b>NET ASSETS</b>		
Unrestricted	3,774,641	3,243,933
Temporarily restricted	<u>157,472</u>	<u>153,839</u>
Total net assets	<u>3,932,113</u>	<u>3,397,772</u>
Total liabilities and net assets	<u>\$ 13,332,993</u>	<u>\$ 12,724,975</u>

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MAY 31, 2018  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2018 Total</u>	<u>2017 Total</u>
<b>REVENUES AND OTHER SUPPORT</b>				
Government contracts	\$ 11,055,093	\$ -	\$ 11,055,093	\$ 9,722,823
Program service fees	1,868,188	-	1,868,188	1,862,236
Rental income	801,642	-	801,642	661,932
Developer fee income	50,000	-	50,000	265,000
Support	389,363	118,866	509,229	400,116
Fundraising	105,286	-	105,286	80,170
Interest income	8,959	-	8,959	6,699
Forgiveness of debt	75,971	-	75,971	90,148
Miscellaneous	100,772	-	100,772	140,537
In-kind contributions	161,852	-	161,852	162,966
Total revenues and other support	14,617,126	118,866	14,736,992	13,392,627
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u>116,233</u>	<u>(116,233)</u>	<u>-</u>	<u>-</u>
Total revenues, other support, and net assets released from restrictions	<u>14,733,359</u>	<u>3,633</u>	<u>14,736,992</u>	<u>13,392,627</u>
<b>EXPENSES</b>				
<b>Program services</b>				
Home energy programs	4,847,201	-	4,847,201	3,812,708
Education and nutrition	2,530,152	-	2,530,152	2,367,558
Homeless programs	2,172,388	-	2,172,388	2,056,525
Housing services	2,048,214	-	2,048,214	2,073,178
Economic development services	728,119	-	728,119	571,865
Other programs	945,391	-	945,391	963,917
Total program services	13,271,465	-	13,271,465	11,845,751
<b>Supporting activities</b>				
Management and general	1,749,700	-	1,749,700	1,776,106
Total expenses	<u>15,021,165</u>	<u>-</u>	<u>15,021,165</u>	<u>13,621,857</u>
<b>CHANGES IN NET ASSETS BEFORE LOSS ON SALE OF PROPERTY</b>	<u>(287,806)</u>	<u>3,633</u>	<u>(284,173)</u>	<u>(229,230)</u>
<b>LOSS ON SALE OF PROPERTY</b>	<u>(4,583)</u>	<u>-</u>	<u>(4,583)</u>	<u>(19,355)</u>
<b>(LOSS) GAIN ON INVESTMENT IN LIMITED PARTNERSHIPS</b>	<u>(188)</u>	<u>-</u>	<u>(188)</u>	<u>132,782</u>
<b>CHANGE IN NET ASSETS</b>	<u>(292,577)</u>	<u>3,633</u>	<u>(288,944)</u>	<u>(115,803)</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>3,243,933</u>	<u>153,839</u>	<u>3,397,772</u>	<u>3,513,575</u>
<b>NET ASSETS TRANSFERRED FROM LIMITED PARTNERSHIP</b>	<u>823,285</u>	<u>-</u>	<u>823,285</u>	<u>-</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>4,067,218</u>	<u>153,839</u>	<u>4,221,057</u>	<u>3,513,575</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 3,774,641</u>	<u>\$ 157,472</u>	<u>\$ 3,932,113</u>	<u>\$ 3,397,772</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, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (288,944)	\$ (115,803)
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Depreciation and amortization	467,929	415,720
Loss on sale of property	4,583	19,355
Loss (gain) on investment in limited partnerships	188	(132,782)
Forgiveness of debt	(75,971)	(90,148)
(Increase) decrease in assets:		
Accounts receivable	265,199	(258,318)
Prepaid expenses	(3,439)	4,161
Interest receivable	(4,480)	(4,480)
Due from related parties	66,149	73,417
Security deposits	(2,623)	(1,945)
Increase (decrease) in liabilities:		
Accounts payable	(53,220)	11,248
Accrued expenses	(38,863)	87,479
Accrued payroll and payroll taxes	9,657	22,853
Other current liabilities	(13,125)	(32,998)
Refundable advances	(44,414)	37,281
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>288,626</u>	<u>35,040</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease (increase) in escrow funds	5,846	(18,222)
Proceeds from sale of property	-	6,000
Purchase of property	<u>(142,791)</u>	<u>(247,598)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(136,945)</u>	<u>(259,820)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term debt	76,143	106,019
Repayment of long term debt	<u>(112,612)</u>	<u>(122,890)</u>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(36,469)</u>	<u>(16,871)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	115,212	(241,651)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	947,175	1,188,826
<b>CASH TRANSFERRED FROM LIMITED PARTNERSHIP</b>	<u>24,508</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,086,895</u>	<u>\$ 947,175</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, 2018 AND 2017**

	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash paid during the year for interest	<b><u>\$ 142,467</u></b>	<b><u>\$ 141,285</u></b>
<b>SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Property financed by long term debt	<b><u>\$ -</u></b>	<b><u>\$ 33,100</u></b>
Transfer of assets from newly consolidated LP:		
Prepaid expenses	<b><u>\$ (12,328)</u></b>	<b><u>\$ -</u></b>
Land and buildings	<b><u>(894,504)</u></b>	<b><u>-</u></b>
Furniture and fixtures	<b><u>(96,338)</u></b>	<b><u>-</u></b>
Cash escrow and reserve funds	<b><u>(164,110)</u></b>	<b><u>-</u></b>
Security deposits	<b><u>(11,467)</u></b>	<b><u>-</u></b>
Total transfer of assets from newly consolidated LP	<b><u>\$ (1,178,747)</u></b>	<b><u>\$ -</u></b>
Transfer of liabilities from newly consolidated LP:		
Accounts payable	<b><u>\$ 10,810</u></b>	<b><u>\$ -</u></b>
Accrued expenses	<b><u>11,199</u></b>	<b><u>-</u></b>
Long term debt	<b><u>304,073</u></b>	<b><u>-</u></b>
Total transfer of liabilities from newly consolidated LP	<b><u>\$ 326,082</u></b>	<b><u>\$ -</u></b>
Total partners' capital from newly consolidated LP	<b><u>\$ 877,173</u></b>	<b><u>\$ -</u></b>
Partners' capital previously recorded as investment in related parties	<b><u>(53,888)</u></b>	<b><u>-</u></b>
Total transfer of partners' capital from newly consolidated LP	<b><u>\$ 823,285</u></b>	<b><u>\$ -</u></b>

**See Notes to Consolidated Financial Statements**



**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED MAY 31, 2018  
WITH FOUR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Programs	Management and General	2018 Total	2017 Total
Payroll	\$ 398,452	\$ 1,208,631	\$ 435,538	\$ 771,028	\$ 405,180	\$ 436,368	\$ 3,658,188	\$ 774,488	\$ 4,432,802	\$ 4,142,843
Payroll taxes	31,889	90,882	34,153	66,803	30,418	36,918	286,771	80,813	360,884	331,580
Employee benefits	122,782	453,204	146,384	278,380	87,744	187,020	1,275,517	64,500	1,330,107	1,361,824
Retirement	24,880	80,878	21,031	84,244	19,280	17,448	216,821	73,148	289,969	274,815
Advertising	-	142	1,897	4,188	2,114	18,172	24,491	-	24,491	29,517
Bank charges	15	-	120	3,534	-	-	3,669	8,079	13,048	12,127
Computer cost	-	8,185	4,300	14,144	14,298	3,800	45,427	62,062	107,478	118,143
Contractual	618,340	82,463	242,935	20,362	2,718	108,718	946,536	14,921	961,457	987,264
Depreciation	-	28,300	108,291	187,840	-	18,131	320,562	147,367	467,929	418,720
Dues/registration	-	6,038	-	343	988	897	8,364	10,178	18,530	19,077
Duplicating	1,584	8,148	-	-	-	-	9,732	4,321	14,053	9,842
Insurance	5,908	13,381	23,853	62,287	14,810	8,248	116,088	38,380	154,468	147,178
Interest	-	8,856	7,799	8,997	-	2,854	25,906	118,951	142,407	141,288
Meeting and conference	3,961	84	9,293	7,177	800	19,308	40,384	36,924	78,318	49,122
Miscellaneous expense	809	871	2,303	18,696	4,442	18,500	45,811	13,182	59,053	168,234
Miscellaneous taxes	-	-	-	26,381	-	-	26,381	986	27,367	32,858
Equipment purchases	4,870	24,320	80	12,348	-	-	41,418	2,305	43,723	9,981
Office expense	34,413	12,813	8,440	14,808	12,042	4,078	86,080	20,402	106,482	73,351
Postage	132	274	182	31	348	80	1,017	22,818	23,835	24,328
Professional fees	4,880	-	1,875	15,879	-	-	22,644	83,788	106,410	134,341
Staff development and training	1,430	23,724	2,624	8,287	8,878	28,044	69,784	2,843	72,727	81,472
Subscriptions	-	-	28	87	-	-	115	1,329	1,444	2,387
Telephone	2,088	18,287	19,881	14,588	2,435	3,238	57,307	86,878	113,883	114,072
Travel	5,335	20,013	20,312	5,195	28,508	2,000	82,364	3,208	85,573	77,044
Vehicle	2,140	2,910	712	31,828	43,200	9,201	91,588	10,981	102,570	85,571
Rent	-	25,201	-	-	-	-	25,201	-	25,201	28,250
Space costs	148	140,213	258,849	438,344	-	1,008	836,553	128,866	965,529	934,572
Direct client assistance	3,963,408	148,220	823,934	14,447	80,531	23,843	4,741,445	-	4,741,445	4,987,787
In-kind expenses	-	181,852	-	-	-	-	181,852	-	181,852	192,958
<b>TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION</b>	<b>4,847,301</b>	<b>2,530,152</b>	<b>2,172,368</b>	<b>2,048,214</b>	<b>728,119</b>	<b>945,391</b>	<b>13,271,465</b>	<b>1,748,700</b>	<b>15,021,165</b>	<b>13,821,857</b>
Allocation of management and general expenses	639,051	333,574	286,408	270,035	89,995	124,839	1,749,700	(1,749,700)	-	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 5,486,352</b>	<b>\$ 2,863,726</b>	<b>\$ 2,458,784</b>	<b>\$ 2,318,249</b>	<b>\$ 824,114</b>	<b>\$ 1,070,030</b>	<b>\$ 15,021,165</b>	<b>\$ -</b>	<b>\$ 15,021,165</b>	<b>\$ 13,821,857</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, 2018 AND 2017**

**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 Corporation, SCS Housing, Inc., SCS Development Corporation, SCS Housing Development, Inc., and various limited partnerships, as described below. 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.

**Principles of Consolidation**

The consolidated financial statements include the accounts of Southwestern Community Services, Inc. and the following entities as Southwestern Community Services, Inc. has both an economic interest and control of the entities through a majority voting interest in their governing board. All significant intercompany items and transactions have been eliminated from the basic consolidated financial statements.

- SCS Management Corporation
- SCS Housing, Inc.
- SCS Development Corporation
- SCS Housing Development, Inc.
- Drewsville Carriage House Associates, Limited Partnership (Drewsville)
- Jaffrey Housing Associates, Limited Partnership (Jaffrey)
- Troy Senior Housing Associates, Limited Partnership (Troy Senior)
- Keene East Side Senior Housing Associates, Limited Partnership (Keene East Side)
- Winchester Senior Housing Associates, Limited Partnership (Winchester) (2018 only)

### **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, 2018 and 2017, 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, 2017 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, 2018 and 2017. 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 receivables 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 at May 31, 2018 was \$112,000 and \$45,547, respectively. At May 31, 2017, the balance of the notes receivable and related interest receivable were \$112,000 and \$41,067, respectively.

### **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, 2018 and 2017, approximately 75% and 73%, 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.

### **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. Depreciation expense for the years ended May 31, 2018 and 2017 totaled \$467,929 and \$415,720, respectively.

### **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 private foundations. As such, they are exempt from income tax on their exempt function income.

SCS Housing, Inc., SCS Development Corporation and SCS Housing Development, Inc. are taxed as corporations. SCS Housing Inc. has federal net operating loss carryforwards totaling \$915,425 and \$840,803 at May 31, 2018 and 2017, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2027. SCS Development Corporation has federal net operating loss carryforwards totaling \$607 and \$629 at May 31, 2018 and 2017, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2020.

The tax effects of the carryforwards as related to deferred tax assets is as follows as of May 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Tax benefit from loss carryforwards	\$137,408	\$126,215
Valuation allowance	<u>(137,408)</u>	<u>(126,215)</u>
Deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

Drewsville, Jaffrey, Troy Senior, Winchester and Keene East Side 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, 2015 – 2018), 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, 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. Interest is due monthly and is stated at the Wall Street Journal Prime Rate. The line is secured by all the Organization's assets. As of May 31, 2018 and 2017, the interest rate was 4.75% and 4.00%, respectively. There was no outstanding balance at May 31, 2018 and 2017.

**NOTE 3      LONG TERM DEBT**

The long term debt at May 31, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
1% mortgage payable to New Hampshire Housing in monthly installments for principal and interest of \$891 through August 2032. The note is secured by real estate of the Organization (NHHFA, 96 Main Street).	\$ 154,832	\$ 163,926
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 (CDFA, 96 Main Street).	32,147	32,147
4.5% note payable to a bank in monthly installments for principal and interest of \$978 through March 2021. The note is secured by real estate of the Organization (People's United Bank, Ashuelot).	31,143	42,099

Non-interest bearing mortgage payable to New Hampshire Housing. 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 (NHHFA, 17 Pearl).	244,505	244,505
Non-interest bearing mortgage payable to New Hampshire Housing. 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 (NHHFA, 41-43 Central).	376,363	376,558
4.25% mortgage payable to a bank in monthly installments for principal and interest of \$1,875 through December 2016, with a balloon payment that was due January 2017. The note was amended during the year ended May 31, 2018 and is now due December 2026. Under the amendment, interest rate is 4.94% and monthly installments for principal and interest are \$1,957. The note is secured by real estate of the Organization (People's United Bank, Milestones).	162,223	177,050
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 (TD Bank, Keene Office).	2,247,266	2,280,750
Non-interest bearing note payable to Cheshire County in New Hampshire. Payment is not necessary unless Organization defaults on contract. The note is secured by real estate of the Organization (CDBG, Keene Office).	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, 2018 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).	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, 2018 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).

45,000 45,000

Note payable to a bank in monthly installments for principal and interest of \$2,463 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, 2018 and 2017. The note is secured by real estate of the Organization (TD Bank, Keene Office/Community Way).

414,567 426,734

5.19% note payable to a bank in monthly installments for principal and interest of \$889 through May 2021. The note is secured by real estate of the Organization (TD Bank, 45 Central Street).

100,254 105,495

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 (HUD, Ashuelot).

150,000 175,000

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 (HUD, 112 Charlestown Road).

90,000 105,000

Non-interest bearing note payable to New Hampshire Finance Authority in annual payments in the amount of 50% of annual surplus cash through July 2042 at which time the remaining balance is due. The note is secured by real estate of the Organization (NHHFA, Second Chance).

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 (CDBG, Second Chance).

363,677 382,818

3.99% note payable to a bank in monthly installments for principal and interest of \$355. The note was paid off in May 2018. The note was secured by a vehicle of the Organization (Ally, Kia Soul).

- 4,070

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 (TCF, Econoline Van).

8,741 15,688

5.54% note payable to a finance company in monthly installments for principal and interest of \$543 through August 2022. The note is secured by a vehicle (Ally, Econoline Van).

24,564 29,572

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 includes cumulative accrued interest of \$53,651 (CDBG).

303,651 300,645

Jaffrey - 6% note payable to a bank in monthly installments for principal and interest of \$485 through August 2027. The note is secured by land and buildings (TD Bank).

41,099 43,533

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 (CDBG).

640,000 640,000

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 (NHHFA).

140,210 140,210

Keene East Side - 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 (CDBG).

900,000 900,000

Keene East Side - Non-interest bearing note payable to New Hampshire Community Development Finance Authority (CDFA) to fund energy upgrades and capital improvements. Beginning in 2016, 10% of the note is forgiven each year based on the rolling balance. The mortgage may be released after ten years in January 2026. The note is secured by real estate of the Organization (CDFA).

178,172 121,865

Keene East Side - 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 (NHHFA).

228,934 228,934

Winchester - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due May 2032, payable in monthly installments of \$370, including interest at 2.00%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHHFA).

53,826 -

Winchester - Non-recourse, zero interest bearing mortgage note payable to New Hampshire Housing (FAF), due May 2032, payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30-year term of the mortgage note (NHHFA).

92,058 -

Winchester - Non-recourse, zero interest bearing, direct subsidy AHP loan secured by the Partnership's land and buildings, subject to low-income housing restrictions under the terms of the AHP agreement. In the event of a default under the aforementioned agreement, the loan is due upon demand with interest accrued at a rate of 11.67% for the period the funds were outstanding (Federal Loan Home Bank).

	<u>150,000</u>	<u>-</u>
	8,490,421	8,298,788
Less current portion due within one year	<u>216,438</u>	<u>211,313</u>
	<u>\$ 8,273,983</u>	<u>\$ 8,087,475</u>

The schedule of maturities of long term debt at May 31, 2018 is as follows:

Year Ending <u>May 31</u>	<u>Amount</u>
2019	\$ 216,438
2020	106,557
2021	108,028
2022	102,681
2023	102,148
Thereafter	<u>7,854,569</u>
Total	<u>\$ 8,490,421</u>

#### NOTE 4 OPERATING LEASES

The Organization leases facilities, equipment and vehicles under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2022. Monthly lease payments range from \$200 to \$3,521. Lease expense for the years ended May 31, 2018 and 2017 totaled \$176,479 and \$179,178, respectively.

Future minimum payments as of May 31, 2018 on the above leases are as follows:

Year Ending <u>May 31</u>	<u>Amount</u>
2019	\$ 76,776
2020	22,372
2021	18,977
2022	<u>15,618</u>
Total	<u>\$ 133,743</u>

**NOTE 5      ACCRUED COMPENSATED BALANCES**

At May 31, 2018 and 2017, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$130,140 and \$127,577, respectively.

**NOTE 6      CONTINGENCIES**

Southwestern Community Services, Inc. is the 100% owner of SCS Housing, Inc. and SCS Housing Development, Inc. SCS Housing, Inc. and SCS Housing Development, Inc. are the general partners of ten limited partnerships formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc., SCS Housing, Inc. and SCS Housing Development, Inc. have guaranteed repayment of liabilities of various partnerships totaling approximately \$15,569,000 and \$15,590,000 at May 31, 2018 and 2017, respectively.

Partnership real estate with a cost basis of approximately \$41,158,000 and \$41,027,000 provides collateral on these loans at May 31, 2018 and 2017, respectively.

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, 2018 and 2017.

**NOTE 7      RELATED PARTY TRANSACTIONS**

During the years ended May 31, 2018 and 2017, SCS Housing, Inc. managed ten limited partnerships. Management fees charged by SCS Housing, Inc. totaled \$322,973 and \$308,448, for the years ended May 31, 2018 and 2017, respectively. Additionally, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years.

The Organization has also advanced funds to a related entity for Department of Housing and Urban Development (HUD) sponsorship purposes.

The total amount due and expected to be collected from the limited partnerships and related entity was \$142,959 and \$219,108 at May 31, 2018 and 2017, respectively.

**NOTE 8****EQUITY INVESTMENT**

Southwestern Community Services, Inc. and related companies use the equity method to account for their financial interests in the following companies:

	<u>2018</u>	<u>2017</u>
Cityside Housing Associates, LP	\$ (9,492)	\$ (9,481)
Marlborough Homes, LP	8	30
Payson Village Senior Housing Associates, LP	(12,491)	(12,477)
Railroad Square Senior Housing Associates, LP	(1,715)	(1,527)
Warwick Meadows Housing Associates, LP	(17)	(9)
Woodcrest Drive Housing Associates, LP	222,846	222,850
Winchester Senior Housing Associates, LP	-	53,888
Westmill Senior Housing, LP	90	-
Swanzey Township Housing Associates, LP	(31,190)	(31,183)
Snow Brook Meadow Village Housing Associates, LP	(60,716)	(60,709)
Keene Highland Housing Associates, LP	(243)	(226)
Pilot Health, LLC	<u>(18,374)</u>	<u>(18,374)</u>
	<u>\$ 88,706</u>	<u>\$ 142,782</u>

SCS Housing Development, Inc. is a 0.01% partner of Cityside Housing Associates, LP, Marlborough Homes, LP, Payson Village Senior Housing Associates, LP, Warwick Meadows Housing Associates, LP, and Woodcrest Drive Housing Associates, LP, a 0.10% partner of Railroad Square Senior Housing Associates, LP, and a 1% partner in Westmill Senior Housing, LP during the years ended May 31, 2018 and 2017.

SCS Housing, Inc. is a 0.01% partner of Winchester Senior Housing Associates, LP, Swanzey Township Housing Associates, LP, Snow Brook Meadow Village Housing Associates, LP, and Keene Highland Housing Associates, LP during the years ended May 31, 2018 and 2017.

The remaining 99.99% ownership interest in Winchester Senior Housing Associates, LP was acquired by Southwestern Community Service, Inc. during the year ended May 31, 2018 (see Note 12), and therefore the limited partnership is included in the consolidated financial statements for the year ended May 31, 2018.

Southwestern Community Services, Inc. is 14.3% member of Pilot Health, LLC.

Summarized financial information for entities accounted for under the equity method, as of May 31, 2018 and 2017, consists of the following:

	<u>2018</u>	<u>2017</u>
Total assets	\$ <u>32,782</u>	\$ <u>33,140</u>
Total liabilities	47,461	47,490
Capital/Member's equity	<u>(14,679)</u>	<u>(14,350)</u>
	\$ <u>32,782</u>	\$ <u>33,140</u>
Income	\$ 84,713	\$ 84,728
Expenses	<u>81,478</u>	<u>81,515</u>
Net income	\$ <u>3,235</u>	\$ <u>3,213</u>

**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 \$281,784 and \$274,815 for the years ended May 31, 2018 and 2017, respectively.

**NOTE 10 RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets are available for the following purposes:

	<u>2018</u>	<u>2017</u>
NNECAC – Annual Conference Fund	\$ 21,327	\$ 38,129
WM Marcello GAPS Fund	12,781	14,789
Stand Down	4,963	-
GAPS/Warm Fund	<u>118,401</u>	<u>100,921</u>
Total temporarily restricted net assets	\$ <u>157,472</u>	\$ <u>153,839</u>

**NOTE 11 FORGIVENESS OF DEBT**

During the year ended May 31, 2018, the Organization realized forgiveness of debt income in connection with notes payable to the County of Cheshire, HUD and Community Development Finance Authority. Forgiveness of debt income totaled \$75,971 for the year ended May 31, 2018.

During the year ended May 31, 2017, the Organization realized forgiveness of debt income in connection with notes payable to the County of Cheshire, HUD and New Hampshire Housing. Forgiveness of debt income totaled \$90,148 for the year ended May 31, 2017.

**NOTE 12      TRANSFER OF PARTNERSHIP INTEREST**

During 2018, Southwestern Community Services, Inc. acquired a partnership interest in a low-income housing limited partnership: Winchester. The amount paid for the partnership interest was \$1 and at the time of acquisition, Southwestern Community Services, Inc. became the general partner. The following is a summary of the assets and liabilities of the partnership at the date of acquisition:

Date of transfer	<u>08/16/2018</u>
	<u>Winchester</u>
Cash	\$ 24,508
Security deposits	11,467
Cash-reserves	164,110
Property – net	990,842
Other assets	<u>12,328</u>
Total assets	<u>1,203,255</u>
Notes payable	304,073
Other liabilities	<u>22,009</u>
Total liabilities	<u>326,082</u>
Partners' capital	877,173
Partners' capital previously recorded as an investment in related parties	<u>(53,888)</u>
Partners' capital transferred	<u>\$ 823,285</u>

**NOTE 13      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 14      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 September 17, 2018, the date the financial statements were available to be issued.



**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**  
**CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED MAY 31, 2018**  
**WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Programs	Management and General	2018 Total	2017 Total
<b>REVENUES</b>										
Government contracts	\$ 4,934,242	\$ 2,823,098	\$ 1,820,112	\$ 47,823	\$ 756,952	\$ 166,821	\$ 10,648,748	\$ 408,345	\$ 11,055,003	\$ 9,722,823
Program service fees	-	-	78,508	978,904	17,815	794,863	1,869,188	-	1,869,188	1,862,238
Rental income	-	-	117,370	884,672	-	200	801,842	-	801,842	861,932
Developer income	-	-	-	50,000	-	-	50,000	-	50,000	265,000
Support	104,617	35,408	99,437	-	130,240	130,330	509,229	-	509,229	400,116
Fundraising	-	-	50	-	-	105,206	105,286	-	105,286	80,170
Interest income	23	7	1,061	1,382	-	35	2,478	8,481	9,909	6,609
Forgiveness of Debt	-	-	59,141	15,830	-	-	75,971	-	75,971	90,148
Miscellaneous	2,010	128	8,485	42,373	47,382	-	98,348	2,420	100,772	140,537
In-kind contributions	-	161,852	-	-	-	-	161,852	-	161,852	182,996
Total revenues and other support	5,040,892	3,021,085	2,220,182	1,821,364	961,429	1,197,755	14,322,740	414,253	14,736,892	13,392,627
<b>EXPENSES</b>										
Payroll	\$ 398,432	\$ 1,208,631	\$ 435,538	\$ 771,028	\$ 406,189	\$ 438,358	\$ 3,658,188	\$ 774,488	\$ 4,432,862	\$ 4,142,943
Payroll taxes	31,589	99,682	34,123	56,803	30,418	36,918	289,771	80,913	360,684	331,900
Employee benefits	122,782	453,204	146,394	278,393	87,746	187,020	1,275,517	84,360	1,359,107	1,351,924
Retirement	24,980	88,878	21,031	64,244	19,280	17,448	216,821	73,148	289,969	274,815
Advertising	-	142	1,697	4,106	2,114	16,172	24,481	-	24,481	29,517
Bank charges	15	-	120	3,534	-	-	3,669	8,079	13,048	12,127
Computer cost	-	9,185	4,300	14,144	14,296	3,500	45,427	62,052	107,479	115,143
Contractual	518,340	52,463	242,935	20,382	2,718	108,718	946,536	14,921	961,457	587,264
Depreciation	-	28,300	108,291	167,840	-	16,131	320,562	147,367	467,929	415,720
Dues/registration	-	6,036	-	343	-	967	8,346	10,175	18,538	19,077
Duplicating	1,584	8,148	-	-	-	-	9,732	4,321	14,053	9,842
Insurance	8,909	13,361	23,853	52,287	14,810	8,248	118,068	38,380	156,448	147,179
Interest	-	8,656	7,759	6,997	-	2,554	25,966	116,501	142,467	141,285
Meeting & conference	3,951	58	9,293	7,177	800	19,308	40,394	35,924	76,318	48,122
Miscellaneous expense	909	971	2,303	18,696	4,442	18,500	45,891	13,182	68,063	188,334
Miscellaneous taxes	-	-	-	26,381	-	-	26,381	886	27,267	32,856
Equipment purchases	4,670	24,320	80	12,346	-	-	41,418	2,305	43,723	9,991
Office expense	34,413	12,813	8,440	14,508	12,042	4,078	86,090	20,402	106,492	73,351
Postage	132	274	182	31	348	90	1,017	22,918	23,935	24,328
Professional fees	4,690	-	1,878	15,879	-	-	22,644	83,786	106,430	134,341
Staff development and training	1,430	23,724	2,824	8,287	6,675	28,044	69,734	2,843	72,727	81,472
Subscriptions	-	-	28	87	-	-	115	1,329	1,444	2,397
Telephone	2,086	15,297	19,881	14,589	2,435	3,230	57,307	56,578	113,885	114,072
Travel	5,335	20,013	20,312	9,195	29,908	2,000	82,364	3,508	85,873	77,044
Vehicle	2,140	2,510	712	31,826	45,200	9,201	91,589	10,961	102,570	85,571
Rent	-	25,201	-	-	-	-	25,201	-	25,201	23,250
Space costs	148	140,213	256,846	438,344	-	1,008	836,552	128,988	965,522	934,572
Direct client assistance	3,863,496	145,220	823,938	14,447	50,531	23,843	4,741,445	-	4,741,445	4,067,767
In-kind expenses	-	161,852	-	-	-	-	161,852	-	161,852	182,996
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	4,847,201	2,530,152	2,172,368	2,048,214	728,119	945,381	13,271,465	1,749,700	15,021,165	13,821,657
Allocation of management and general expenses	639,091	333,674	265,408	270,035	95,899	124,639	1,749,700	(1,749,700)	-	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 5,486,292</b>	<b>\$ 2,863,726</b>	<b>\$ 2,437,776</b>	<b>\$ 2,318,249</b>	<b>\$ 824,018</b>	<b>\$ 1,070,020</b>	<b>\$ 15,021,165</b>	<b>\$ -</b>	<b>\$ 15,021,165</b>	<b>\$ 13,821,657</b>

See Independent Auditors' Report

**SUPPLEMENTAL INFORMATION**

**(SEE INDEPENDENT AUDITORS' REPORT)**

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MAY 31, 2018**

<b>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>PASS-THROUGH GRANTOR'S NAME</b>	<b>GRANTOR'S NUMBER</b>	<b>FEDERAL EXPENDITURE</b>
<b>U.S. Department of Agriculture</b>				
Rural Housing Preservation Grant	10.433	Direct Funding	3403-02801-808	\$ 14,188
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	304,361
Child and Adult Care Food Program	10.558	State of NH, Dept of Education	Unknown	121,328
Food Distribution Cluster				
Commodity Supplemental Food Program	10.565	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	\$ 100,788
Emergency Food Assistance Program (Food Commodities)	10.569	Community Action Program Belknap-Merrimack Counties	Unknown	103
				100,891
WIC Grants to States (Infrastructure)	10.578	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	42,151
WIC Grants to States (Breastfeeding Peer Counseling Program)	10.578	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	13,797
				65,948
Total U.S. Department of Agriculture				\$ 696,726
<b>U.S. Department of Housing and Urban Development</b>				
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717600000-102-50731	\$ 238,745
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Office of Human Services	010-042-7827-102-0731	117,877
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717600000-102-50731	\$ 358,422
Shelter Plus Care	14.234	State of NH, DHHS, Bureau of Homeless & Housing	06-95-95-958310-717600000-102-50731	281,048
Continuum of Care Program	14.267	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-717600000-102-50731	272,181
				175,539
Total U.S. Department of Housing and Urban Development				\$ 1,085,168
<b>U.S. Department of Labor</b>				
WIA Cluster				
WIA Adult Program	17.258	Southern NH Services	Unknown	\$ 64,427
WIA Dislocated Worker Formula Grants	17.278	Southern NH Services	Unknown	35,094
				\$ 99,511
Total U.S. Department of Labor/WIA Cluster				\$ 99,511
<b>U.S. Department of Transportation Federal Transit Administration (FTA)</b>				
Formula Grants for Rural Areas	20.509	State of NH, Department of Transportation	04-98-98-984010-2916	\$ 221,468
Transit Services Programs Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of NH, Department of Transportation	04-98-98-984010-2916	24,971
				246,439
Total U.S. Department of Transportation Federal Transit Administration (FTA)				\$ 246,439
<b>U.S. Department of Veterans Affairs</b>				
VA Supportive Services for Veteran Families Program	64.033	Harbor Homes, Inc.	Unknown	\$ 280,942
Total U.S. Department of Veterans Affairs				\$ 280,942
<b>U.S. Department of Energy</b>				
Weatherization Assistance for Low-Income Persons	61.042	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 184,006
Total U.S. Department of Energy				\$ 184,006
<b>U.S. Department of Health &amp; Human Services</b>				
Aging Cluster				
Special Programs for the Aging, Title II, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 5,400
Special Programs for the Aging, Title II, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, DHHS, Bureau of Elderly & Adult Services	05-95-48-481010-7872	42,144
Grants to States to Support Oral Health Workforce Activities	93.230	State of NH, DHHS, Division of Family Assistance	Unknown	\$ 47,644
Drug-Free Communities Support Program Grants	93.278	Direct Funding	SH78SP018677-08	8,616
Affordable Care Act (ACA) - Consumer Assistance Program Grants	93.510	Direct Funding	HCBBC/CFI	111,276
TANF Cluster				5,263
Temporary Assistance for Needy Families	93.558	Southern NH Services	Unknown	327,993
Low Income Home Energy Assistance (Fuel Assistance)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-770500000-500587	4,008,169
Low Income Home Energy Assistance (HRRP)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-770500000-500587	164,602
Low Income Home Energy Assistance (BWP)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-770500000-500587	207,576
Community Services Block Grant	93.589	State of NH, DHHS, Div. of Family Assistance	500731	4,370,347
Head Start	93.600	Direct Funding	01CH9959	354,429
Block Grants for Prevention and Treatment of Substance Abuse	93.959	State of NH, DHHS, Bureau Drug and Alcohol Services	05-95-48-481510-29590000	2,321,897
				35,613
Total U.S. Department of Health & Human Services				\$ 7,582,007
<b>U.S. Department of Homeland Security</b>				
Emergency Food and Shelter National Board Program	97.024	State of NH, DHHS, Office of Human Services	Unknown	\$ 3,176
Total U.S. Department of Homeland Security				\$ 3,176
<b>TOTAL</b>				<b>\$ 10,078,875</b>

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MAY 31, 2018**

**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, 2018. 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.

**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.

**NOTE 5      SUBRECIPIENTS**

Southwestern Community Services, Inc. had no subrecipients for the year ended May 31, 2018.

**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, 2018, 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 September 17, 2018.

**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.

*Leone McDonnell & Roberts*  
*Professional Association*

September 17, 2018  
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, 2018. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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, 2018.

### 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Leone McDonnell & Roberts*  
*Professional Association*

September 17, 2018  
Wolfeboro, New Hampshire



**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED MAY 31, 2018**

**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*. No material weaknesses are reported.
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. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
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. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs were: U.S. Department of Health and Human Services; Low-Income Home Energy Assistance, 93.568, and Head Start, 93.600, and U.S. Department of Agriculture; Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), 10.557.
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**

None

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED MAY 31, 2017**

There were no findings or questioned costs that were required to be reported in the Schedule of Findings and Questioned Costs for the year ended May 31, 2017.

<b>Southwestern Community Services, Inc. Board of Directors - Composition – 2019 –</b>
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**CHESHIRE COUNTY**

**SULLIVAN COUNTY**

**CONSTITUENT  
SECTOR**

**Anne Beattie**  
Newport Service Organization

**Mary Lou Huffling**  
Fall Mountain Emergency Food Shelf  
Alstead Friendly Meals

**Brianna Trombi**  
Head Start Policy Council  
Parent Representative

open

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**PRIVATE  
SECTOR**

**Elaine Amer, Clerk/Treasurer**  
Amer Electric Company (*retired*)

**David Ekins**  
Town of Walpole

**Kevin Watterson, Chair**  
Clarke Companies (*retired*)

**Kerry Belknap Morris, M.Ed.**  
Early Childhood Education  
River Valley Community College

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**PUBLIC  
SECTOR**

**Jay Kahn**  
State Senator, District 10

**Derek Ferland**  
Sullivan County Manger

**Beth Fox**  
Assistant City Manager/  
Human Resources Director  
City of Keene

open

# 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

# **CRAIG A. HENDERSON**

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## **SUMMARY OF QUALIFICATIONS**

- Proficient in: Word, Excel, PowerPoint, Internet, Outlook, Photoshop,
- Ability to prioritize in a fast paced environment and to learn new tasks quickly and effectively
- Dedicated, reliable and responsible
- Extensive background in Social Services, Property Management, Finance, and Customer Service

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## **EDUCATION**

- **B.A** Psychology with a specialization in counseling **May, 1999**
- **B.S** Business Management  
Keene State College  
Keene, NH 03435

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## **EMPLOYMENT HISTORY**

**Henderson & Bosley Property Management** **8/02-Present**  
**President** **Keene, NH**

- Adhering to NH State housing laws and government housing programs
- Advertising and marketing of vacant apartments, Creating leases, Performing credit checks
- Property inspections and maintenance- including basic carpentry, landscaping etc.
- Research and management of investment opportunities

**Southwestern Community Services** **10/07-Present**

**Director of Housing Stabilization Services**

- Designs and implements systems to provide efficient operation of all Housing Stabilization programs.
- Manages and leads assigned staff to ensure SCS policies and procedures are followed in a manner consistent with the organization's mission, values, and culture.
- Participates in the hiring of new employees and oversees the orientation and training of all assigned staff.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

**Southwestern Community Services** **10/07-Present**  
**Assistant Director of Housing Stabilization Services** **Keene, NH**

- Monitor quality of services, operation of assigned programs, facilities, and staff.
- Process and certify tenant/client applications for all Supportive Housing Programs; facilitate move-in process; track and collect rents/subsidies utilizing Classic Real Estate Software; track and collect all match documentation; recertify tenants when necessary and in a timely manner.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

**Southwestern Community Services** **02/03-10/07**  
**Long Term Transitional Housing Program Administrator** **Keene, NH**

- Responsibilities include: Assisting the homeless of Cheshire County with budgeting and referrals to other needed services; Advocating on behalf of clients to create new networks and improve current relationships; providing counsel through tough transitions, as well as, creating and maintaining an environment of success through programs such as Mediation Training, Consumer Credit Counseling, Psychological Therapy, Parenting Classes, and First Time Homebuyers programs.
- Basic maintenance of shelter properties and inventory control
- Responsible to track data and create statistical reports based on information collected to assist in budget allocations for Southwestern Community Services

**Coldwell Banker / Tattersall** **1/02-3/04**  
**Real Estate Sales Associate** **Keene, NH**

- Assisting buyers and sellers of real estate through customer/client interaction
- Informing clients/customers of federal and state regulations, financing options, and negotiating
- Creating marketing plans and researching pricing through competitive market analysis

- Assured accurate and consistent real-estate assessments with the emphasis in field work
- Position required strong attention to detail with the emphasis in property measurement and appraisal as well as requiring strong customer skill by acting as a liaison between town assessors office and the property owner

**Monadnet  
Customer Service Supervisor**

**8/99-8/01  
Keene, NH**

- Responsibilities include maintaining all major accounts and new account data; managing projects and delegating responsibilities, A/R and A/P reconciliation, Collections of delinquent accounts.
- Financial Analysis and Trend Monitoring, Billing Systems Analyst
- Direct mediation and resolution of customer service issues.

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**AWARDS RECEIVED**

- Delta Mu Delta: National Business Honor Society
- Psi Chi: National Psychology Honor Society

**CONTINUING EDUCATION AND CERTIFICATIONS**

**04/18/2007 Certified Occupancy Specialist – National Center for Housing Management**

**09/23/2008 Successful completion of “Landlord and Tenant Law” seminar – Lorman Educational Services**

**02/23/2016 HUD Certified Housing Quality Standards Inspector**

**01/21/2016 Completed 8.5 hours of Nonviolent Crisis Intervention training**

**04/26/2013 Certification in Fair Housing Law – Granite State Managers Association**

**08/10/2016 Blood Borne Pathogen Training**

**08/24/2016 6 hours of comprehensive low income housing tax credit training – Johnson Consulting Services, Inc**



## **Rob Waters**

### **Education**

Keene State College  
Fall Mountain Reg. High School      Graduate 1998      Keene, New Hampshire  
Langdon NH

### **Employment History**

2017-Present    SCS      **Coordinated Entry Manager**      Keene, New Hampshire

- ❖ Act as the main point of contact for individuals and families experiencing homelessness or who are in need of homeless prevention assistance for Cheshire and Sullivan counties
- ❖ Make appropriate housing program referrals
- ❖ Work closely with SHP case managers and Shelter Managers to ensure proficient workflow and processes in regards to housing individuals and families
- ❖ Physically outreach to known and unknown sites offering assistance to those displaced by their homeless situation
- ❖ Administer the EHP RRH program
- ❖ Assist superior staff with any other tasks as appropriate
- ❖ Case manage clients enrolled in the EHP program, and provide as needed case management to clients if so needed
- ❖ Timely intakes and exits for outreach programs
- ❖ Administer trainings on homelessness to community partners and other agencies
- ❖ Chairperson of Volunteer Sub Committee for the Greater Keene Homeless Coalition
- ❖ Chairperson for the Publicity Sub Committee for the Greater Keene Homeless Coalition
- ❖ Respond timely to 211 calls and emails, and report back to 211 the results of the response efforts
- ❖ Attend Greater Keene Homeless Coalition meetings once per month
- ❖ Attend Sullivan County Community Partners Meeting once per month
- ❖ Attend the IDN Complex Care Team meetings in Sullivan County once per month
- ❖ Train staff on Coordinated Entry processes as they exist or are changed by BHS at DHHS
- ❖ Administer VI-SPDAT assessments as directed by BHS
- ❖ Perform Intakes and ensure the client's files are updated and progress reflected timely to BHS for proper By Name List updating.
- ❖ Track case notes and keep files updated regularly
- ❖ Assist in training new staff members as needed
- ❖ Participate in interviewing for new staff as needed

- ❖ Develop positive working relationships with area service providers
- ❖ Host housing resource and tenant rights and responsibilities classes at Sullivan County and Cheshire County Department of Corrections

2015-2017 SCS      **Shelter Manager & Homeless Outreach**      Claremont, New Hampshire

- ❖ Outreach to known/unknown sites in Sullivan county, offering assistance to those displaced by homelessness
- ❖ Uphold the rules and regulations of our shelters as laid out by BHS and HUD
- ❖ Timely intakes and exits for both outreach and shelter programs
- ❖ Work closely with the SHP program to identify qualified persons for various SHP programs
- ❖ Oversee resident manager staff
- ❖ Assist in administering the EHP RRH program
- ❖ Monitor budgets in regards to the shelter
- ❖ Case manager all shelter clients in an effort to help them build up and move forward from their homeless experience

2007-2015      Aarons Sales and Lease      **Assistant Manager/Trainer**      Maine, New Hampshire, Vermont

- ❖ Supervised staff
- ❖ Responsible for opening and closing store
- ❖ Responsible for balancing registers and bank deposits
- ❖ Assisted customers with merchandise selection and purchases
- ❖ Train sales and collections staff
- ❖ Help under performing stores turn performance around
- ❖ Retrain management
- ❖ Control service logs and loaner items to provide the highest level of service to our customers
- ❖ Set and achieve aggressive sales and renewal goals

### **Affiliation and Volunteer Experience**

2013-2014. Arms for Kids non profit	<b>ASST Director</b>	Arms for Kids
Built for Zero team subcommittee	<b>Member</b>	BHS, DHHS
CCAR Recovery Coach training	<b>Trainer</b>	CCAR/SCS
Keene Gladiator Youth Wrestling non profit	<b>Head Coach</b>	<b>Keene Gladiators</b>

**SOUTHWESTERN COMMUNITY SERVICES**  
**Coordinated Entry Program**

**Key Personnel**

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
John Manning	CEO	\$132,080	0	0
Meg Freeman	CFO	\$90,854	0	0
Craig Henderson	Director of Housing Stabilization	\$50,003	0	0
Rob Waters	Coordinated Entry Manager	\$36,920	100%	\$36,920

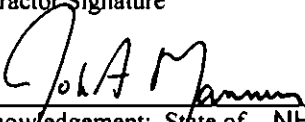
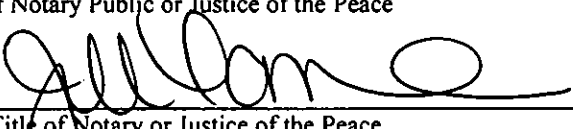
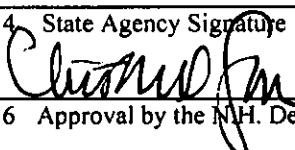
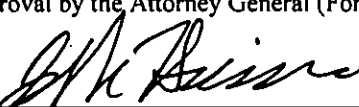
Subject: Continuum of Care, Shelter Plus Care (SPC), SS-2020-BHS-04-PERMA-20

**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

**GENERAL PROVISIONS****1. IDENTIFICATION.**

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Southwestern Community Services, Inc.		1.4 Contractor Address 63 Community Way P.O. Box 603 Keene, NH 03431-0603	
1.5 Contractor Phone Number (603) 352-7512	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$281,824
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory John A. Manning Chief Executive Officer	
1.13 Acknowledgement: State of NH, County of Cheshire On 05/23/19, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal] JILL A. TOMLIN, Justice of the Peace State of New Hampshire My Commission Expires April 5, 2022			
1.13.2 Name and Title of Notary or Justice of the Peace Jill Tomlin, Justice of the Peace			
1.14 State Agency Signature  Date: 5/29/19		1.15 Name and Title of State Agency Signatory Christina Sanborn, DEHS Director	
1.16 Approval by the NH Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 6/4/2019			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

## **8. EVENT OF DEFAULT/REMEDIES.**

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

## **9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

**11. CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

**12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

**13. INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

## **14. INSURANCE.**

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate ; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A (*"Workers' Compensation"*).

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

**16. WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

**17. NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

**19. CONSTRUCTION OF AGREEMENT AND TERMS.**

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

**20. THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

**21. HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

**22. SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

**23. SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

**24. ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



Exhibit A

**SCOPE OF SERVICES**

**Shelter Plus Care Program**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:  
NH DHHS  
Bureau of Housing Supports (BHS)  
129 Pleasant Street  
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

*Jm*

5/23/19





- 1.10. The Contractor shall support the primary goal of this program which is to facilitate the movement of homeless and chronically homeless individuals and families to permanent housing and maximum self-sufficiency.

## 2. Scope of Services

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Shelter Plus Care (SPC) program serving approximately twenty-three (23) households in Cheshire and Sullivan Counties including approximately forty-two (42) beds serving homeless individuals and or families with mental health and or substance abuse issues, and which includes, but is not limited to:
  - 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
  - 2.2.2. The development of a stabilization plan and crisis management plan with the participant, at intake and, at a minimum, annually. An ongoing Assessment of Housing and Supportive Services is required, with the ultimate goal being assistance to the participant in obtaining the skills necessary to live in the community independently.
- 2.3. The Contractor shall establish and maintain standard operating procedures to ensure CoC program funds are used in accordance with 24 CFR 578 and must establish and maintain sufficient records to enable HUD and BHS to determine Contractor requirement compliance, including:
  - 2.3.1. Continuum of Care Records: The Contractor shall maintain the following documentation related to establishing and operating a CoC:
    - 2.3.1.1. Records of Homeless Status. The Contractor shall maintain acceptable evidence of homeless status in accordance with 24 CFR 576.500(b).
    - 2.3.1.2. Records of at Risk of Homelessness Status: The Contractor shall maintain records that establish "at risk of homelessness" status of each individual or family who receives CoC homelessness prevention assistance, as identified in 24 CFR 576.500(c).
    - 2.3.1.3. Records of Reasonable Belief of Imminent Threat of Harm. The Contractor shall maintain documentation of each program participant who moved to a different CoC due to imminent threat of further domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR 578.51(c)(3). The Contractor shall retain documentation that includes, but is not limited to:
      - 2.3.1.3.1 The original incidence of domestic violence, dating violence, sexual assault, or stalking, only if the original violence is not already documented in the program participant's case file. This may be written observation of the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; medical or dental records; court records or law enforcement records; or written certification by the program participant to whom the violence occurred or by the head of household.

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- 2.3.1.3.2 The reasonable belief of imminent threat of further domestic violence, dating violence, or sexual assault or stalking, which would include threats from a third-party, such as a friend or family member of the perpetrator of the violence. This may be written observation by the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; current restraining order; recent court order or other court records; law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts; or a written certification by the program participant to whom the violence occurred or the head of household.
- 2.3.1.4. Records of Annual Income. For each program participant who receives housing assistance where rent or an occupancy charge is paid by the program participant, the Contractor must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
  - 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
  - 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, government benefits administrator) or the written certification by the Contractor's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period; or
  - 2.3.1.4.4. To the extent that source documents and third-party verification are unobtainable, the written certification by the program participant of the amount of income that the program participant is reasonably expected to receive over the three (3) month period following the evaluation.
- 2.3.1.5. Program Participant Records. In addition to evidence of homelessness status or at-risk-of-homelessness status, as applicable, the Contractor must keep records for each program participant that document:
- 2.3.1.5.1. The services and assistance provided to that program participant, including evidence that the Contractor has conducted an annual assessment of services for those program participants that remain in the program for more than a year and adjusted the service package accordingly, and including case management services as provided in 24 CFR 578.37(a)(1)(ii)(F); and
  - 2.3.1.5.2. Where applicable, compliance with the termination of assistance requirement in 24 CFR 578.91.
- 2.3.1.6. Housing Standards. The Contractor must retain documentation of compliance with the housing standards in 24 CFR 578.75(b), including inspection reports.
- 2.3.1.7. Services Provided. The Contractor must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were reviewed at least annually and that the service package offered to program participants was adjusted as necessary.
- 2.4. The Contractor shall maintain records that document compliance with:
- 2.4.1. The Organizational conflict-of-interest requirements in 24 CFR 578.95(c).



Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
  - 2.4.3. The Other Conflicts requirements in 24 CFR 578.95(d).
  - 2.5. The Contractor shall develop, implement and retain a copy of the personal conflict-of-interest policy that complies with the requirements in 24 CFR 578.95, including records supporting any exceptions to the personal conflict-of-interest prohibitions.
  - 2.6. The Contractor shall comply and retain documentation of compliance with:
    - 2.6.1. The Homeless Participation requirements in accordance with 24 CFR 578.75(g).
    - 2.6.2. The Faith-based Activities requirements in accordance with 24 CFR 578.87(b).
    - 2.6.3. Affirmatively Furthering Fair Housing by maintaining copies of all marketing, outreach, and other materials used to inform eligible persons of the program in accordance with 24 CFR 578.93(c).
    - 2.6.4. Other Federal Requirements in 24 CFR 578.99, as applicable.
    - 2.6.5. Other Records Specified by HUD. The Contractor must keep other records as specified by HUD.
    - 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
  - 2.7. Confidentiality. In addition to meeting the specific confidentiality and security requirements for HMIS data (76 FR 76917), the Contractor shall develop and implement written procedures to ensure:
    - 2.7.1. All records containing protected identifying information of any individual or family who applies for and/or receives Continuum of Care assistance shall be kept secure and confidential as required by this Agreement and state and federal laws and regulations;
    - 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not be made public, except with written authorization of the person responsible for the operation of the project; and
    - 2.7.3. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality;
  - 2.8. Period of Record Retention. The Contractor shall ensure all records, originals or copies made by microfilming, photocopying, or other similar methods, pertaining to Continuum of Care funds are retained for five (5) years following the Contract Completion Date and receipt of final payment by the Contractor unless records are otherwise required to be maintained for a period in excess of the five (5) year period according to state or federal law or regulation.
3. Program Reporting Requirements
- 3.1. The Contractor shall submit the following reports:
    - 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and

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Exhibit A

3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

**4. Contract Administration**

- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.

**5. Performance Measures**

- 5.1. The Contractor shall adhere to all terms and conditions as set forth in the HUD New Project Application, federal fiscal year 2018, #SF-424; and
  - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
  - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

**6. Deliverables**

- 6.1. The Contractor shall implement a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.
- 6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.
  - 6.2.1. Project outcomes shall include, but are not limited to:
    - 6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.
    - 6.2.1.2. Participants experience increased connections to:
      - 6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;
      - 6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and
      - 6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.
- 6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

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Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Shelter Plus Care Program Funding**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
  - 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0057L1T001809
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$281,824
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Rental Assistance: \$268,152
    - 1.2.8.2. Administrative Expenses: \$13,672
    - 1.2.8.3. Total program amount: \$281,824
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
  - 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:

NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301
- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.



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- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule; Review by the State**

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
- 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
- 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
- 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
- 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.



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- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.

**3.4.5. Schedule of Payments:**

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingsupportsinvoices@dhhs.nh.gov](mailto:housingsupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.

**3.5. Review of the State Disallowance of Costs:**

- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services, products, required report submissions, as detailed in Exhibits A and B, or NH-HMIS data entry requirements have not been satisfactorily completed in accordance with the terms and conditions of this Agreement.

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Exhibit B

**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

- 5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

- 5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

- 5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;

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- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;
- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);



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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

5.4. Rental Assistance

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only. Property damages may be paid only from funds paid to the landlord from security deposits.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.



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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.
- 5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
- 5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
- 5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

5.5. Administrative Costs:

5.5.1. Eligible administrative costs include:

- 5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and
- 5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
  - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
    - 5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:

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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

**5.6. Leasing:**

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

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Date 5/23/19



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5.6.1. Requirements:

- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

gm

5/23/19



**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

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- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

gm  
Date 5/23/19



### **SPECIAL PROVISIONS**

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
  - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
  - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

*gm*

*5/23/19*



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

**RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:**

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
  - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
  - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
  - 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.





Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
  - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
  - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
  - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF  
WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

**20. Contract Definitions:**

- 20.1. **COSTS:** Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.
- 20.2. **DEPARTMENT:** NH Department of Health and Human Services.
- 20.3. **PROPOSAL:** If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the services and/or goods to be provided by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.
- 20.4. **UNIT:** For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.
- 20.5. **FEDERAL/STATE LAW:** Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from time to time.
- 20.6. **SUPPLANTING OTHER FEDERAL FUNDS:** Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.



## REVISIONS TO STANDARD CONTRACT LANGUAGE

### 1. Revisions to Form P-37, General Provisions

1.1. Section 4, Conditional Nature of Agreement, is replaced as follows:

#### 4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account in the event funds are reduced or unavailable.

1.2. Section 10, Termination, is amended by adding the following language:

- 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
- 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
- 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
- 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
- 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

### 2. Renewal

- 2.1. The Department reserves the right to extend this agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

*Jm*  
Date 5/23/19



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**ALTERNATIVE I - FOR GRANTEEES OTHER THAN INDIVIDUALS**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner  
NH Department of Health and Human Services  
129 Pleasant Street,  
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
  - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
    - 1.2.1. The dangers of drug abuse in the workplace;
    - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
    - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
  - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
    - 1.4.1. Abide by the terms of the statement; and
    - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
  - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services  
Exhibit D



has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

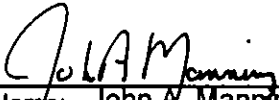
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
    - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
  - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Vendor Name: Southwestern Community Services, Inc.

05/23/19  
Date

  
Name: John A. Manning  
Title: Chief Executive Officer



**CERTIFICATION REGARDING LOBBYING**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- \*Temporary Assistance to Needy Families under Title IV-A
- \*Child Support Enforcement Program under Title IV-D
- \*Social Services Block Grant Program under Title XX
- \*Medicaid Program under Title XIX
- \*Community Services Block Grant under Title VI
- \*Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-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.

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date

Name: John A. Manning  
Title: Chief Executive Officer



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION  
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**INSTRUCTIONS FOR CERTIFICATION**

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and





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).

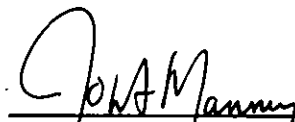
#### LOWER TIER COVERED TRANSACTIONS

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.

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date

  
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 Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations  
and Whistleblower protections

Vendor Initials

*Jm*

5/23/19

New Hampshire Department of Health and Human Services  
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

- I. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name: Southwestern Community Services, Inc.

05/23/19  
Date

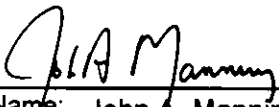
  
Name: John A. Manning  
Title: Chief Executive Officer

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations  
and Whistleblower protections

Vendor Initials gm



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name: Southwestern Community Services, Inc.

05/23/19

Date

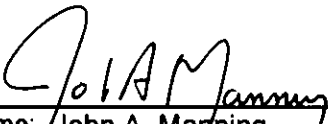
  
Name: John A. Manning  
Title: Chief Executive Officer



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

The Vendor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Vendor and subcontractors and agents of the Vendor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

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Exhibit I  
Health Insurance Portability Act  
Business Associate Agreement  
Page 1 of 6

Vendor Initials

*jm*  
Date 5/23/19



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
  - I. For the proper management and administration of the Business Associate;
  - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

**(3) Obligations and Activities of Business Associate.**

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
  - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
  - o The unauthorized person used the protected health information or to whom the disclosure was made;
  - o Whether the protected health information was actually acquired or viewed
  - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (l). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

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Vendor Initials

*cm*  
Date 6/23/19





Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

**(4) Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

**(5) Termination for Cause**

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

**(6) Miscellaneous**

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

3/2014

Vendor Initials gm

Date 5/23/19



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

Christine Santanelli  
Signature of Authorized Representative

Christine Santanelli  
Name of Authorized Representative

Director, DHS  
Title of Authorized Representative

5/29/19  
Date

Southwestern Community Services, Inc.

Name of the Vendor

John A. Manning  
Signature of Authorized Representative

John A. Manning  
Name of Authorized Representative

Chief Executive Officer  
Title of Authorized Representative

05/23/19  
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 Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Vendor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Vendor Name: Southwestern Community Services, Inc.

05/23/19  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Name: John A. Manning  
Title: Chief Executive Officer

New Hampshire Department of Health and Human Services  
Exhibit J



FORM A

As the Vendor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 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?

X NO        YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

       NO        YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

**I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR**

**A. Business Use and Disclosure of Confidential Information.**

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

## II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

*Jm*

DHHS Information Security Requirements



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

#### A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a





whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

**B. Disposition**

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

**IV. PROCEDURES FOR SECURITY**

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

*Jm*

*5/23/19*



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
  - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
  - b. safeguard this information at all times.
  - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
  - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

*Jm*  
5/23/19

DHHS Information Security Requirements



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

**V. LOSS REPORTING**

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

**VI. PERSONS TO CONTACT**

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

*gm*

5/23/19

# State of New Hampshire

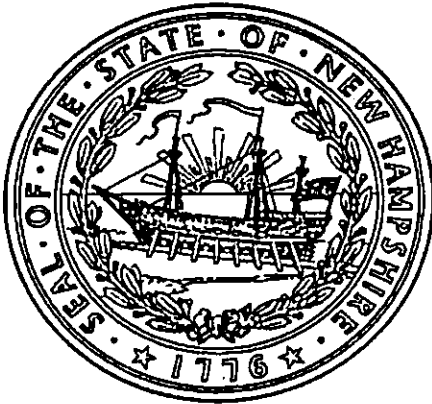
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that 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

Certificate Number: 0004490855



IN TESTIMONY WHEREOF,  
I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 8th day of April A.D. 2019.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner  
Secretary of State

## CERTIFICATE OF VOTE

I, Elaine M. Amer, Clerk Secretary, 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 February 18, 2016 :  
(Date)

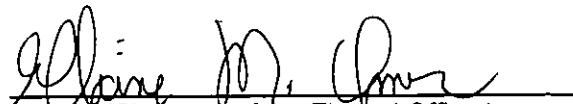
**RESOLVED:** That the Chief Executive Officer  
(Title of Contract Signatory)

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 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 23rd day of May, 2019.  
(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.

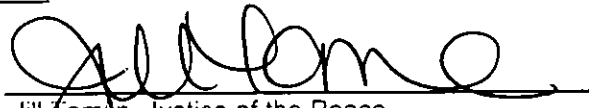
  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Cheshire

The forgoing instrument was acknowledged before me this 23<sup>rd</sup> day of May, 2019.

By Elaine M. Amer  
(Name of Elected Officer of the Agency)

  
Jill Tomlin, Justice of the Peace

Commission Expires: 4.5.22

JILL A. TOMLIN, Justice of the Peace  
State of New Hampshire  
My Commission Expires April 5, 2022

am  
5/23/19



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/4/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must 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> Clark - Mortenson Insurance P.O. Box 606 Keene NH 03431	<b>CONTACT NAME:</b>	
	<b>PHONE (A/C, No., Ext):</b> 603-352-2121	<b>FAX (A/C, No.):</b> 603-357-8491
<b>INSURED</b> Southwestern Comm Services Inc PO Box 603 Keene NH 03431	<b>E-MAIL ADDRESS:</b> csr24@clark-mortenson.com	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
	<b>INSURER A:</b> Philadelphia Insurance Company	
	<b>INSURER B:</b> Maine Employer Mutual Insurance Co.	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
<b>INSURER E:</b>		
<b>INSURER F:</b>		

<b>COVERAGES</b>	<b>CERTIFICATE NUMBER:</b> 1977689129	<b>REVISION NUMBER:</b>
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.		

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK1835086	8/30/2018	8/30/2019	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			PHPK1835086	8/30/2018	8/30/2019	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10,000			PHUB633333	8/30/2018	8/30/2019	EACH OCCURRENCE \$2,000,000 AGGREGATE \$2,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	N/A	3102800768	4/1/2019	4/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.I. EACH ACCIDENT \$500,000 E.I. DISEASE - EA EMPLOYEE \$500,000 E.I. DISEASE - POLICY LIMIT \$500,000
A	Professional Liability			PHPK1835086	8/30/2018	8/30/2019	\$1,000,000 per occurrence \$2,000,000 general aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Workers Compensation Statutory coverage provided for the State of NH  
All Executive Officers are included in the Workers Compensation coverage

**CERTIFICATE HOLDER**

NH -DHHS Brown Building 129 Pleasant Street Concord NH 03301
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**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
AUTHORIZED REPRESENTATIVE 

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# Southwestern Community Services

Over 45 years of people helping people in Cheshire and Sullivan counties

## 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.

## Mission Statement

SCS strives to empower low income people and families. *With dignity and respect*, SCS will provide direct assistance, reduce stressors and advocate for such persons and families as they lift themselves toward *self-sufficiency*.

## Community Statement

In *partnership and close collaboration* with local communities, SCS will provide *leadership and support* To develop resources, programs and services to further aid this population.

63 Community Way  
PO Box 603  
Keene, NH 03431-0603  
Phone: (603) 352-7512  
Fax: (603) 352-3618



Call Toll Free: (800) 529-0005  
TTY-NH: (800) 735-2964

96-102 Main Street  
PO Box 1338  
Claremont, NH 03743  
Phone: (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, 2018 AND 2017  
AND  
INDEPENDENT AUDITORS' REPORTS**

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED MAY 31, 2018 AND 2017**

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**Leone,  
McDonnell  
& Roberts**

PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

WOLFEBORO • NORTH CONWAY  
DOVER • CONCORD  
STRATHAM

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, 2018 and 2017, and the related consolidated statements of cash flows, and notes to the consolidated financial statements for the years then ended, and the related consolidated statements of activities and functional expenses for the year ended May 31, 2018.

**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, 2018 and 2017, 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' 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 11, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2017, 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 September 17, 2018, 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*

September 17, 2018  
Wolfeboro, New Hampshire

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
MAY 31, 2018 AND 2017**

**ASSETS**

	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,086,895	\$ 947,175
Accounts receivable	1,095,486	1,360,685
Prepaid expenses	35,019	19,252
Notes receivable	112,000	112,000
Interest receivable	<u>45,547</u>	<u>41,067</u>
Total current assets	<u>2,374,947</u>	<u>2,480,179</u>
<b>PROPERTY</b>		
Land and buildings	14,438,178	13,335,396
Vehicles and equipment	549,305	703,635
Furniture and fixtures	<u>39,617</u>	<u>25,756</u>
Total property	<u>15,027,100</u>	<u>14,064,787</u>
Less accumulated depreciation	<u>4,880,952</u>	<u>4,579,760</u>
Property, net	<u>10,146,148</u>	<u>9,485,027</u>
<b>OTHER ASSETS</b>		
Investment in related parties	88,706	142,782
Due from related parties	152,959	219,108
Cash escrow and reserve funds	517,853	359,589
Security deposits	51,996	37,906
Other assets	<u>384</u>	<u>384</u>
Total other assets	<u>811,898</u>	<u>759,769</u>
Total assets	<u>\$ 13,332,993</u>	<u>\$ 12,724,975</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 124,085	\$ 166,495
Accrued expenses	206,178	233,842
Accrued payroll and payroll taxes	250,692	241,035
Other current liabilities	135,573	148,698
Refundable advances	193,931	238,345
Current portion of long term debt	<u>216,438</u>	<u>211,313</u>
Total current liabilities	<u>1,126,897</u>	<u>1,239,728</u>
<b>NONCURRENT LIABILITIES</b>		
Long term debt, less current portion shown above	<u>8,273,983</u>	<u>8,087,475</u>
Total liabilities	<u>9,400,880</u>	<u>9,327,203</u>
<b>NET ASSETS</b>		
Unrestricted	3,774,641	3,243,933
Temporarily restricted	<u>157,472</u>	<u>153,839</u>
Total net assets	<u>3,932,113</u>	<u>3,397,772</u>
Total liabilities and net assets	<u>\$ 13,332,993</u>	<u>\$ 12,724,975</u>

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MAY 31, 2018  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2018 Total</u>	<u>2017 Total</u>
<b>REVENUES AND OTHER SUPPORT</b>				
Government contracts	\$ 11,055,093	\$ -	\$ 11,055,093	\$ 9,722,823
Program service fees	1,868,188	-	1,868,188	1,862,236
Rental income	801,642	-	801,642	661,932
Developer fee income	50,000	-	50,000	265,000
Support	389,363	119,866	509,229	400,116
Fundraising	105,286	-	105,286	80,170
Interest income	8,959	-	8,959	6,699
Forgiveness of debt	75,971	-	75,971	90,148
Miscellaneous	100,772	-	100,772	140,537
In-kind contributions	161,852	-	161,852	162,968
Total revenues and other support	14,617,126	119,866	14,736,992	13,392,627
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>				
	116,233	(116,233)	-	-
Total revenues, other support, and net assets released from restrictions	14,733,359	3,633	14,736,992	13,392,627
<b>EXPENSES</b>				
<b>Program services</b>				
Home energy programs	4,847,201	-	4,847,201	3,812,708
Education and nutrition	2,530,152	-	2,530,152	2,367,558
Homeless programs	2,172,388	-	2,172,388	2,056,525
Housing services	2,048,214	-	2,048,214	2,073,178
Economic development services	728,119	-	728,119	571,865
Other programs	945,391	-	945,391	963,917
Total program services	13,271,465	-	13,271,465	11,845,751
<b>Supporting activities</b>				
Management and general	1,749,700	-	1,749,700	1,776,106
Total expenses	15,021,165	-	15,021,165	13,621,857
<b>CHANGES IN NET ASSETS BEFORE LOSS ON SALE OF PROPERTY</b>	(287,806)	3,633	(284,173)	(229,230)
<b>LOSS ON SALE OF PROPERTY</b>	(4,583)	-	(4,583)	(19,355)
<b>(LOSS) GAIN ON INVESTMENT IN LIMITED PARTNERSHIPS</b>	(188)	-	(188)	132,782
<b>CHANGE IN NET ASSETS</b>	(292,577)	3,633	(288,944)	(115,803)
<b>NET ASSETS, BEGINNING OF YEAR</b>	3,243,933	153,839	3,397,772	3,513,575
<b>NET ASSETS TRANSFERRED FROM LIMITED PARTNERSHIP</b>	823,285	-	823,285	-
<b>NET ASSETS, BEGINNING OF YEAR</b>	4,067,218	153,839	4,221,057	3,513,575
<b>NET ASSETS, END OF YEAR</b>	\$ 3,774,641	\$ 157,472	\$ 3,932,113	\$ 3,397,772

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED MAY 31, 2018 AND 2017**

	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (288,944)	\$ (115,803)
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Depreciation and amortization	467,929	415,720
Loss on sale of property	4,583	19,355
Loss (gain) on investment in limited partnerships	188	(132,782)
Forgiveness of debt	(75,971)	(90,148)
(Increase) decrease in assets:		
Accounts receivable	265,199	(258,318)
Prepaid expenses	(3,439)	4,161
Interest receivable	(4,480)	(4,480)
Due from related parties	66,149	73,417
Security deposits	(2,623)	(1,945)
Increase (decrease) in liabilities:		
Accounts payable	(53,220)	11,248
Accrued expenses	(38,863)	87,479
Accrued payroll and payroll taxes	9,657	22,853
Other current liabilities	(13,125)	(32,998)
Refundable advances	(44,414)	37,281
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b><u>288,626</u></b>	<b><u>35,040</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease (increase) in escrow funds	5,846	(18,222)
Proceeds from sale of property	-	6,000
Purchase of property	(142,791)	(247,598)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b><u>(136,945)</u></b>	<b><u>(259,820)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term debt	76,143	106,019
Repayment of long term debt	(112,612)	(122,890)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b><u>(36,469)</u></b>	<b><u>(16,871)</u></b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>115,212</b>	<b>(241,651)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>947,175</b>	<b>1,188,826</b>
<b>CASH TRANSFERRED FROM LIMITED PARTNERSHIP</b>	<b><u>24,508</u></b>	<b><u>-</u></b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 1,086,895</u></b>	<b><u>\$ 947,175</u></b>

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, 2018 AND 2017**

	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash paid during the year for interest	<b><u>\$ 142,467</u></b>	<b><u>\$ 141,285</u></b>
<b>SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Property financed by long term debt	<b><u>\$ -</u></b>	<b><u>\$ 33,100</u></b>
Transfer of assets from newly consolidated LP:		
Prepaid expenses	<b><u>\$ (12,328)</u></b>	<b><u>\$ -</u></b>
Land and buildings	<b><u>(894,504)</u></b>	<b><u>-</u></b>
Furniture and fixtures	<b><u>(96,338)</u></b>	<b><u>-</u></b>
Cash escrow and reserve funds	<b><u>(164,110)</u></b>	<b><u>-</u></b>
Security deposits	<b><u>(11,467)</u></b>	<b><u>-</u></b>
Total transfer of assets from newly consolidated LP	<b><u>\$ (1,178,747)</u></b>	<b><u>\$ -</u></b>
Transfer of liabilities from newly consolidated LP:		
Accounts payable	<b><u>\$ 10,810</u></b>	<b><u>\$ -</u></b>
Accrued expenses	<b><u>11,199</u></b>	<b><u>-</u></b>
Long term debt	<b><u>304,073</u></b>	<b><u>-</u></b>
Total transfer of liabilities from newly consolidated LP	<b><u>\$ 326,082</u></b>	<b><u>\$ -</u></b>
Total partners' capital from newly consolidated LP	<b><u>\$ 877,173</u></b>	<b><u>\$ -</u></b>
Partners' capital previously recorded as investment in related parties	<b><u>(53,888)</u></b>	<b><u>-</u></b>
Total transfer of partners' capital from newly consolidated LP	<b><u>\$ 823,285</u></b>	<b><u>\$ -</u></b>

**See Notes to Consolidated Financial Statements**

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED MAY 31, 2018  
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	2018 Total	2017 Total
Payroll	\$ 396,452	\$ 1,208,631	\$ 435,638	\$ 771,028	\$ 405,189	\$ 430,358	\$ 3,688,198	\$ 774,498	\$ 4,432,962	\$ 4,142,843
Payroll taxes	31,599	99,882	34,153	59,803	30,416	36,918	289,771	80,913	350,684	331,590
Employee benefits	122,782	453,204	146,384	278,393	87,744	187,020	1,275,517	54,990	1,330,107	1,351,824
Retirement	24,900	86,878	21,031	64,244	19,280	17,448	216,821	73,148	289,969	274,815
Advertising	-	142	1,897	4,188	2,114	16,172	24,491	-	24,491	29,517
Bank charges	15	-	120	3,634	-	-	3,969	8,079	13,048	12,127
Computer cost	-	9,185	4,300	14,144	14,298	3,500	45,427	62,062	107,479	119,143
Contractual	518,340	62,463	242,935	20,382	2,718	106,718	946,536	14,921	961,457	987,364
Depreciation	-	28,300	108,291	187,840	-	18,131	320,562	147,367	467,929	416,720
Dues/registration	-	8,036	-	343	968	997	8,364	10,175	18,539	19,077
Duplicating	1,584	6,148	-	-	-	-	9,732	4,321	14,053	9,842
Insurance	5,909	13,361	23,653	52,287	14,810	8,248	118,098	38,380	156,448	147,178
Interest	-	8,698	7,759	8,997	-	2,854	25,908	118,501	142,487	141,288
Meeting and conference	3,981	58	9,293	7,177	800	19,305	40,394	30,924	78,318	49,122
Miscellaneous expense	909	971	2,303	18,689	4,442	18,589	45,881	13,182	59,063	168,334
Miscellaneous taxes	-	-	-	26,381	-	-	26,381	986	27,367	32,858
Equipment purchases	4,870	24,320	80	12,348	-	-	41,418	2,305	43,723	9,981
Office expense	34,413	12,613	8,440	14,508	12,042	4,078	86,090	20,402	106,492	73,351
Postage	132	274	182	31	348	50	1,017	22,918	23,935	24,329
Professional fees	4,860	-	1,875	15,878	-	-	22,644	83,786	106,410	134,341
Staff development and training	1,430	23,724	2,624	9,287	5,875	28,044	68,784	2,843	72,727	81,472
Subscriptions	-	-	28	87	-	-	115	1,329	1,444	2,387
Telephone	2,080	18,297	19,881	14,589	2,435	3,236	67,307	66,578	113,883	114,072
Travel	5,335	20,013	20,312	8,185	29,508	2,000	87,364	3,508	85,873	77,044
Vehicle	2,140	2,910	712	31,828	43,200	9,201	81,589	10,981	102,570	86,571
Rent	-	25,201	-	-	-	-	25,201	-	25,201	28,250
Space costs	148	140,213	258,849	438,344	-	1,000	836,563	128,966	965,529	954,572
Direct client assistance	3,983,498	145,220	823,938	14,447	80,531	23,843	4,741,445	-	4,741,445	4,907,787
In-kind expenses	-	181,852	-	-	-	-	181,852	-	181,852	182,898
<b>TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION</b>	<b>4,847,201</b>	<b>2,530,182</b>	<b>2,172,388</b>	<b>2,048,214</b>	<b>728,119</b>	<b>945,391</b>	<b>13,271,465</b>	<b>1,748,700</b>	<b>15,021,165</b>	<b>13,821,857</b>
Allocation of management and general expenses	839,051	333,574	296,408	270,035	95,995	124,839	1,749,700	(1,749,700)	-	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 5,686,252</b>	<b>\$ 2,863,756</b>	<b>\$ 2,468,796</b>	<b>\$ 2,318,249</b>	<b>\$ 824,114</b>	<b>\$ 1,070,230</b>	<b>\$ 15,021,165</b>	<b>\$ -</b>	<b>\$ 15,021,165</b>	<b>\$ 13,821,857</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, 2018 AND 2017**

**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 Corporation, SCS Housing, Inc., SCS Development Corporation, SCS Housing Development, Inc., and various limited partnerships, as described below. 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.

**Principles of Consolidation**

The consolidated financial statements include the accounts of Southwestern Community Services, Inc. and the following entities as Southwestern Community Services, Inc. has both an economic interest and control of the entities through a majority voting interest in their governing board. All significant intercompany items and transactions have been eliminated from the basic consolidated financial statements.

- SCS Management Corporation
- SCS Housing, Inc.
- SCS Development Corporation
- SCS Housing Development, Inc.
- Drewsville Carriage House Associates, Limited Partnership (Drewsville)
- Jaffrey Housing Associates, Limited Partnership (Jaffrey)
- Troy Senior Housing Associates, Limited Partnership (Troy Senior)
- Keene East Side Senior Housing Associates, Limited Partnership (Keene East Side)
- Winchester Senior Housing Associates, Limited Partnership (Winchester) (2018 only)

**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, 2018 and 2017, 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, 2017 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, 2018 and 2017. 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 receivables 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 at May 31, 2018 was \$112,000 and \$45,547, respectively. At May 31, 2017, the balance of the notes receivable and related interest receivable were \$112,000 and \$41,067, respectively.

### **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, 2018 and 2017, approximately 75% and 73%, 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.

### **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. Depreciation expense for the years ended May 31, 2018 and 2017 totaled \$467,929 and \$415,720, respectively.

### **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 private foundations. As such, they are exempt from income tax on their exempt function income.

SCS Housing, Inc., SCS Development Corporation and SCS Housing Development, Inc. are taxed as corporations. SCS Housing Inc. has federal net operating loss carryforwards totaling \$915,425 and \$840,803 at May 31, 2018 and 2017, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2027. SCS Development Corporation has federal net operating loss carryforwards totaling \$607 and \$629 at May 31, 2018 and 2017, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2020.

The tax effects of the carryforwards as related to deferred tax assets is as follows as of May 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Tax benefit from loss carryforwards	\$137,408	\$126,215
Valuation allowance	<u>(137,408)</u>	<u>(126,215)</u>
Deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

Drewsville, Jaffrey, Troy Senior, Winchester and Keene East Side 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, 2015 – 2018), 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, 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. Interest is due monthly and is stated at the Wall Street Journal Prime Rate. The line is secured by all the Organization's assets. As of May 31, 2018 and 2017, the interest rate was 4.75% and 4.00%, respectively. There was no outstanding balance at May 31, 2018 and 2017.

**NOTE 3      LONG TERM DEBT**

The long term debt at May 31, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
1% mortgage payable to New Hampshire Housing in monthly installments for principal and interest of \$891 through August 2032. The note is secured by real estate of the Organization (NHHFA, 96 Main Street).	\$ 154,832	\$ 163,926
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 (CDFA, 96 Main Street).	32,147	32,147
4.5% note payable to a bank in monthly installments for principal and interest of \$978 through March 2021. The note is secured by real estate of the Organization (People's United Bank, Ashuelot).	31,143	42,099



Non-interest bearing mortgage payable to New Hampshire Housing. 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 (NHHFA, 17 Pearl).	244,505	244,505
Non-interest bearing mortgage payable to New Hampshire Housing. 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 (NHHFA, 41-43 Central).	376,363	376,558
4.25% mortgage payable to a bank in monthly installments for principal and interest of \$1,875 through December 2016, with a balloon payment that was due January 2017. The note was amended during the year ended May 31, 2018 and is now due December 2026. Under the amendment, interest rate is 4.94% and monthly installments for principal and interest are \$1,957. The note is secured by real estate of the Organization (People's United Bank, Milestones).	162,223	177,050
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 (TD Bank, Keene Office).	2,247,266	2,280,750
Non-interest bearing note payable to Cheshire County in New Hampshire. Payment is not necessary unless Organization defaults on contract. The note is secured by real estate of the Organization (CDBG, Keene Office).	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, 2018 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).	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, 2018 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).

45,000 45,000

Note payable to a bank in monthly installments for principal and interest of \$2,463 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, 2018 and 2017. The note is secured by real estate of the Organization (TD Bank, Keene Office/Community Way).

414,567 426,734

5.19% note payable to a bank in monthly installments for principal and interest of \$889 through May 2021. The note is secured by real estate of the Organization (TD Bank, 45 Central Street).

100,254 105,495

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 (HUD, Ashuelot).

150,000 175,000

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 (HUD, 112 Charlestown Road).

90,000 105,000

Non-interest bearing note payable to New Hampshire Finance Authority in annual payments in the amount of 50% of annual surplus cash through July 2042 at which time the remaining balance is due. The note is secured by real estate of the Organization (NHHFA, Second Chance).

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 (CDBG, Second Chance).

363,677 382,818

3.99% note payable to a bank in monthly installments for principal and interest of \$355. The note was paid off in May 2018. The note was secured by a vehicle of the Organization (Ally, Kia Soul).

- 4,070

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 (TCF, Econoline Van).

8,741 15,688

5.54% note payable to a finance company in monthly installments for principal and interest of \$543 through August 2022. The note is secured by a vehicle (Ally, Econoline Van).

24,564 29,572

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 includes cumulative accrued interest of \$53,651 (CDBG).

303,651 300,645

Jaffrey - 6% note payable to a bank in monthly installments for principal and interest of \$485 through August 2027. The note is secured by land and buildings (TD Bank).

41,099 43,533

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 (CDBG).

640,000 640,000

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 (NHHFA).

140,210 140,210

Keene East Side - 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 (CDBG).

900,000 900,000

Keene East Side - Non-interest bearing note payable to New Hampshire Community Development Finance Authority (CDFA) to fund energy upgrades and capital improvements. Beginning in 2016, 10% of the note is forgiven each year based on the rolling balance. The mortgage may be released after ten years in January 2026. The note is secured by real estate of the Organization (CDFA).

178,172 121,865

Keene East Side - 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 (NHHFA).

228,934 228,934

Winchester - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due May 2032, payable in monthly installments of \$370, including interest at 2.00%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHHFA).

53,826 -

Winchester - Non-recourse, zero interest bearing mortgage note payable to New Hampshire Housing (FAF), due May 2032, payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30-year term of the mortgage note (NHHFA).

92,058 -

Winchester - Non-recourse, zero interest bearing, direct subsidy AHP loan secured by the Partnership's land and buildings, subject to low-income housing restrictions under the terms of the AHP agreement. In the event of a default under the aforementioned agreement, the loan is due upon demand with interest accrued at a rate of 11.67% for the period the funds were outstanding (Federal Loan Home Bank).

	<u>150,000</u>	<u>-</u>
	8,490,421	8,298,788
Less current portion due within one year	<u>216,438</u>	<u>211,313</u>
	<u>\$ 8,273,983</u>	<u>\$ 8,087,475</u>

The schedule of maturities of long term debt at May 31, 2018 is as follows:

Year Ending <u>May 31</u>	<u>Amount</u>
2019	\$ 216,438
2020	106,557
2021	108,028
2022	102,681
2023	102,148
Thereafter	<u>7,854,569</u>
Total	<u>\$ 8,490,421</u>

#### NOTE 4 OPERATING LEASES

The Organization leases facilities, equipment and vehicles under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2022. Monthly lease payments range from \$200 to \$3,521. Lease expense for the years ended May 31, 2018 and 2017 totaled \$176,479 and \$179,178, respectively.

Future minimum payments as of May 31, 2018 on the above leases are as follows:

Year Ending <u>May 31</u>	<u>Amount</u>
2019	\$ 76,776
2020	22,372
2021	18,977
2022	<u>15,618</u>
Total	<u>\$ 133,743</u>

**NOTE 5      ACCRUED COMPENSATED BALANCES**

At May 31, 2018 and 2017, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$130,140 and \$127,577, respectively.

**NOTE 6      CONTINGENCIES**

Southwestern Community Services, Inc. is the 100% owner of SCS Housing, Inc. and SCS Housing Development, Inc. SCS Housing, Inc. and SCS Housing Development, Inc. are the general partners of ten limited partnerships formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc., SCS Housing, Inc. and SCS Housing Development, Inc. have guaranteed repayment of liabilities of various partnerships totaling approximately \$15,569,000 and \$15,590,000 at May 31, 2018 and 2017, respectively.

Partnership real estate with a cost basis of approximately \$41,158,000 and \$41,027,000 provides collateral on these loans at May 31, 2018 and 2017, respectively.

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, 2018 and 2017.

**NOTE 7      RELATED PARTY TRANSACTIONS**

During the years ended May 31, 2018 and 2017, SCS Housing, Inc. managed ten limited partnerships. Management fees charged by SCS Housing, Inc. totaled \$322,973 and \$308,448, for the years ended May 31, 2018 and 2017, respectively. Additionally, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years.

The Organization has also advanced funds to a related entity for Department of Housing and Urban Development (HUD) sponsorship purposes.

The total amount due and expected to be collected from the limited partnerships and related entity was \$142,959 and \$219,108 at May 31, 2018 and 2017, respectively.

**NOTE 8**      **EQUITY INVESTMENT**

Southwestern Community Services, Inc. and related companies use the equity method to account for their financial interests in the following companies:

	<u>2018</u>	<u>2017</u>
Cityside Housing Associates, LP	\$ (9,492)	\$ (9,481)
Marlborough Homes, LP	8	30
Payson Village Senior Housing Associates, LP	(12,491)	(12,477)
Railroad Square Senior Housing Associates, LP	(1,715)	(1,527)
Warwick Meadows Housing Associates, LP	(17)	(9)
Woodcrest Drive Housing Associates, LP	222,846	222,850
Winchester Senior Housing Associates, LP	-	53,888
Westmill Senior Housing, LP	90	-
Swanzy Township Housing Associates, LP	(31,190)	(31,183)
Snow Brook Meadow Village Housing Associates, LP	(60,716)	(60,709)
Keene Highland Housing Associates, LP	(243)	(226)
Pilot Health, LLC	<u>(18,374)</u>	<u>(18,374)</u>
	<u>\$ 88,706</u>	<u>\$ 142,782</u>

SCS Housing Development, Inc. is a 0.01% partner of Cityside Housing Associates, LP, Marlborough Homes, LP, Payson Village Senior Housing Associates, LP, Warwick Meadows Housing Associates, LP, and Woodcrest Drive Housing Associates, LP, a 0.10% partner of Railroad Square Senior Housing Associates, LP, and a 1% partner in Westmill Senior Housing, LP during the years ended May 31, 2018 and 2017.

SCS Housing, Inc. is a 0.01% partner of Winchester Senior Housing Associates, LP, Swanzy Township Housing Associates, LP, Snow Brook Meadow Village Housing Associates, LP, and Keene Highland Housing Associates, LP during the years ended May 31, 2018 and 2017.

The remaining 99.99% ownership interest in Winchester Senior Housing Associates, LP was acquired by Southwestern Community Service, Inc. during the year ended May 31, 2018 (see Note 12), and therefore the limited partnership is included in the consolidated financial statements for the year ended May 31, 2018.

Southwestern Community Services, Inc. is 14.3% member of Pilot Health, LLC.

Summarized financial information for entities accounted for under the equity method, as of May 31, 2018 and 2017, consists of the following:

	<u>2018</u>	<u>2017</u>
Total assets	\$ <u>32,782</u>	\$ <u>33,140</u>
Total liabilities	47,461	47,490
Capital/Member's equity	<u>(14,679)</u>	<u>(14,350)</u>
	\$ <u>32,782</u>	\$ <u>33,140</u>
Income	\$ 84,713	\$ 84,728
Expenses	<u>81,478</u>	<u>81,515</u>
Net income	\$ <u>3,235</u>	\$ <u>3,213</u>

**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 \$281,784 and \$274,815 for the years ended May 31, 2018 and 2017, respectively.

**NOTE 10 RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets are available for the following purposes:

	<u>2018</u>	<u>2017</u>
NNECAC – Annual Conference Fund	\$ 21,327	\$ 38,129
WM Marcello GAPS Fund	12,781	14,789
Stand Down	4,963	-
GAPS/Warm Fund	<u>118,401</u>	<u>100,921</u>
Total temporarily restricted net assets	\$ <u>157,472</u>	\$ <u>153,839</u>

**NOTE 11 FORGIVENESS OF DEBT**

During the year ended May 31, 2018, the Organization realized forgiveness of debt income in connection with notes payable to the County of Cheshire, HUD and Community Development Finance Authority. Forgiveness of debt income totaled \$75,971 for the year ended May 31, 2018.

During the year ended May 31, 2017, the Organization realized forgiveness of debt income in connection with notes payable to the County of Cheshire, HUD and New Hampshire Housing. Forgiveness of debt income totaled \$90,148 for the year ended May 31, 2017.



**NOTE 12     TRANSFER OF PARTNERSHIP INTEREST**

During 2018, Southwestern Community Services, Inc. acquired a partnership interest in a low-income housing limited partnership: Winchester. The amount paid for the partnership interest was \$1 and at the time of acquisition, Southwestern Community Services, Inc. became the general partner. The following is a summary of the assets and liabilities of the partnership at the date of acquisition:

Date of transfer	<u>08/16/2018</u>
	<u>Winchester</u>
Cash	\$ 24,508
Security deposits	11,467
Cash-reserves	164,110
Property – net	990,842
Other assets	<u>12,328</u>
Total assets	<u>1,203,255</u>
Notes payable	304,073
Other liabilities	<u>22,009</u>
Total liabilities	<u>326,082</u>
Partners' capital	877,173
Partners' capital previously recorded as an investment in related parties	<u>(53,888)</u>
Partners' capital transferred	<u>\$ 823,285</u>

**NOTE 13     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 14     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 September 17, 2018, the date the financial statements were available to be issued.

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**  
**CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED MAY 31, 2018**  
**WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	Home Energy Programs	Education and Habitat	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Programs	Management and General	2018 Total	2017 Total
<b>REVENUES</b>										
Government contracts	\$ 4,834,242	\$ 2,823,886	\$ 1,820,112	\$ 47,823	\$ 756,952	\$ 188,821	\$ 10,649,748	\$ 405,345	\$ 11,065,063	\$ 9,722,823
Program service fees	-	-	78,508	978,904	17,915	794,863	1,868,188	-	1,868,188	1,862,236
Rental income	-	-	117,370	684,072	-	200	801,642	-	801,642	861,832
Developer income	-	-	-	60,000	-	-	60,000	-	60,000	265,000
Support	104,817	35,405	80,437	-	139,240	130,530	500,229	-	800,229	400,116
Fundraising	-	-	80	-	-	108,208	108,286	-	108,286	80,170
Interest income	23	7	1,051	1,362	-	35	2,478	8,481	8,050	8,899
Forgiveness of Debt	-	-	58,141	16,830	-	-	75,971	-	75,971	90,148
Miscellaneous	2,010	126	9,485	42,373	47,382	-	98,346	2,426	100,772	140,537
In-kind contributions	-	181,852	-	-	-	-	181,852	-	181,852	162,896
Total revenues and other support	5,040,892	3,021,058	2,280,182	1,821,364	901,499	1,187,755	14,322,740	414,252	14,736,992	13,397,627
<b>EXPENSES</b>										
Payroll	\$ 398,452	\$ 1,208,831	\$ 435,638	\$ 771,028	\$ 405,189	\$ 438,358	\$ 3,856,196	\$ 774,489	\$ 4,432,862	\$ 4,142,843
Payroll taxes	31,689	89,882	34,153	86,803	30,418	36,918	298,771	60,813	360,854	331,960
Employee benefits	122,782	453,204	146,384	278,383	87,744	187,020	1,275,517	84,580	1,330,107	1,330,824
Retirement	24,980	88,878	21,031	84,244	18,280	17,448	216,821	73,148	289,969	274,815
Advertising	-	142	1,697	4,186	2,114	16,172	24,491	-	24,491	29,517
Bank charges	15	-	120	3,834	-	-	3,969	9,079	13,048	12,127
Computer cost	-	9,165	4,300	14,144	14,298	3,800	45,427	82,092	107,479	115,143
Contractual	818,340	82,483	242,936	20,362	2,718	108,718	948,536	14,821	961,487	987,284
Depreciation	-	28,300	108,291	167,840	-	16,131	320,562	147,397	467,628	415,720
Dues/registration	-	6,026	-	343	866	987	8,264	10,175	18,536	18,077
Duplicating	1,584	8,146	-	-	-	-	9,732	4,321	14,053	9,842
Insurance	5,909	13,361	23,853	52,287	14,810	8,248	118,068	38,380	194,448	147,175
Interest	-	8,050	7,750	6,997	-	2,564	25,966	116,501	142,467	141,285
Meeting & conference	3,981	88	9,283	7,177	800	10,305	40,384	35,924	76,318	49,122
Miscellaneous expense	909	971	2,303	15,696	4,442	18,560	45,881	13,182	86,063	188,334
Miscellaneous taxes	-	-	-	25,381	-	-	25,381	866	27,367	32,656
Equipment purchases	4,670	24,320	80	12,348	-	-	41,416	2,305	43,723	9,901
Office expense	34,413	12,813	8,440	14,306	12,042	4,078	86,090	20,402	108,492	73,351
Postage	132	274	182	31	348	60	1,017	22,818	23,935	24,329
Professional fees	4,890	-	1,875	15,879	-	-	22,644	83,786	108,410	134,341
Staff development and training	1,430	23,724	2,824	8,287	6,875	28,044	68,784	2,943	72,727	51,472
Subscriptions	-	-	28	87	-	-	115	1,329	1,444	2,387
Telephone	2,086	18,297	19,891	14,589	2,435	3,236	57,307	56,576	113,883	114,072
Travel	8,335	20,313	20,312	5,195	29,368	2,020	82,364	3,029	85,373	77,944
Vehicle	2,140	2,510	712	31,828	45,300	9,201	91,589	10,981	102,870	85,571
Rent	-	25,201	-	-	-	-	25,201	-	25,201	23,230
Space costs	148	140,213	236,840	438,344	-	1,008	838,563	128,988	865,529	934,672
Direct client assistance	3,883,466	145,220	823,938	14,447	80,531	23,843	4,741,445	-	4,741,445	4,087,787
In-kind expenses	-	161,852	-	-	-	-	161,852	-	161,852	162,896
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	4,847,201	2,530,152	2,172,388	2,048,214	728,119	845,381	13,271,465	1,749,700	15,021,165	13,621,857
Allocation of management and general expenses	539,061	333,674	295,406	279,036	85,895	124,829	1,749,700	(1,749,700)	-	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,486,252	\$ 2,863,726	\$ 2,458,794	\$ 2,318,249	\$ 824,114	\$ 1,070,030	\$ 15,021,165	\$ -	\$ 15,021,165	\$ 13,621,857

See Independent Auditors' Report

**SUPPLEMENTAL INFORMATION**

**(SEE INDEPENDENT AUDITORS' REPORT)**

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MAY 31, 2011**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S NUMBER	FEDERAL EXPENDITURE
<b>U.S. Department of Agriculture</b>				
Rural Housing Preservation Grant	10.433	Direct Funding	3403-02801-808	\$ 14,198
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	304,381
Child and Adult Care Food Program	10.558	State of NH, Dept of Education	Unknown	121,328
Food Distribution Cluster				
Commodity Supplemental Food Program	10.565	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	\$ 100,788
Emergency Food Assistance Program (Food Commodities)	10.569	Community Action Program Belknap-Merrimack Counties	Unknown	103
				100,891
WIC Grants to States (Infrastructure)	10.578	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	42,181
WIC Grants to States (Breastfeeding Peer Counseling Program)	10.578	State of NH Dept. of Health & Human Services	010-090-52800000-102-500734	13,787
				55,968
<b>Total U.S. Department of Agriculture</b>				<b>\$ 695,726</b>
<b>U.S. Department of Housing and Urban Development</b>				
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Homeless & Housing	05-85-85-85310-717800000-102-50731	\$ 238,745
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Office of Human Services	010-042-7927-102-0731	117,877
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Homeless & Housing	05-85-85-85310-717800000-102-50731	358,422
Shelter Plus Care	14.238	State of NH, DHHS, Bureau of Homeless & Housing	05-85-85-85310-717800000-102-50731	281,048
Continuum of Care Program	14.287	State of NH, DHHS, Bureau of Homeless & Housing	05-85-85-85310-717800000-102-50731	272,181
				173,539
<b>Total U.S. Department of Housing and Urban Development</b>				<b>\$ 1,085,168</b>
<b>U.S. Department of Labor</b>				
WIA Cluster				
WIA Adult Program	17.258	Southern NH Services	Unknown	\$ 64,427
WIA Dislocated Worker Formula Grants	17.278	Southern NH Services	Unknown	35,084
				99,511
<b>Total U.S. Department of Labor/WIA Cluster</b>				<b>\$ 99,511</b>
<b>U.S. Department of Transportation Federal Transit Administration (FTA)</b>				
Formula Grants for Rural Areas	20.509	State of NH, Department of Transportation	04-85-85-984010-2918	\$ 221,488
Transit Services Programs Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of NH, Department of Transportation	04-85-85-984010-2918	24,971
				246,459
<b>Total U.S. Department of Transportation Federal Transit Administration (FTA)</b>				<b>\$ 246,459</b>
<b>U.S. Department of Veterans Affairs</b>				
VA Supportive Services for Veteran Families Program	64.033	Harbor Homes, Inc.	Unknown	\$ 280,842
<b>Total U.S. Department of Veterans Affairs</b>				<b>\$ 280,842</b>
<b>U.S. Department of Energy</b>				
Weatherization Assistance for Low-Income Persons	81.042	State of NH, Office of Energy & Planning	01-02-024010-7708-074-500587	\$ 184,008
<b>Total U.S. Department of Energy</b>				<b>\$ 184,008</b>
<b>U.S. Department of Health &amp; Human Services</b>				
Aging Cluster				
Special Programs for the Aging, Title II, Part B,				
Grants for Supportive Services and Senior Centers	93.044	State of NH, Office of Energy & Planning	01-02-024010-7708-074-500587	\$ 5,400
Special Programs for the Aging, Title II, Part B,				
Grants for Supportive Services and Senior Centers	93.044	State of NH, DHHS, Bureau of Elderly & Adult Services	05-85-45-481010-7872	42,144
Grants to States to Support Oral Health Workforce Activities	93.236	State of NH, DHHS, Division of Family Assistance	Unknown	47,844
Drug-Free Communities Support Program Grants	93.276	Direct Funding	SH79SP018677-08	8,515
Affordable Care Act (ACA) - Consumer Assistance Program Grants	93.519	Direct Funding	HCBC/CFPI	111,278
TANF Cluster				
Temporary Assistance for Needy Families	93.558	Southern NH Services	Unknown	5,280
Low Income Home Energy Assistance (Fuel Assistance)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-77060000-500587	327,983
Low Income Home Energy Assistance (HRRP)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-77060000-500587	4,008,168
Low Income Home Energy Assistance (BVP)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-77060000-500587	184,822
Community Services Block Grant	93.569	State of NH, DHHS, Div. of Family Assistance	01-02-02-024010-77060000-500587	207,878
Head Start	93.600	Direct Funding	500731	4,370,347
Block Grants for Prevention and Treatment of Substance Abuse	93.958	State of NH, DHHS, Bureau Drug and Alcohol Services	01CH9858	354,428
			05-85-49-481510-29880000	2,321,897
				25,813
<b>Total U.S. Department of Health &amp; Human Services</b>				<b>\$ 7,542,907</b>
<b>U.S. Department of Homeland Security</b>				
Emergency Food and Shelter National Board Program	97.024	State of NH, DHHS, Office of Human Services	Unknown	\$ 3,178
<b>Total U.S. Department of Homeland Security</b>				<b>\$ 3,178</b>
<b>TOTAL</b>				<b>\$ 10,078,875</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, 2018**

**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, 2018. 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.

**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.

**NOTE 5      SUBRECIPIENTS**

Southwestern Community Services, Inc. had no subrecipients for the year ended May 31, 2018.

**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, 2018, 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 September 17, 2018.

**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.

*Leone McDonnell & Roberts*  
*Professional Association*

September 17, 2018  
Wolfeboro, New Hampshire

**Leone,  
McDonnell  
& Roberts**

PROFESSIONAL ASSOCIATION  
CERTIFIED PUBLIC ACCOUNTANTS  
WOLFEBORO • NORTH CONWAY  
DOVER • CONCORD  
STRATFORD

**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, 2018. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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, 2018.



### 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Leone McDonnell & Roberts*  
*Professional Association*

September 17, 2018  
Wolfeboro, New Hampshire

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED MAY 31, 2018**

**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*. No material weaknesses are reported.
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. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
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. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs were: U.S. Department of Health and Human Services; Low-Income Home Energy Assistance, 93.568, and Head Start, 93.600, and U.S. Department of Agriculture; Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), 10.557.
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**

None

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED MAY 31, 2017**

There were no findings or questioned costs that were required to be reported in the Schedule of Findings and Questioned Costs for the year ended May 31, 2017.

<b>Southwestern Community Services, Inc. Board of Directors - Composition – 2019 –</b>
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**CHESHIRE COUNTY**

**SULLIVAN COUNTY**

**CONSTITUENT  
SECTOR**

**Anne Beattie**  
Newport Service Organization

**Mary Lou Huffling**  
Fall Mountain Emergency Food Shelf  
Alstead Friendly Meals

**Brianna Trombi**  
Head Start Policy Council  
Parent Representative

open

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**PRIVATE  
SECTOR**

**Elaine Amer, Clerk/Treasurer**  
Amer Electric Company (*retired*)

**David Edkins**  
Town of Walpole

**Kevin Watterson, Chair**  
Clarke Companies (*retired*)

**Kerry Belknap Morris, M.Ed.**  
Early Childhood Education  
River Valley Community College

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**PUBLIC  
SECTOR**

**Jay Kahn**  
State Senator, District 10

**Derek Ferland**  
Sullivan County Manger

**Beth Fox**  
Assistant City Manager/  
Human Resources Director  
City of Keene

open

# 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

# **CRAIG A. HENDERSON**

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## **SUMMARY OF QUALIFICATIONS**

- Proficient in: Word, Excel, PowerPoint, Internet, Outlook, Photoshop,
- Ability to prioritize in a fast paced environment and to learn new tasks quickly and effectively
- Dedicated, reliable and responsible
- Extensive background in Social Services, Property Management, Finance, and Customer Service

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## **EDUCATION**

- **B.A.** Psychology with a specialization in counseling **May, 1999**
- **B.S.** Business Management  
Keene State College  
Keene, NH 03435

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## **EMPLOYMENT HISTORY**

**Henderson & Bosley Property Management** **8/02-Present**  
**President** **Keene, NH**

- Adhering to NH State housing laws and government housing programs
- Advertising and marketing of vacant apartments, Creating leases, Performing credit checks
- Property inspections and maintenance- including basic carpentry, landscaping etc.
- Research and management of investment opportunities

**Southwestern Community Services** **10/07-Present**  
**Director of Housing Stabilization Services**

- Designs and implements systems to provide efficient operation of all Housing Stabilization programs.
- Manages and leads assigned staff to ensure SCS policies and procedures are followed in a manner consistent with the organization's mission, values, and culture.
- Participates in the hiring of new employees and oversees the orientation and training of all assigned staff.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

**Southwestern Community Services** **10/07-Present**  
**Assistant Director of Housing Stabilization Services** **Keene, NH**

- Monitor quality of services, operation of assigned programs, facilities, and staff.
- Process and certify tenant/client applications for all Supportive Housing Programs; facilitate move-in process; track and collect rents/subsidies utilizing Classic Real Estate Software; track and collect all match documentation; recertify tenants when necessary and in a timely manner.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

**Southwestern Community Services** **02/03-10/07**  
**Long Term Transitional Housing Program Administrator** **Keene, NH**

- Responsibilities include: Assisting the homeless of Cheshire County with budgeting and referrals to other needed services; Advocating on behalf of clients to create new networks and improve current relationships; providing counsel through tough transitions, as well as, creating and maintaining an environment of success through programs such as Mediation Training, Consumer Credit Counseling, Psychological Therapy, Parenting Classes, and First Time Homebuyers programs.
- Basic maintenance of shelter properties and inventory control
- Responsible to track data and create statistical reports based on information collected to assist in budget allocations for Southwestern Community Services

**Coldwell Banker / Tattersall** **1/02-3/04**  
**Real Estate Sales Associate** **Keene, NH**

- Assisting buyers and sellers of real estate through customer/client interaction
- Informing clients/customers of federal and state regulations, financing options, and negotiating
- Creating marketing plans and researching pricing through competitive market analysis



- Assured accurate and consistent real-estate assessments with the emphasis in field work
- Position required strong attention to detail with the emphasis in property measurement and appraisal as well as requiring strong customer skill by acting as a liaison between town assessors office and the property owner

**Monadnet  
Customer Service Supervisor**

**8/99-8/01  
Keene, NH**

- Responsibilities include maintaining all major accounts and new account data; managing projects and delegating responsibilities, A/R and A/P reconciliation, Collections of delinquent accounts.
- Financial Analysis and Trend Monitoring, Billing Systems Analyst
- Direct mediation and resolution of customer service issues.

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**AWARDS RECEIVED**

- Delta Mu Delta: National Business Honor Society
- Psi Chi: National Psychology Honor Society

**CONTINUING EDUCATION AND CERTIFICATIONS**

**04/18/2007 Certified Occupancy Specialist – National Center for Housing Management**

**09/23/2008 Successful completion of “Landlord and Tenant Law” seminar – Lorman Educational Services**

**02/23/2016 HUD Certified Housing Quality Standards Inspector**

**01/21/2016 Completed 8.5 hours of Nonviolent Crisis Intervention training**

**04/26/2013 Certification in Fair Housing Law – Granite State Managers Association**

**08/10/2016 Blood Borne Pathogen Training**

**08/24/2016 6 hours of comprehensive low income housing tax credit training – Johnson Consulting Services, Inc**

**SOUTHWESTERN COMMUNITY SERVICES**  
**Shelter Plus Care Program**

**Key Personnel**

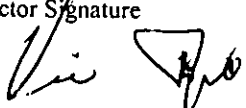
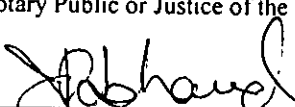
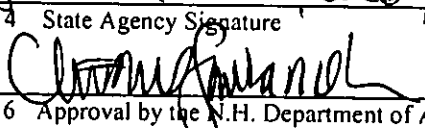
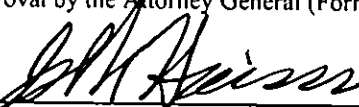
Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
John Manning	CEO	\$132,080	0	0
Meg Freeman	CFO	\$90,854	0	0
Craig Henderson	Director of Housing Stabilization	\$50,003	0	0

**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****I. IDENTIFICATION.**

1.1 State Agency Name Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management		1.4 Contractor Address 10 Tsienneto Rd Derry, NH 03038	
1.5 Contractor Phone Number (603) 434-1577	1.6 Account Number 05-95-42-423010-7927 102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$267,435
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Vic Topo, President/CEO	
1.13 Acknowledgement: State of <u>New Hampshire</u> , County of <u>Rockingham</u> On <u>5/28/19</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal]  JULIE A. ROBICHAUD, Notary Public State of New Hampshire My Commission Expires August 23, 2022			
1.13.2 Name and Title of Notary or Justice of the Peace Julie Robichaud, HR Administrator			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Christine Santanello, Director, D & HS	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>6/4/2019</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

#### **8. EVENT OF DEFAULT/REMEDIES.**

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

#### **9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

**11. CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

**12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

**13. INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

#### **14. INSURANCE.**

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

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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

12/28/19



Exhibit A

**SCOPE OF SERVICES**

**Permanent Housing Program**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:

NH DHHS  
Bureau of Housing Supports (BHS)  
129 Pleasant Street  
Concord, NH 03301

- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

*[Handwritten Signature]*  
5/28/19



Exhibit A

- 1.10. The Contractor shall support the primary goal of this program which is to facilitate the movement of homeless and chronically homeless individuals and families to permanent housing and maximum self-sufficiency.

**2. Scope of Services**

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Housing program serving approximately thirty-seven (37) homeless individuals and families to reside in scattered site apartments within Western Rockingham County, NH., and which includes, but is not limited to:
- 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
- 2.2.2. The development of a stabilization plan and crisis management plan with the participant, at intake and, at a minimum, annually. An ongoing Assessment of Housing and Supportive Services is required, with the ultimate goal being assistance to the participant in obtaining the skills necessary to live in the community independently.
- 2.3. The Contractor shall establish and maintain standard operating procedures to ensure CoC program funds are used in accordance with 24 CFR 578 and must establish and maintain sufficient records to enable HUD and BHS to determine Contractor requirement compliance, including:
- 2.3.1. Continuum of Care Records: The Contractor shall maintain the following documentation related to establishing and operating a CoC:
- 2.3.1.1. Records of Homeless Status. The Contractor shall maintain acceptable evidence of homeless status in accordance with 24 CFR 576.500(b).
- 2.3.1.2. Records of at Risk of Homelessness Status: The Contractor shall maintain records that establish "at risk of homelessness" status of each individual or family who receives CoC homelessness prevention assistance, as identified in 24 CFR 576.500(c).
- 2.3.1.3. Records of Reasonable Belief of Imminent Threat of Harm. The Contractor shall maintain documentation of each program participant who moved to a different CoC due to imminent threat of further domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR 578.51(c)(3). The Contractor shall retain documentation that includes, but is not limited to:
- 2.3.1.3.1 The original incidence of domestic violence, dating violence, sexual assault, or stalking, only if the original violence is not already documented in the program participant's case file. This may be written observation of the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; medical or dental records; court records or law enforcement records; or written certification by the program participant to whom the violence occurred or by the head of household.

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Exhibit A

- 2.3.1.3.2 The reasonable belief of imminent threat of further domestic violence, dating violence, or sexual assault or stalking, which would include threats from a third-party, such as a friend or family member of the perpetrator of the violence. This may be written observation by the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; current restraining order; recent court order or other court records; law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts; or a written certification by the program participant to whom the violence occurred or the head of household.
- 2.3.1.4. Records of Annual Income. For each program participant who receives housing assistance where rent or an occupancy charge is paid by the program participant, the Contractor must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, government benefits administrator) or the written certification by the Contractor's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period; or
- 2.3.1.4.4. To the extent that source documents and third-party verification are unobtainable, the written certification by the program participant of the amount of income that the program participant is reasonably expected to receive over the three (3) month period following the evaluation.
- 2.3.1.5. Program Participant Records. In addition to evidence of homelessness status or at-risk-of-homelessness status, as applicable, the Contractor must keep records for each program participant that document:
- 2.3.1.5.1. The services and assistance provided to that program participant, including evidence that the Contractor has conducted an annual assessment of services for those program participants that remain in the program for more than a year and adjusted the service package accordingly, and including case management services as provided in 24 CFR 578.37(a)(1)(ii)(F); and
- 2.3.1.5.2. Where applicable, compliance with the termination of assistance requirement in 24 CFR 578.91.
- 2.3.1.6. Housing Standards. The Contractor must retain documentation of compliance with the housing standards in 24 CFR 578.75(b), including inspection reports.
- 2.3.1.7. Services Provided. The Contractor must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were reviewed at least annually and that the service package offered to program participants was adjusted as necessary.
- 2.4. The Contractor shall maintain records that document compliance with:
- 2.4.1. The Organizational conflict-of-interest requirements in 24 CFR 578.95(c).

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Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 2.4.3. The Other Conflicts requirements in 24 CFR 578.95(d).
- 2.5. The Contractor shall develop, implement and retain a copy of the personal conflict-of-interest policy that complies with the requirements in 24 CFR 578.95, including records supporting any exceptions to the personal conflict-of-interest prohibitions.
- 2.6. The Contractor shall comply and retain documentation of compliance with:
- 2.6.1. The Homeless Participation requirements in accordance with 24 CFR 578.75(g).
- 2.6.2. The Faith-based Activities requirements in accordance with 24 CFR 578.87(b).
- 2.6.3. Affirmatively Furthering Fair Housing by maintaining copies of all marketing, outreach, and other materials used to inform eligible persons of the program in accordance with 24 CFR 578.93(c).
- 2.6.4. Other Federal Requirements in 24 CFR 578.99, as applicable.
- 2.6.5. Other Records Specified by HUD. The Contractor must keep other records as specified by HUD.
- 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the specific confidentiality and security requirements for HMIS data (76 FR 76917), the Contractor shall develop and implement written procedures to ensure:
- 2.7.1. All records containing protected identifying information of any individual or family who applies for and/or receives Continuum of Care assistance shall be kept secure and confidential as required by this Agreement and state and federal laws and regulations;
- 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not be made public, except with written authorization of the person responsible for the operation of the project; and
- 2.7.3. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality;
- 2.8. Period of Record Retention. The Contractor shall ensure all records, originals or copies made by microfilming, photocopying, or other similar methods, pertaining to Continuum of Care funds are retained for five (5) years following the Contract Completion Date and receipt of final payment by the Contractor unless records are otherwise required to be maintained for a period in excess of the five (5) year period according to state or federal law or regulation.

**3. Program Reporting Requirements**

- 3.1. The Contractor shall submit the following reports:

- 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and

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Exhibit A

3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

**4. Contract Administration**

- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.

**5. Performance Measures**

- 5.1. The Contractor shall adhere to all terms and conditions as set forth in the HUD New Project Application, federal fiscal year 2018, #SF-424; and
  - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
  - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

**6. Deliverables**

- 6.1. The Contractor shall implement a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.
- 6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.
  - 6.2.1. Project outcomes shall include, but are not limited to:
    - 6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.
    - 6.2.1.2. Participants experience increased connections to:
      - 6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;
      - 6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and
      - 6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.
- 6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

*[Handwritten Signature]*  
5/28/19



**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Permanent Housing Program Funding**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
  - 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0003L1T001811
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$267,435
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Rental Assistance: \$201,684
    - 1.2.8.2. Supportive Services: \$59,464
    - 1.2.8.3. Administrative Expenses: \$6,287
    - 1.2.8.4. Total program amount: \$267,435
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
  - 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:

NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301
- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.

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**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule; Review by the State**

- 3.1. **Project Costs:** As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
- 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
  - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
  - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
  - 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.

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**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**


- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.

**3.4.5. Schedule of Payments:**

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingsupportsinvoices@dhhs.nh.gov](mailto:housingsupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.

**3.5. Review of the State Disallowance of Costs:**

- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services, products, required report submissions, as detailed in Exhibits A and B, or NH-HMIS data entry requirements have not been satisfactorily completed in accordance with the terms and conditions of this Agreement.

  
5/28/19



**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;



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- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;
- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

**5.4. Rental Assistance**

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only. Property damages may be paid only from funds paid to the landlord from security deposits.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.

5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

**5.5. Administrative Costs:**

5.5.1. Eligible administrative costs include:

5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and

5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:

5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.

5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:

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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

**5.6. Leasing:**

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

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**5.6.1. Requirements:**

- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

*[Handwritten Signature]*  
5/28/19



### **SPECIAL PROVISIONS**

**Contractors Obligations:** The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
  - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
  - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

Exhibit C – Special Provisions

Contractor Initials

Date

Contractor Initials *[Signature]*  
Date 5/28/19



- 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

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- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

**20. Contract Definitions:**

- 20.1. **COSTS:** Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.
- 20.2. **DEPARTMENT:** NH Department of Health and Human Services.
- 20.3. **PROPOSAL:** If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the services and/or goods to be provided by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.
- 20.4. **UNIT:** For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.
- 20.5. **FEDERAL/STATE LAW:** Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from time to time.
- 20.6. **SUPPLANTING OTHER FEDERAL FUNDS:** Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.



**REVISIONS TO STANDARD CONTRACT LANGUAGE**

**1. Revisions to Form P-37, General Provisions**

1.1. Section 4, Conditional Nature of Agreement, is replaced as follows:

**4. CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account in the event funds are reduced or unavailable.

1.2. Section 10, Termination, is amended by adding the following language:

- 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
- 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
- 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
- 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
- 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

**2. Renewal**

- 2.1. The Department reserves the right to extend this agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

5/28/19



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner  
NH Department of Health and Human Services  
129 Pleasant Street,  
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
  - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
    - 1.2.1. The dangers of drug abuse in the workplace;
    - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
    - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
  - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
    - 1.4.1. Abide by the terms of the statement; and
    - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
  - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services  
Exhibit D



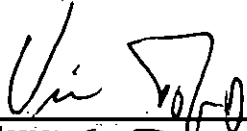
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
    - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
  - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.


5/28/19  
Date

Vendor Name:

  
Name: Victor Topo  
Title: President/CEO

Vendor Initials

Date

  
5/28/19



**CERTIFICATION REGARDING LOBBYING**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- \*Temporary Assistance to Needy Families under Title IV-A
- \*Child Support Enforcement Program under Title IV-D
- \*Social Services Block Grant Program under Title XX
- \*Medicaid Program under Title XIX
- \*Community Services Block Grant under Title VI
- \*Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Vendor Name:

5/28/19  
Date

[Signature]  
Name: VICTOR  
Title: President/CEO



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION  
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**INSTRUCTIONS FOR CERTIFICATION**

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

*[Handwritten Signature]*  
Date 2/28/19



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

#### PRIMARY COVERED TRANSACTIONS

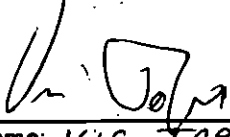
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (I)(b) of this certification; and
  - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

#### LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
  - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

5/28/19  
Date

Vendor Name:

  
Name: VIC TOPO  
Title: President / CEO

Vendor Initials

Date

✓  
5/28/19





**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO  
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND  
WHISTLEBLOWER PROTECTIONS**

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials

Date

✓  
5/28/14

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 Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

5/28/19  
Date

Vendor Name:

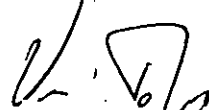
  
Name: VICTOR P. PARDO  
Title: PRESIDENT / CEO

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials



Date

5/28/19



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

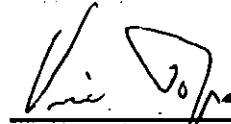
Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

5/28/19  
\_\_\_\_\_  
Date

Vendor Name:



Name: VIC TOPO

Title:

President / CEO

5/28/19



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

The Vendor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Vendor and subcontractors and agents of the Vendor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. **"Breach"** shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. **"Business Associate"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. **"Covered Entity"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. **"Designated Record Set"** shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. **"Data Aggregation"** shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. **"Health Care Operations"** shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. **"HITECH Act"** means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. **"HIPAA"** means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. **"Individual"** shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. **"Privacy Rule"** shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. **"Protected Health Information"** shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

3/2014

Exhibit I  
Health Insurance Portability Act  
Business Associate Agreement  
Page 1 of 6

Vendor Initials

Date

*[Signature]*  
5/28/19



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
  - I. For the proper management and administration of the Business Associate;
  - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business

WA  
3/28/14



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 (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.

Department of Health and Human Services

The State

Christine Santanich  
Signature of Authorized Representative

Christine Santanich  
Name of Authorized Representative

Director DEHS  
Title of Authorized Representative

5/30/19  
Date

mental Health Center For Southern New Hampshire  
DBA CLM Center For Life Management  
Name of the Vendor

Vic Topo  
Signature of Authorized Representative

Vic Topo  
Name of Authorized Representative

President/CEO  
Title of Authorized Representative

5/28/19  
Date

JS  
Date 5/28/19



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY  
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
  - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
  - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Vendor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

5/28/19  
Date

Vendor Name:

*[Signature]*

Name: VIC TOPO

Title: President/CEO

Vendor Initials

Date

*[Signature]*  
5/28/19

New Hampshire Department of Health and Human Services  
Exhibit J



**FORM A**

As the Vendor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 085573541
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

☒ NO ☐ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

☐ NO ☐ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

AT  
6/28/19

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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2/25/19

**New Hampshire Department of Health and Human Services**

**Exhibit K**

**DHHS Information Security Requirements**



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

**I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR**

**A. Business Use and Disclosure of Confidential Information.**

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

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5/28/19

DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

## II. METHODS OF SECURE TRANSMISSION OF DATA

1. **Application Encryption.** If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. **Computer Disks and Portable Storage Devices.** End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. **Encrypted Email.** End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. **Encrypted Web Site.** If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. **File Hosting Services, also known as File Sharing Sites.** End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. **Ground Mail Service.** End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. **Laptops and PDA.** If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. **Open Wireless Networks.** End User may not transmit Confidential Data via an open

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wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

#### A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

*[Handwritten Signature]*  
5/28/19

DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
  1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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5/28/19



**New Hampshire Department of Health and Human Services**

**Exhibit K**

**DHHS Information Security Requirements**



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

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4/28/19

DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
  - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
  - b. safeguard this information at all times.
  - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
  - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

*[Handwritten Signature]*  
12/28/19

DHHS Information Security Requirements



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

**V. LOSS REPORTING**

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

- 1. Identify Incidents;
- 2. Determine if personally identifiable information is involved in Incidents;
- 3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
- 4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

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5/28/19



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

**VI. PERSONS TO CONTACT**

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

*[Handwritten Signature]*  
*[Handwritten Date: 5/28/19]*

# State of New Hampshire

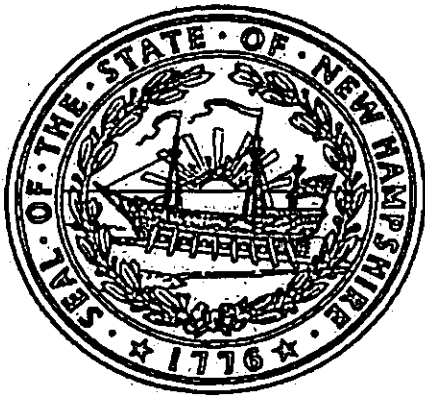
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on April 17, 1967. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 61791

Certificate Number : 0004489721



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. 2019.

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State

# 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 CLM CENTER FOR LIFE MANAGEMENT is a New Hampshire Trade Name registered to transact business in New Hampshire on June 30, 2003. 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: 442328

Certificate Number : 0004489718



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. 2019.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State

## CERTIFICATE OF VOTE

I, Judith Ryan, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of CLM Center For Life Management  
(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 5/28/2019:  
(Date)

RESOLVED: That the Vic Topo PRESIDENT/CEO  
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to  
execute any and all documents, agreements and other instruments, and any amendments, revisions,  
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of  
the 28 day of MAY, 2019.  
(Date Contract Signed)

4. Vic Topo is the duly elected President/CEO  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Judith Ryan  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Rockingham

The forgoing instrument was acknowledged before me this 28 day of May 2019

By Judith Ryan  
(Name of Elected Officer of the Agency)

Julie A. Robichaud  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

JULIE A. ROBICHAUD, Notary Public  
State of New Hampshire

Commission Expires: My Commission Expires August 23, 2022

ACORD™

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/15/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL ADDRESS:														
<b>INSURED</b> The Mental Health Center for Southern NH DBA CLM Center for Life Management 10 Tslenneto Rd Derry, NH 03038	<table border="1"> <thead> <tr> <th data-bbox="803 436 1404 478">INSURER(S) AFFORDING COVERAGE</th> <th data-bbox="1404 436 1546 478">NAIC #</th> </tr> </thead> <tbody> <tr> <td data-bbox="803 478 1404 510">INSURER A : Philadelphia Indemnity Insurance Co.</td> <td data-bbox="1404 478 1546 510">18058</td> </tr> <tr> <td data-bbox="803 510 1404 542">INSURER B : Granite State Insurance Company</td> <td data-bbox="1404 510 1546 542">23809</td> </tr> <tr> <td data-bbox="803 542 1404 574">INSURER C :</td> <td data-bbox="1404 542 1546 574"></td> </tr> <tr> <td data-bbox="803 574 1404 606">INSURER D :</td> <td data-bbox="1404 574 1546 606"></td> </tr> <tr> <td data-bbox="803 606 1404 638">INSURER E :</td> <td data-bbox="1404 606 1546 638"></td> </tr> <tr> <td data-bbox="803 638 1404 651">INSURER F :</td> <td data-bbox="1404 638 1546 651"></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Philadelphia Indemnity Insurance Co.	18058	INSURER B : Granite State Insurance Company	23809	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER D :															
INSURER E :															
INSURER F :															

## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		PHPK1886772	10/01/2018	10/01/2019	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$250,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMPROP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		PHPK1886766	10/01/2018	10/01/2019	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10000		PUB648899	10/01/2018	10/01/2019	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	WC017064748	10/01/2018	10/01/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liab		PHPK1886772	10/01/2018	10/01/2019	\$1,000,000 \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

## CERTIFICATE HOLDER

## CANCELLATION

NH Dept of Health and Human Services  
 Bureau of Mental Health Services  
 105 Pleasant Street  
 Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*See Note*



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### **MISSION STATEMENT**

To promote the health and well-being of individuals, families and organizations. We accomplish this through professional, caring and comprehensive behavioral health care services and by partnering with other organizations that share our philosophy.

**THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE  
MANAGEMENT AND AFFILIATES**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**  
Years ended June 30, 2018 and 2017

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Years ended June 30, 2018 and 2017

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Independent Auditor's Report

To the Board of Directors of  
The Mental Health Center for Southern New Hampshire  
d/b/a CLM Center for Life Management and Affiliates

**Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates (a nonprofit organization), which are comprised of the consolidated statements of financial position as of June 30, 2018 and 2017, and the related consolidated statements of activities, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 16-22 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2018, on our consideration of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates 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 The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates internal control over financial reporting and compliance.

*Wade White & Assoc., LLC*

Essex Junction, Vermont  
Registration number VT092.0000684  
October 16, 2018

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidated Statements of Financial Position  
June 30, 2018 and 2017

ASSETS

	<u>2018</u>	<u>2017</u>
Current assets:		
Cash and cash equivalents	\$ 1,640,075	\$ 1,060,309
Accounts receivable, net	864,230	874,385
Other receivables	144,815	116,163
Prepaid expenses	80,753	93,249
Security deposit	<u>11,087</u>	<u>11,087</u>
Total current assets	2,740,960	2,155,193
Property and equipment, net	<u>3,656,665</u>	<u>3,808,664</u>
Other assets		
Interest rate swap agreement	<u>48,533</u>	<u>-</u>
Total assets	<u>\$ 6,446,158</u>	<u>\$ 5,963,857</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Current portion of long term debt	\$ 88,538	\$ 86,038
Accounts payable	53,554	81,794
Accrued payroll and payroll liabilities	375,055	364,814
Accrued vacation	327,657	292,305
Accrued expenses	13,319	12,500
Deferred revenue	<u>7,580</u>	<u>7,580</u>
Total current liabilities	865,703	845,031
Long term liabilities		
Interest rate swap agreement	-	37,053
PMPM reserve	112,737	-
Long term debt, less current portion	<u>2,308,819</u>	<u>2,397,390</u>
Total long term liabilities	<u>2,421,556</u>	<u>2,434,443</u>
Total liabilities	3,287,259	3,279,474
Net assets - unrestricted	<u>3,158,899</u>	<u>2,684,383</u>
Total liabilities and unrestricted net assets	<u>\$ 6,446,158</u>	<u>\$ 5,963,857</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidated Statements of Activities  
Years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b><u>Public support and revenues:</u></b>		
Public support:		
Federal	\$ 1,005,755	\$ 744,203
State of New Hampshire - BBH	316,921	518,471
State and local funding	43,602	44,601
Other public support	<u>131,172</u>	<u>148,038</u>
Total public support	1,497,450	1,455,313
Revenues:		
Program service fees, net	12,364,822	11,514,943
Other service income	467,403	422,362
Rental income	4,985	4,798
Other	<u>39,231</u>	<u>20,038</u>
Total revenues	<u>12,876,441</u>	<u>11,962,141</u>
Total public support and revenues	14,373,891	13,417,454
<b><u>Operating expenses:</u></b>		
BBH funded programs:		
Children	4,859,070	4,450,932
Elders	282,131	243,821
Vocational	234,156	229,971
Multi-Service	2,609,377	2,329,607
Acute Care	775,806	745,489
Independent Living	2,226,618	1,876,360
Assertive Community Treatment	835,083	678,106
Non-Specialized Outpatient	980,645	1,370,779
Non-BBH funded program services	<u>132,495</u>	<u>167,338</u>
Total program expenses	12,935,381	12,092,403
Administrative expenses	<u>1,049,580</u>	<u>1,089,423</u>
Total expenses	<u>13,984,961</u>	<u>13,181,826</u>
Change in net assets from operations	388,930	235,628
<b><u>Non-operating expenses:</u></b>		
Fair value loss on interest rate swap	<u>85,586</u>	<u>148,152</u>
Change in net assets	474,516	383,780
Net assets, beginning of year	<u>2,684,383</u>	<u>2,300,603</u>
Net assets, end of year	<u>\$ 3,158,899</u>	<u>\$ 2,684,383</u>

See notes to financial statements



THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidated Statements of Functional Expenses  
Years ended June 30, 2018 and 2017

	2018			2017		
	Program Services	Administrative	Total	Program Services	Administrative	Total
Personnel costs:						
Salaries and wages	\$ 8,271,397	\$ 679,212	\$ 8,950,609	\$ 7,739,427	\$ 708,667	\$ 8,448,094
Employee benefits	1,770,356	136,304	1,906,660	1,512,048	135,073	1,647,121
Payroll taxes	589,194	48,580	637,774	556,222	47,730	603,952
Accounting/audit fees	50,511	4,910	55,421	52,170	9,915	62,085
Advertising	18,548	2,626	21,174	8,195	702	8,897
Conferences, conventions and meetings	27,262	11,456	38,718	20,838	11,992	32,830
Depreciation	186,697	18,240	204,937	201,071	20,764	221,835
Equipment maintenance	14,183	1,385	15,568	11,094	1,146	12,240
Equipment rental	38,062	2,996	41,058	47,239	3,755	50,994
Insurance	64,120	6,898	71,018	71,935	7,568	79,503
Interest expense	96,382	9,417	105,799	98,804	15,153	113,957
Legal fees	43,606	4,071	47,677	35,825	3,498	39,323
Membership dues	48,330	8,218	56,548	46,938	8,670	55,608
Occupancy expenses	896,640	10,055	906,695	842,203	10,283	852,486
Office expenses	193,164	20,508	213,672	195,435	20,893	216,328
Other expenses	55,224	17,866	73,090	28,599	12,015	40,614
Other professional fees	273,798	55,732	329,530	303,067	58,786	361,853
Program supplies	84,240	8,943	93,183	123,719	10,843	134,562
Travel	213,667	2,163	215,830	197,574	1,970	199,544
	12,935,381	1,049,580	13,984,961	12,092,403	1,089,423	13,181,826
Administrative allocation	1,049,580	(1,049,580)	-	1,089,423	(1,089,423)	-
Total expenses	13,948,535	\$ -	\$ 13,984,961	\$ 13,181,826	\$ -	\$ 13,181,826

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidated Statements of Cash Flows  
Years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 474,516	\$ 383,780
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	204,937	221,835
Amortization of loan origination fees included in interest expense	18,929	18,937
(Increase) decrease in:		
Accounts receivable, net	10,155	207,166
Other receivables	(28,652)	138,959
Prepaid expenses	12,496	(31,206)
Increase (decrease) in:		
Accounts payable and accrued expenses	18,172	104,572
Deferred revenue	-	(4,400)
PMPM reserve	<u>112,737</u>	<u>-</u>
Net cash provided by operating activities	823,290	1,039,643
Cash flows from investing activities:		
Purchases of property and equipment	<u>(52,938)</u>	<u>(32,734)</u>
Net cash (used) provided by investing activities	(52,938)	(32,734)
Cash flows from financing activities:		
Fair value (gain) loss on interest rate swap	(85,586)	(148,152)
Net borrowing (payments) on line of credit	-	(100,000)
Net principal payments on long term debt	<u>(105,000)</u>	<u>(102,500)</u>
Net cash used in financing activities	(190,586)	(350,652)
Net increase (decrease) in cash and cash equivalents	579,766	656,257
Cash and cash equivalents, beginning of year	<u>1,060,309</u>	<u>404,052</u>
Cash and cash equivalents, end of year	\$ 1,640,075	\$ 1,060,309
Supplemental cash flow disclosures:		
Cash paid during the year for interest	<u>\$ 105,799</u>	<u>\$ 113,957</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Notes to Consolidated Financial Statements  
June 30, 2018 and 2017

Note 1. Nature of organization

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management (the "Agency") is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health and related non-mental health programs.

During 2006, the Center for Life Management Foundation (the "Foundation") was established to act for the benefit of, to carry out the functions of, and to assist the Agency. It is affiliated with The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management through common board members and management. In addition, the Agency is the sole member.

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and the Center for Life Management Foundation are collectively referred to the "Organization".

Basis of consolidation

The consolidated financial statements include the accounts of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and the Center for Life Management Foundation. All intercompany transactions have been eliminated in consolidation.

Note 2. Basis of accounting and summary of significant accounting policies

Basis of accounting

The financial statements are prepared on the accrual basis of accounting. Under this basis, revenues, other than contributions, and expenses are reported when incurred, without regard to date of receipt or payment of cash. Contributions are reported in accordance with FASB Accounting Standards Codification ("ASC") *Accounting for Contributions Received and Contributions Made*.

Basis of presentation

The Organization's financial statement presentation is required by the Not-for-Profit *Presentation of Financial Statements* topic of the FASB ASC. The Organization is required to report information regarding its financial position and activities according to the following three classifications of net assets based on the existence or absence of donor-imposed restrictions.

Unrestricted net assets – Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets – Net assets subject to donor-imposed restrictions that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Permanently restricted net assets – Net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Notes to Consolidated Financial Statements  
June 30, 2018 and 2017

Note 2. Basis of accounting and summary of significant accounting policies (continued)

At June 30, 2018 and 2017, the Organization had no temporarily or permanently restricted net assets.

General

The significant accounting policies of the Organization are presented to assist in understanding the Organization's financial statements. The financial statements and the notes are representations of the Organization's management. The Organization is responsible for the integrity and objectivity of the financial statements.

Use of estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

Cash and cash equivalents

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash and cash equivalents. Cash equivalents include savings, money market accounts, and certificates of deposits.

Accounts receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management writes off accounts when they are deemed uncollectible and establishes an allowance for doubtful accounts for estimated uncollectible amounts. The Organization had an allowance for doubtful accounts of \$224,548 and \$208,878 as of June 30, 2018 and 2017, respectively. Refer to Note 3 for additional discussion of accounts receivable.

Property

Property is recorded at cost, except for donated assets which are recorded at estimated fair value at the date of donation. Depreciation is computed on the straight line basis over the estimated useful lives of the related assets as follows:

Buildings and improvements	15 - 40 years
Automobiles	3 - 15 years
Equipment	5 - 7 years

All equipment valued at \$500 or more is capitalized. Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Depreciation expense was \$204,937 and \$221,835 for the years ended June 30, 2018 and 2017, respectively.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Notes to Consolidated Financial Statements  
June 30, 2018 and 2017

**Note 2. Basis of accounting and summary of significant accounting policies (continued)**

**Finance costs**

Financing costs are recorded on the statement of position net of accumulated amortization. In accordance with Generally Accepted Accounting Principles, the unamortized financing costs are reported as a reduction in long term debt - see Note 6. The costs are amortized over the term of the respective financing arrangement.

**Vacation pay and fringe benefits**

Vacation pay is accrued and charged to programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on programs.

**Fair value measurements and financial instruments**

The Company adopted FASB ASC 820, Fair Value Measurements and Disclosures, for assets and liabilities measured at fair value on a recurring basis. The codification established a common definition for fair value to be applied to existing generally accepted accounting principles that requires the use of fair value measurements, establishes a framework for measuring fair value, and expands disclosure about such fair value measurements.

FASB ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, FASB ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

The Organization's financial instruments consist primarily of cash, accounts receivables, accounts payable and accrued expenses. The carrying amount of the Organization's financial instruments approximates their fair value due to the short-term nature of such instruments. The carrying value of long-term debt approximates fair value due to their bearing interest at rates that approximate current market rates for notes with similar maturities and credit quality.

The Organization's interest rate swap agreements are classified as level 2 in the hierarchy, as all significant inputs to the fair value measurement are directly observable, such as the underlying interest rate assumptions.

**Contributions**

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Notes to Consolidated Financial Statements  
June 30, 2018 and 2017

Note 2. Basis of accounting and summary of significant accounting policies (continued)

All donor-restricted contributions received are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of support, revenues, and expenses as net assets released from restrictions.

Restricted contributions that meet the restriction in the same reporting period are reported as increases in unrestricted net assets.

Third-party contractual arrangements

A significant portion of revenue is derived from services to patients insured by third-party payers. Reimbursements from Medicare, Medicaid, and other commercial payers are at defined service rates for services rendered to patients covered by these programs are received. The difference between the established billing rates and the actual rate of reimbursement is recorded as an allowance when received. A provision for estimated contractual allowances is provided on outstanding patient receivables at the statement of financial position date.

Interest rate swap

The Organization uses an interest rate swap to effectively convert the variable rate on its State Authority Bond to a fixed rate, as described in Note 8. The change in the fair value of the swap agreement and the payments to or receipts from the counterparty to the swap are netted with the interest expense on the bonds. Cash flows from interest rate swap contracts are classified as a financing activity on the statement of cash flows.

Advertising expenses

The Organization expenses advertising costs as they are incurred.

Expense allocation

The costs of providing the various programs and other activities 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.

Income taxes

The Agency is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Agency has also been classified as an entity that is not a private foundation within the meaning of 509(a) and qualifies for deductible contributions.

The Foundation is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is an organization that is organized and operated exclusively for the benefit of the Agency.

These financial statements follow FASB ASC, *Accounting for Uncertain Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Notes to Consolidated Financial Statements  
June 30, 2018 and 2017

Note 2. Basis of accounting and summary of significant accounting policies (continued)

*Accounting for Uncertain Income Taxes* did not have a material impact on these financial statements as the Organization believes it has taken no uncertain tax positions that could have an effect on its financial statements.

Federal Form 990 (Return of an Organization Exempt from Income Tax) for fiscal years 2015, 2016 and 2017 are subject to examination by the IRS, generally for three years after filing.

Reclassifications

Certain amounts in the prior-year financial statements have been reclassified in order to be comparable with the current year presentation.

Subsequent events

The Organization has evaluated all subsequent events through October 16, 2018, the date the financial statements were available to be issued.

Note 3. Accounts receivable, net

Accounts receivable consist of the following at June 30,:

	<u>2018</u>			<u>2017</u>		
	Receivable			Receivable		
<u>Accounts receivable</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Clients	\$ 332,312	\$ (179,244)	\$ 153,068	\$ 310,035	\$ (161,421)	\$ 148,614
Insurance companies	144,808	(6,476)	138,332	136,783	(3,018)	133,765
Medicaid	540,750	(35,213)	505,537	494,240	(29,656)	464,584
Medicare	70,908	(3,615)	67,293	142,205	(14,783)	127,422
	<u>\$1,088,778</u>	<u>\$ (224,548)</u>	<u>\$ 864,230</u>	<u>\$1,083,263</u>	<u>\$ (208,878)</u>	<u>\$ 874,385</u>

Other receivables

	<u>2018</u>	<u>2017</u>
Towns	\$ 18,600	\$ 23,000
NH Division of Mental Health	87,680	64,982
Contractual services	38,535	28,181
	<u>\$ 144,815</u>	<u>\$ 116,163</u>

Note 4. Concentrations of credit risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of the following:

	<u>2018</u>	<u>2017</u>
Receivables primarily for services provided to individuals and entities located in southern New Hampshire	\$ <u>864,230</u>	\$ <u>874,385</u>
Other receivables due from entities located in New Hampshire	\$ <u>144,815</u>	\$ <u>116,163</u>

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Notes to Consolidated Financial Statements  
June 30, 2018 and 2017

Note 4. Concentrations of credit risk (continued)

Bank balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to the prevailing FDIC limit. At June 30, 2018 and 2017, the Organization had approximately \$1,212,400 and \$655,600 in uninsured cash balances.

Note 5. Property

Property and equipment consists of the following at June 30:

	<u>2018</u>	<u>2017</u>
Land	\$ 565,000	\$ 565,000
Buildings and improvements	3,977,453	3,959,330
Automobiles	20,000	20,000
Equipment	<u>1,446,194</u>	<u>1,411,379</u>
	6,008,647	5,955,709
Less: accumulated depreciation	<u>(2,351,982)</u>	<u>(2,147,045)</u>
Property and equipment, net	<u>\$ 3,656,665</u>	<u>\$ 3,808,664</u>

Note 6. Long term debt

Long term debt consists of the following as of June 30,:

	<u>2018</u>	<u>2017</u>
Series 2015 New Hampshire Health and Education Facilities Bond -		
Payable through 2036, original principal of \$3,042,730, remarketed and sold to People's United Bank at a variable rate, with an effective rate of 2.8169% and 2.17385% at June 30, 2018 and 2017, respectively. Secured by land, building, equipment, and certain revenues, and is subject to certain financial covenants. The note matures August 2025. The Organization has entered into an interest rate swap agreement to effectively fix the interest rate on the note. See Note 8.	2,755,230	2,860,230
Less: unamortized finance costs	<u>(357,873)</u>	<u>(376,802)</u>
Long term debt, less unamortized finance costs	2,397,357	2,483,428
Less: current portion of long term debt	<u>(88,538)</u>	<u>(86,038)</u>
Long term debt, less current portion	<u>\$ 2,308,819</u>	<u>\$ 2,397,390</u>

In 2017, the Organization retroactively adopted the requirements of FASB ASC 835-30 to present debt issuance costs as a reduction of the carrying amount of debt rather than as an asset.

Amortization of the finance costs is reported as interest expense in the financial statements. Amortization of \$18,929 and \$18,937 is reported as interest expense in the consolidated statement of activities for the years ending June 30, 2018 and 2017, respectively.



THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
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Note 6. Long term debt (continued)

Future maturities to long term debt are as follows:

<u>Year ending June 30.</u>	<u>Long Term Debt Principal</u>	<u>Unamortized Finance Costs</u>	<u>Net</u>
2019	\$ 107,500	\$ (18,962)	\$ 88,538
2020	112,500	(18,962)	93,538
2021	117,500	(18,962)	98,538
2022	122,500	(18,962)	103,538
2023	127,500	(18,962)	108,538
Thereafter	<u>2,167,730</u>	<u>(263,063)</u>	<u>1,904,667</u>
Total	<u>\$ 2,755,230</u>	<u>\$ (357,873)</u>	<u>\$ 2,397,357</u>

Note 7. Line of credit

As of June 30, 2018, the Organization had a demand line of credit with People's United Bank with a borrowing capacity of \$850,000, which is available through March 29, 2019. Interest accrued on the outstanding principal balance is payable monthly at the Wall Street Journal Prime plus 1.50% (effective rate of 6.00% at June 30, 2018). The outstanding balance on the line at June 30, 2018 was \$0. The line of credit is secured by all business assets and real estate.

As of June 30, 2017, the Organization had a demand line of credit with People's United Bank with a borrowing capacity of \$850,000, which was available through March 2018. Interest accrued on the outstanding principal balance was payable monthly at the Wall Street Journal Prime plus 1.50% (effective rate of 5.25% at June 30, 2017). The outstanding balance on the line at June 30, 2017 was \$0. The line of credit was secured by all business assets and real estate.

Note 8. Interest rate swap

During 2016, the Organization entered into an interest rate swap agreement with People's United Bank that effectively fixes the interest rate on the outstanding principal of the Banks term note at 3.045%.

Under the arrangement, the notional principal amount is the balance of the note, with the Organization receiving floating payments of one month London InterBank Offered rate ("LIBOR") plus .69% and paying a fixed rate of 3.045%.

The agreement matures August 2025 and has a notional amount of \$2,755,230 and \$2,860,230 at June 30, 2018 and 2017, respectively.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Notes to Consolidated Financial Statements  
June 30, 2018 and 2017

Note 8. Interest rate swap (continued)

In accordance with Generally Accepted Accounting Principles, the interest rate swap agreement is recorded at its fair value as an asset or liability, with the changes in fair value being reported as a component of the change in unrestricted net assets. For the year ending June 30, 2018 and 2017, the Organization reported an interest rate swap asset of \$48,533 and liability of \$37,053 on the statement of financial position and a fair value gain / (loss) on the interest rate swap of \$85,586 and \$148,152 on the statement of activities, respectively. The fair value gain / (loss) is reported as a non-operating expense of the Organization and is a non-cash transaction.

Note 9. Employee benefit plan

Discretionary matching contributions to a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code are contingent upon financial condition. This program covers eligible regular full-time and part-time employees who have successfully completed at least one year of employment and work at least 20 hours per week. Eligible employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Employer contributions totaled \$99,861 and \$94,737 for the years ending June 30, 2018 and 2017, respectively.

Note 10. Commitments and contingencies

The Mental Health Center for Southern New Hampshire, d/b/a CLM Center for Life Management, has entered into an agreement with Parkland Medical Center ("PMC") of Derry, New Hampshire, which requires that CLM provide psychiatric services and consultations to inpatients of PMC for the hospital medical and nursing staff. The consultations are requested by the hospital and responded to by CLM medical staff on an on-call basis.

In addition to the psychiatric services, CLM provides emergency mental health assessments, evaluations, and referral services to the emergency department ("ED") of the hospital. CLM emergency service clinicians are available on a twenty-four hour, seven days a week basis to see patients entering the ED who are experiencing a mental health crisis or psychiatric emergency.

The original agreement expired May 31, 2018, however, a new agreement was effective July 1, 2018. The new agreement is effective for an initial one year term and may be renewed for up to two additional one year terms.

For the years ending June 30, 2018 and 2017, the Agency received approximately 72% and 67%, respectively, of its total revenue in the form of Medicaid reimbursements. Being a State of New Hampshire designated Community Mental Health Center affords the Agency Medicaid provider status. Annual contracting with New Hampshire Department of Health and Human Services-Bureau of Behavioral Health provides a base allocation of state general funds are taken as grant funds which are drawn as related expenses are incurred. Medicaid is comprised of 50% Federal funds and 50% New Hampshire State matching funds..

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
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Notes to Consolidated Financial Statements  
June 30, 2018 and 2017

Note 11. Lease commitments

The Agency leases facilities and multiple copier agreements under various operating leases. Rent expense recorded under these arrangements was approximately \$157,000 and \$141,000 for the years ended June 30, 2018 and 2017, respectively.

The following details the future minimum lease payments on leases with an initial or remaining term of greater than one year as of June 30, 2018:

<u>Year ending June 30,</u>	
2019	\$ 120,612
2020	12,316
2021	2,157
2022	2,157
2023	<u>2,157</u>
Total	\$ <u>139,399</u>

SUPPLEMENTARY INFORMATION

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES

Consolidating Statement of Position

June 30, 2018

Center for Life

CLM

Management

Foundation

Total

Eliminations

Consolidated

**ASSETS**

Current assets:

Cash and cash equivalents	\$ 1,429,298	\$ 210,777	\$ 1,640,075	\$ -	\$ 1,640,075
Accounts receivable, net	864,230	-	864,230	-	864,230
Other receivables	144,815	-	144,815	-	144,815
Prepaid expenses	80,753	-	80,753	-	80,753
Security deposit	11,087	-	11,087	-	11,087
Total current assets	2,530,183	210,777	2,740,960	-	2,740,960

Property and equipment, net

3,656,665 - 3,656,665 - 3,656,665

Other assets:

Interest rate swap agreement 48,533 - 48,533 - 48,533

Total assets \$ 6,235,381 \$ 210,777 \$ 6,446,158 \$ - \$ 6,446,158

**LIABILITIES AND NET ASSETS**

Current liabilities:

Current portion of long-term debt	\$ 88,538	\$ -	\$ 88,538	\$ -	\$ 88,538
Accounts payable	53,554	-	53,554	-	53,554
Accrued payroll and payroll liabilities	375,055	-	375,055	-	375,055
Accrued vacation	327,657	-	327,657	-	327,657
Accrued expenses	13,319	-	13,319	-	13,319
Deferred revenue	7,580	-	7,580	-	7,580
Total current liabilities	865,703	-	865,703	-	865,703

Long term liabilities:

PMPM reserve	112,737	-	112,737	-	112,737
Long-term-debt less current portion	2,308,819	-	2,308,819	-	2,308,819
Total long term liabilities	2,421,556	-	2,421,556	-	2,421,556
Total liabilities	3,287,259	-	3,287,259	-	3,287,259

Net assets - unrestricted

2,948,122 210,777 3,158,899 - 3,158,899

Total liabilities and unrestricted net assets

\$ 6,235,381 \$ 210,777 \$ 6,446,158 \$ - \$ 6,446,158

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THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidating Statement of Position

June 30, 2017

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 877,779	\$ 182,530	\$ 1,060,309	\$ -	\$ 1,060,309
Accounts receivable, net	874,385	-	874,385	-	874,385
Other receivables	116,163	-	116,163	-	116,163
Prepaid expenses	93,249	-	93,249	-	93,249
Security deposit	11,087	-	11,087	-	11,087
Total current assets	1,972,663	182,530	2,155,193	-	2,155,193
Property and equipment, net	3,808,664	-	3,808,664	-	3,808,664
Total assets	<u>\$ 5,781,327</u>	<u>\$ 182,530</u>	<u>\$ 5,963,857</u>	<u>\$ -</u>	<u>\$ 5,963,857</u>

**LIABILITIES AND NET ASSETS**

Current liabilities:					
Current portion of long-term debt	\$ 86,038	\$ -	\$ 86,038	\$ -	\$ 86,038
Accounts payable	81,794	-	81,794	-	81,794
Accrued payroll and payroll liabilities	364,814	-	364,814	-	364,814
Accrued vacation	292,305	-	292,305	-	292,305
Accrued expenses	12,500	-	12,500	-	12,500
Deferred revenue	7,580	-	7,580	-	7,580
Total current liabilities	845,031	-	845,031	-	845,031
Long term liabilities					
Interest rate swap agreement	37,053	-	37,053	-	37,053
Long-term debt less current portion	2,397,390	-	2,397,390	-	2,397,390
Total long term liabilities	2,434,443	-	2,434,443	-	2,434,443
Total liabilities	3,279,474	-	3,279,474	-	3,279,474
Net assets - unrestricted	2,501,853	182,530	2,684,383	-	2,684,383
Total liabilities and unrestricted net assets	<u>\$ 5,781,327</u>	<u>\$ 182,530</u>	<u>\$ 5,963,857</u>	<u>\$ -</u>	<u>\$ 5,963,857</u>

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THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidating Statement of Activities  
For the Year Ended June 30, 2018

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
<b>Public support and revenues:</b>					
Public support:					
Federal	\$ 1,005,755	\$ -	\$ 1,005,755	\$ -	\$ 1,005,755
State of New Hampshire - BBH	316,921	-	316,921	-	316,921
State and local funding	43,602	-	43,602	-	43,602
Other public support	66,499	64,673	131,172	-	131,172
Total public support	1,432,777	64,673	1,497,450	-	1,497,450
Revenues:					
Program service fees, net	12,364,822	-	12,364,822	-	12,364,822
Other service income	467,403	-	467,403	-	467,403
Rental income	4,985	-	4,985	-	4,985
Other	39,231	-	39,231	-	39,231
Total revenues	12,876,441	-	12,876,441	-	12,876,441
Total public support and revenues	14,309,218	64,673	14,373,891	-	14,373,891
<b>Operating expenses:</b>					
BBH funded programs:					
Children	4,859,070	-	4,859,070	-	4,859,070
Elders	282,131	-	282,131	-	282,131
Vocational	234,156	-	234,156	-	234,156
Multi-Service	2,609,377	-	2,609,377	-	2,609,377
Acute Care	775,806	-	775,806	-	775,806
Independent Living	2,226,618	-	2,226,618	-	2,226,618
Assertive Community Treatment	835,083	-	835,083	-	835,083
Non-Specialized Outpatient	980,645	-	980,645	-	980,645
Non-BBH funded program services	96,069	36,426	132,495	-	132,495
Total program expenses	12,898,955	36,426	12,935,381	-	12,935,381
Administrative expenses	1,049,580	-	1,049,580	-	1,049,580
Total expenses	13,948,535	36,426	13,984,961	-	13,984,961
Change in net assets from operations	360,683	28,247	388,930	-	388,930
<b>Non-operating expenses:</b>					
Fair value gain on interest rate swap	85,586	-	85,586	-	85,586
Change in net assets	446,269	28,247	474,516	-	474,516
Net assets, beginning of year	2,501,853	182,530	2,684,383	-	2,684,383
Net assets, end of year	\$ 2,948,122	\$ 210,777	\$ 3,158,899	\$ -	\$ 3,158,899

See Independent Auditor's Report

**THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE**  
**D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES**  
**Consolidating Statement of Activities**  
**For the Year Ended June 30, 2017**

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
<b>Public support and revenues:</b>					
Public support:					
Federal	\$ 744,203	\$ -	\$ 744,203	\$ -	\$ 744,203
State of New Hampshire - BBH	518,471	-	518,471	-	518,471
State and local funding	44,601	-	44,601	-	44,601
Other public support	103,760	42,278	148,038	-	148,038
Total public support	1,413,035	42,278	1,455,313	-	1,455,313
Revenues:					
Program service fees, net	11,514,943	-	11,514,943	-	11,514,943
Other service income	422,362	-	422,362	-	422,362
Rental income	4,798	-	4,798	-	4,798
Other	20,038	-	20,038	-	20,038
Total revenues	11,962,141	-	11,962,141	-	11,962,141
Total public support and revenues	13,375,176	42,278	13,417,454	-	13,417,454
<b>Operating expenses:</b>					
BBH funded programs:					
Children	4,450,932	-	4,450,932	-	4,450,932
Elders	243,821	-	243,821	-	243,821
Vocational	229,971	-	229,971	-	229,971
Multi-Service	2,329,607	-	2,329,607	-	2,329,607
Acute Care	745,489	-	745,489	-	745,489
Independent Living	1,876,360	-	1,876,360	-	1,876,360
Assertive Community Treatment	678,106	-	678,106	-	678,106
Non-Specialized Outpatient	1,370,779	-	1,370,779	-	1,370,779
Non-BBH funded program services	148,951	18,387	167,338	-	167,338
Total program expenses	12,074,016	18,387	12,092,403	-	12,092,403
Administrative expenses	1,089,423	-	1,089,423	-	1,089,423
Total expenses	13,163,439	18,387	13,181,826	-	13,181,826
Change in net assets from operations	211,737	23,891	235,628	-	235,628
<b>Non-operating expenses:</b>					
Fair value loss on interest rate swap	148,152	-	148,152	-	148,152
Change in net assets	359,889	23,891	383,780	-	383,780
Net assets, beginning of year	2,141,964	158,639	2,300,603	-	2,300,603
Net assets, end of year	\$ 2,501,853	\$ 182,530	\$ 2,684,383	\$ -	\$ 2,684,383

See Independent Auditor's Report



THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Analysis of Accounts Receivable  
For the Year Ended June 30, 2018

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Change in Allowance	Accounts Receivable End of Year
Clients	\$ 310,035	\$ 1,296,179	\$ (364,667)	\$ (909,235)	\$ -	\$ 332,312
Insurance companies	136,783	1,962,853	(893,278)	(1,061,550)	-	144,808
Medicaid	494,240	11,924,477	(1,980,508)	(9,897,459)	-	540,750
Medicare	142,205	628,346	(208,580)	(491,063)	-	70,908
Allowance	(208,878)	-	-	-	(15,670)	(224,548)
Total	<u>\$ 874,385</u>	<u>\$ 15,811,855</u>	<u>\$ (3,447,033)</u>	<u>\$ (12,359,307)</u>	<u>\$ (15,670)</u>	<u>\$ 864,230</u>

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THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
 D/B/A CLM CENTER FOR LIFE MANAGEMENT  
 Schedule of Program Revenues and Expenses  
 For the Year Ended June 30, 2018

	Children	Elder	Vocational	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	Non-Specialized Outpatient	Other Non-BBH	Total Program Services	Administrative	Total Agency
<b>Public support and revenues:</b>												
Public support:												
Federal	\$ 76,300	\$ -	\$ -	\$ -	\$ 60,923	\$ 756,032	\$ 112,500	\$ -	\$ -	\$ 1,005,755	\$ -	\$ 1,005,755
State of New Hampshire - BBH	89,637	-	-	26,633	60,923	2,000	112,500	25,208	-	316,921	-	316,921
State and local funding	14,338	-	-	-	-	-	-	14,338	14,326	43,602	-	43,602
Other public support	672	60	44	371	133	252	109	61,113	568	63,322	3,177	66,499
Total public support	181,147	60	44	27,024	121,979	758,284	225,109	100,859	15,094	1,429,600	3,177	1,432,777
<b>Revenues:</b>												
Program service fees, net	5,557,379	520,735	190,868	3,268,342	361,910	1,452,537	567,004	445,772	275	12,364,822	-	12,364,822
Other service income	84,630	35,613	-	250	274,970	324	-	23,055	47,641	466,483	920	467,403
Rental income	854	-	-	1,569	854	854	-	854	-	4,985	-	4,985
Other	30,304	325	364	2,209	125	544	918	220	200	35,409	3,822	39,231
Total revenues	5,673,167	556,673	191,232	3,272,370	638,059	1,454,259	567,922	469,901	48,116	12,871,699	4,742	12,876,441
Total public support and revenues	5,854,314	556,733	191,276	3,299,394	760,038	2,212,543	793,031	570,760	63,210	14,301,299	7,919	14,309,218
Total expenses	5,254,682	305,079	253,201	2,821,626	838,909	2,407,738	903,010	1,060,410	103,880	13,948,533	-	13,948,533
Change in net assets from operations	599,632	251,654	(61,925)	477,768	(78,871)	(195,195)	(109,979)	(489,650)	(40,670)	352,764	7,919	360,683
<b>Non-operating expenses:</b>												
Fair value gain on interest rate swap	-	-	-	-	-	-	-	-	-	-	85,586	85,586
Change in net assets	\$ 599,632	\$ 251,654	\$ (61,925)	\$ 477,768	\$ (78,871)	\$ (195,195)	\$ (109,979)	\$ (489,650)	\$ (40,670)	\$ 352,764	\$ 93,505	\$ 446,269

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT  
Schedule of Program Expenses  
For the Year Ended June 30, 2018

	Children	Elder	Vocational	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	non-Specialized Outpatient	Other Non-BRU	Total Program Services	Administrative	Total Agency
Personnel costs:												
Salaries and wages	\$ 3,281,850	\$ 181,606	\$ 136,384	\$ 1,813,693	\$ 581,186	\$ 1,022,254	\$ 544,273	\$ 649,251	\$ 60,900	\$ 8,271,397	\$ 679,212	\$ 8,950,609
Employee benefits	639,679	58,197	55,224	407,059	69,889	266,730	118,061	123,877	11,640	1,770,356	136,304	1,906,660
Payroll taxes	234,369	13,191	8,633	128,935	42,269	71,879	38,903	46,644	4,371	589,194	48,580	637,774
Accounting/audit fees	18,883	1,128	1,053	9,962	3,058	8,353	3,328	3,849	630	30,268	4,910	35,178
Advertising	6,664	549	477	3,501	1,276	2,586	1,153	1,666	424	18,296	2,626	20,922
Conferences, conventions and meetings	9,176	383	294	5,075	1,574	2,289	2,416	5,920	133	27,262	11,456	38,718
Depreciation	70,150	4,181	3,914	36,991	11,354	31,028	12,357	14,304	2,418	186,697	18,240	204,937
Equipment maintenance	5,329	318	297	2,810	862	2,357	939	1,087	184	14,183	1,383	15,568
Equipment rental	15,754	655	613	6,529	3,379	4,858	1,935	3,960	379	38,062	2,996	41,058
Insurance	22,955	1,532	1,343	13,883	3,939	9,738	3,954	4,961	1,022	63,347	6,898	70,245
Interest expense	36,218	2,157	2,021	19,098	5,861	16,016	6,380	7,382	1,249	96,382	9,417	105,799
Legal fees	14,266	1,274	939	7,876	2,827	5,349	6,490	3,558	1,027	43,606	4,071	47,677
Membership dues	20,010	1,235	927	8,538	3,381	5,636	2,383	3,827	2,393	48,330	8,218	56,548
Occupancy expenses	164,107	2,745	2,265	40,520	6,632	616,862	8,117	53,362	1,955	896,565	10,055	906,620
Office expenses	72,682	3,214	4,090	28,540	10,936	30,898	22,190	18,736	2,448	192,934	20,508	213,442
Other expenses	7,634	412	426	3,849	1,991	2,883	1,312	2,459	718	21,684	17,866	39,550
Other professional fees	97,506	5,767	5,399	52,594	17,673	52,913	16,993	20,286	3,354	272,483	55,732	328,217
Program supplies	32,132	1,435	2,935	13,591	6,698	7,223	7,269	12,197	760	84,240	8,943	93,183
Travel	89,704	2,130	6,920	6,333	1,021	67,566	36,630	3,319	44	213,667	2,162	215,830
	4,859,070	282,131	234,156	2,609,377	775,806	2,226,618	835,083	980,645	96,069	12,898,955	1,049,580	13,948,535
Administrative allocation	395,612	22,948	19,045	212,249	63,103	181,120	67,927	79,765	7,811	1,049,580	(1,049,580)	-
Total program expenses	\$ 5,254,682	\$ 305,079	\$ 253,201	\$ 2,821,626	\$ 838,909	\$ 2,407,738	\$ 903,010	\$ 1,060,410	\$ 103,880	\$ 13,948,535	\$ -	\$ 13,948,535

See Independent Auditor's Report



**BOARD OF DIRECTORS FY2019**

**Ron Lague**  
Chairperson

(978) 649-2155  
[ron@korbeylague.com](mailto:ron@korbeylague.com)

**Elizabeth Roth**  
Vice Chair

(603) 893-9260  
[eroth@rothlawyers.com](mailto:eroth@rothlawyers.com)

**Judi Ryan**  
Secretary

(603) 898-2278  
[jryan24112@comcast.net](mailto:jryan24112@comcast.net)

**Jeffrey Rind, MD**

(603) 434-3525  
[jdrnd@comcast.net](mailto:jdrnd@comcast.net)

**Gail Corcoran**

(603) 898-4272  
[gbchr@comcast.net](mailto:gbchr@comcast.net)

**Vic Topo**  
President & CEO

(603) 965-0729  
[vtopo@clmnh.org](mailto:vtopo@clmnh.org)

**Vernon Thomas**

(603) 437-0152  
[vthomas@derrynhpolice.com](mailto:vthomas@derrynhpolice.com)

**Susan Davis**

(603) 887-3040  
[susandavisnh99@gmail.com](mailto:susandavisnh99@gmail.com)

**David Hebert**

(603) 310-9220  
[dhebert@nhhfa.org](mailto:dhebert@nhhfa.org)

**James Morgan**

(603) 818-8778  
[jmorgan@semigen.net](mailto:jmorgan@semigen.net)

**Maria Gudinas**

(603) 641-4145  
[maria.gudinas@unh.edu](mailto:maria.gudinas@unh.edu)

**Christopher Peterson,**  
MD

(603) 490-4497  
[cpeterson.advocacy@gmail.com](mailto:cpeterson.advocacy@gmail.com)

# VICTOR TOPO

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## President/Chief Executive Officer

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Successful 27-year career as clinician, manager and CEO in community mental health organizations located in Ohio and New Hampshire. Proven ability to lead board and staff with a persistent focus on mission and achieving results. Talent for exploring new and innovative approaches to delivering traditional and non-traditional behavioral health care. Possess wide range of knowledge and experience with all service populations, especially vulnerable persons at high risk. Strengths include:

- Operations
- Reorganization and Reinvention
- Team building and leadership
- Strategic planning
- Board Collaboration
- Joint ventures and strategic partnerships
- Strong relationship with funders
- Community building

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## Professional Experience

**Center for Life Management – Derry, NH**

**1999 – Present**

**President/Chief Executive Officer**

Recruited to manage 501(c) 3 comprehensive community mental health center and its title holding 501(c) 2 corporation, entitled West Rock Endowment Association. Began with revenues of 6.5 million and increased to 9 million. Restructured senior management increasing direct reports from three to six.

Key results:

- Consolidation of three outpatient offices into one newly constructed 28,000 sq. ft. facility.
- Established closer connection with surrounding community utilizing aggressive public relations strategy.
- Guided Board of Directors toward more accountability including higher expectation from management and individual board members.
- Initiated and created Fund Development which then led to creation of CLM Foundation.
- Initiated and implemented Corporate Compliance Program, including selection of corporate compliance officer.
- Facilitated joint venture with Manchester Mental Health Center involving medical services.
- Created and implemented strategy to integrate mental health care with physical health care.
- In partnership with CIO, developed and successfully implemented first in the state Electronic Health Record (EHR) called webAISCE.

**Pathways, Inc. – Mentor, OH**

**1988 - 1999**

**Chief Executive Officer/Executive Director**

Started with managing a small single purpose case management agency with revenues of \$486,000 and over 11 years grew revenues to 4 million by expanding services to chronically mentally ill consumers. Created senior management team and strengthened Board of Directors utilizing shared vision approach.

Key results:

- In collaboration with mental health board designed one of Ohio's first 24 hour 7 days a week in-home crisis stabilization program called C.B.S. (Community Based Stabilization).
- Assumed leadership role in transitioning 32 long-term patients back to our

## **VICTOR TOPO**

-Page 2-

- Positioned organization every year to competitively bid on ever/service provided and be awarded the service contract. Expanded wide range of services that include psychiatry, counseling, emergency services and housing.
- Created county's only Atypical Neuroleptic Medication Program (e.g. Clozaril).
- Pathways' first long range strategic plan in 1992.
- Increased Medicaid revenue from \$38,000 in 1989 to \$431,210 in 1997.

### **Community Counseling Center – Ashtabula, OH**

**1983-1988**

#### **Case Management Supervisor/Case Manager**

Provided direct services and supervision for services to severely mentally disabled persons in the community. Partnered with local private hospital as well as state hospital.

##### **Key results:**

- Transitioned consumers back into supervised and independent living.
  - Recruited, trained and managed staff of five case managers.
  - Designed and implemented agency's first case management program.
- 

## **EDUCATION**

### **Master of Social Work (MSW)**

West Virginia University, Morgantown, WV

### **Bachelor of Arts (BA)**

Siena College, Londonville, NY

### **Associate of Applied Science (AAS)**

Fulton-Montgomery Community College, Johnstown, NY

## **BOARD/LEADERSHIP POSITIONS**

**Heritage United Way – Board of Directors**

**Mental Health Commission – Co-Chair**

Consumers and Families Work Group

**Statewide Evidenced Based Practice Committee – Co-Chair**

**Greater Salem Chamber of Commerce – Board of Directors**

**Greater Derry/Londonderry Chamber of Commerce – Board of Directors**

**Greater Derry/Salem Regional Transportation Council (RTC) -**

Chairman, Board of Directors, Derry, NH

**Greater Salem Leadership Program – Graduate, Class of 2001**

**Michael J. Bergeron**

**PROFESSIONAL PROFILE:**

- Thirty-five plus years of extensive clinical background and skills combined with proven administrative and financial management experience. Reputation for high integrity, loyalty, dependability, hard work, dedication, attention to detail, and goal achievement. Proven history of successful program development.

**EXPERIENCE:**

**CLM Center for Life Management, Salem, NH** 9/99–Present  
**Vice President, Chief Financial Officer**

- Executive/administrative responsibility for Finance, Accounting, Accounts Receivable, Accounts Payable, Payroll, and Facilities/Operations. Primary responsibilities for fiscal management and reporting and regulatory compliance, budget development, monitoring and management, state & vendor contracting, employee benefits negotiations, facilities management and financing, board reporting, and lender relations.

**CLM Center for Life Management, Salem, NH** 11/87–9/99  
**Director, Case Management Services**

- Complete administrative, operational, and supervisory responsibility for the initial development and ongoing management of discrete case management services within the context of a multi-disciplinary treatment team model of community support programs. Led the expansion of this service to all populations, and guided transformation from a fully funded to a revenue generating service with \$1.4 million of annual billing and significant budget surpluses. Assisted with the design and development of customized network database system for case management and clinical desk top applications. Responsible for State audits resulting in ninety-five plus percent contract compliancy ratings. Member of management council, budget committee, strategic planning group, mission statement work group, communication committee, TBS TQM initiative, and invited by the Board to the CEO search committee.

**Hampstead Hospital, Hampstead, NH** 10/76–10/87  
**Senior Psychiatric Counselor**

- Provided individual, group, and family counseling as well as milieu management services and staff training. Instrumental in the expansion of the counseling role and responsibility. Appointed senior counselor by the Medical Director in recognition of this initiative and overall performance.

**Prudential Insurance Company, Lawrence, MA** 9/75–10/76  
**Special Agent**

- Sales and marketing of complete insurance portfolio including life, health, property-casualty, and retirement.

**Raytheon Company, Andover, MA** 5/73–3/75  
**Government Property Coordinator**

- Management of utilization and disposition of government property, facilities, tooling, and test equipment in accordance with contract stipulations.

**Holy Family Hospital, Methuen, MA** 6/70–6/72  
**Psychiatric Counselor**

- Provided individual, group, and family counseling. Assisted with other indicated medical procedures such as electroconvulsive therapy, and participated in milieu management and activities.

**EDUCATION:**

- New Hampshire College, Graduate School of Business, Manchester, NH  
M.B.A. Degree 1987
- Fitchburg State College, Graduate School of Guidance and Counseling, Fitchburg, MA  
18 Graduate Hours in Counseling 1973
- Nathaniel Hawthorne College, Antrim, NH  
B.A. Degree 1971

**LICENSES AND PROFESSIONAL AFFILIATIONS:**

- Licensed Certified Social Worker, Massachusetts License #3028-2-051-181
- Member in Good Standing National Association of Social Workers



# Steve Arnault

## Objective

To obtain a position where I can maximize my multilayer of management skills, quality assurance, program development, experience as an educator, customer service, and a successful track record in the health care environment.

## Professional Experience

Lead

Healthcare Systems Align, LLC  
Nottingham, NH

1/2010 - Present

Healthcare Systems Align.com

- Provide consultation to agencies, medical practices and practitioners to establish systems of integrated healthcare that includes practice patterns, billing strategies, quality and compliance strategy, policy development, outcome measurement and supervision.

VP of Quality, Compliance

Center for Life Management, Derry, NH  
www.centerforlifemanagement.org

1/2009 - Present

- Senior management position in mental health center serving 6000 consumers. Responsibilities include development, implementation and monitoring of strategies and systems to continuously improve the quality of services to consumers. Assure compliance to state and federal regulations.
- Develop and maintain systems to assure fidelity to evidence based practices.
- Continuous development of EMR and associated staff training.
- Establish and maintain outcome measures and their incorporation into QI/UR initiatives.
- Develop and implement projects to improve the quality of care.
- Chair of agency Safety Committee.

Director, Behavioral Health Services

Portsmouth Regional Hospital  
Portsmouth, NH

1/2006 - 12/2009

- Responsible for clinical, administrative and fiscal management of service line which includes 22 bed inpatient psychiatric unit, Psychiatric Assessment and Referral Service and interdepartmental service. Supervision of an Assistant Director and Coordinator. Responsible for 85 staff. Oversee the integration of behavioral health into primary care. Manage annual budget of 10.5 million dollars.
- Chair Directors Operations Meeting. Coordinate monthly meeting of hospital departmental directors.
- Co-chair of Patient Flow Committee. Analysis and development of data systems to monitor patient throughput. Develop and implement strategies to improve the efficiency of care.

# Steve Arnault

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## Teaching & Educational Experience

- |  |   |                     |
|--|---|---------------------|
| Assistant Director / Behavioral Specialist   | Residential Resources; Keene, NH  | 1/1989 - 1/1992     |
| <ul style="list-style-type: none"> <li>Directed all administrative, fiscal and clinical activities for 5 group homes and 3 supported living arrangements serving people with developmental disabilities. Provide behavioral consultation to individuals with behavioral/functional challenges.</li> </ul>  |   |                     |
| Behavioral Specialist / Clinical Supervisor  | The Center for Humanistic Change<br>Manchester, NH                                | 8/1986 - 1/1989     |
| <ul style="list-style-type: none"> <li>Provide behavioral consultation to individuals facing behavioral/functional challenges in group homes, day programs, vocational and family settings. Supervised 2 clinicians.</li> </ul>  |   |                     |
| House Manager  | Greater Lawrence Psychological Center<br>Lawrence, MA                             | 6/1984 - 8/1986     |
| <ul style="list-style-type: none"> <li>Administrative, clinical and financial management of a group home serving 4 men with severe and persistent mental illness.</li> </ul>   |   |                     |
| Adjunct Faculty  | New England College; Henniker, NH<br><a href="http://www.nec.edu">www.nec.edu</a> | 9/1994 - Present    |
| <ul style="list-style-type: none"> <li>Teach graduate and undergraduate courses in psychology, counseling, program development and evaluation</li> </ul>   |   |                     |
| Director of Masters Degree Program in Mental Health Counseling   | New England College; Henniker, NH   | 1/1998 - 3/2002     |
| <ul style="list-style-type: none"> <li>Developed and implemented curriculum for degree program.</li> <li>Oversight of curriculum to insure quality, academic standards and student retention.</li> <li>Development and execution of marketing plan.</li> <li>Provided academic advising and mentoring to students.</li> <li>Faculty recruitment, supervision and monitoring of academic quality</li> </ul> |   |                     |
| Curriculum Consultant  | New England College; Henniker, NH   | Fall 2012 - Present |
| <ul style="list-style-type: none"> <li>Developed curricula for a certificate and C.A.G.S. in the integration of behavioral health into primary medicine.</li> </ul>  |   |                     |

# Steve Arnault

Curriculum Consultant      Bruce Mast and Associates; Portsmouth, NH      Fall 2008 –  
[www.bmaleadership.com](http://www.bmaleadership.com)      Spring 2010

- Co-authored Masters of Science Degree in Healthcare Transformative Leadership.
- Marketed degree to colleges, worked with senior administrations toward implementation, wrote course descriptions for academic catalogues, recruited faculty.
- Judge for BusinessNH Magazine's 10 Best Companies to Work For contest, 2010-2012. Lead Judge for last two years

**Education**      Masters of Arts      Antioch New England Graduate School      1989  
                          Counseling Psychology      Keene, NH

                         Bachelor of Arts      Plymouth State College; Plymouth, NH      1984  
                          Psychology

                         SeaCare Health Services  
                          [WWW.Seacarehealthservices.org](http://WWW.Seacarehealthservices.org)

**Community Service**      Board      8/2012- Present  
                          July 2008-November 2009

## Publications

Hudgins, C., Rose, S., Fifield, P.Y., Arnault, S., (2014). The Ethics of Integration: Where Policy and Practice Collide. In Hodgson, J., Lamson, A., Mendenhall, T., Russell Crane, D. (eds) Medical Family Therapy: Advanced Applications. (First Edition, pp. 381-401) Dordrecht, Switzerland, Springer International Publishing.

Hudgins, C., Rose, S., Fifield, P.Y., Arnault, S., (2013). Navigating the ethical foundations of informed consent and confidentiality in integrated primary care. *Families, Systems, & Health*. 31, 9-19

KENNETH M. BROWN, M.D., M.P.H.

**EMPLOYMENT:**

1996 to Present	Hampstead Hospital Staff Psychiatrist ---Evaluations, treatment, individual therapy, family therapy, medication management, utilization review, staff development and education, patient safety committee for Adult, Adolescent and Child patients.	Hampstead, NH
2012 to Present	Hampstead Hospital Medical Director Recovery Matters --Acute Residential Treatment program for substance abuse disorders.	Hampstead, NH
1996 to Present	Private Practice --Outpatient medication management, individual therapy, consultation, adult, adolescent and child --Vivitrol injection clinic for alcohol and opiate dependence	Hampstead, NH
2001 to 2009	Hampstead Hospital Medical Director	Hampstead, NH
2009 to 2013	Center for Life Management Community Mental Health Center --Evaluations, medication management, treatment team focus, consultations Child and Adolescent Psychiatry and Adult Substance Abuse	Derry, NH
2006 to 2010	Specialized Behavioral Health Consultants Psychiatric consultations at various contracted nursing homes in Rockingham County, New Hampshire	
1997 to 2000	Center for Life Management Community Mental Health Center --Evaluations, medication management, treatment team focus, consultations Child and Adolescent Psychiatry	Salem, NH

## **EDUCATION**

- 1994 to 1996 CHILD AND ADOLESCENT PSYCHIATRY FELLOWSHIP  
University of Miami/ Jackson Memorial Hospital  
Miami, Florida
- 1991 to 1994 GENERAL PSYCHIATRY RESIDENCY  
Medical University of South Carolina  
Charleston, South Carolina
- 1987 to 1991 DOCTOR OF MEDICINE  
Tulane University School of Medicine  
New Orleans, Louisiana
- 1987 to 1991 MASTERS IN PUBLIC HEALTH  
Tulane University School of Public Health and Tropical Medicine  
New Orleans, Louisiana
- 1983 to 1987 BACHELOR IN SCIENCE ENGINEERING  
BIOMEDICAL ENGINEERING  
Tulane University College of Engineering  
New Orleans, Louisiana
- 1985 to 1986 TULANE UNIVERSITY HONOR SCHOLAR YEAR ABROAD  
University of Southampton  
Southampton, England

## **ACADEMIC AFFILIATION**

- 2005 - Present MASSACHUSETTS COLLEGE OF PHARMACY AND HEALTH APPLIED  
SCIENCES  
--Preceptor for Psychiatry rotation for Physician Assistant students
- 1999 - 2003 DARTMOUTH UNIVERSITY  
Lebanon, New Hampshire  
Adjunct Professor in Clinical Research

## **RESEARCH**

2000 - 2003

### **ACCESS CLINICAL TRIALS (sub-investigator)**

A three week multicenter, randomized, double blind, placebo controlled, parallel group safety and efficacy study of extended release carbamazepine in patients with bipolar disorder. (SHIRE Laboratories)

A three week multicenter, randomized, double blind, placebo controlled, parallel group safety and efficacy study of extended release carbamazepine in Lithium Failure Patients patients with bipolar disorder. (SHIRE Laboratories)

A double blind, parallel study of the safety, tolerability and preliminary efficacy of flutamide compared to placebo in patients with anorexia nervosa. (VELA Pharmaceuticals, Inc.)

A phase III, randomized, double blind, placebo controlled study of safety and efficacy of C-1073 (Mifepristone) in patients with major depressive disorder with psychotic features who are not receiving antidepressants or antipsychotics. (CORCEPT Therapeutics, Inc.)

Olanzapine versus Ziprasidone in the treatment of schizophrenia (Eli Lilly and Company)

A Multicenter, randomized, double blind study of aripiprazole versus placebo in the treatment of acutely manic patients with bipolar disorder. (Bristol-Meyers-Squibb Pharmaceutical Research Institute)

## **PUBLICATIONS AND POSTER PRESENTATIONS**

Bupropion Sustained Release in Adolescents with Comorbid Attention Deficit/ Hyperactivity Disorder and Depression. Davis, Bentivoglio, Racusin, Brown, et al. J.AM.Acad. Child Adolescent Psychiatry, 40:3, March 2001

A Retrospective Study of Citalopram in Adolescents with Depression. Bostic, Prince, Brown, Place. Journal of Child and Adolescent Psychopharmacology 2001; 11; 159-166

Citalopram for the Treatment of Adolescent Anxiety Disorders: A Pilot Study. Prince, Bostic, Monteaux, Brown, Place. Pharmacology Bulletin 2002; 36: 100-107.

2001 Citalopram in Adolescents with Mood and Anxiety Disorder: A Chart Review. Presented at the Annual Meeting of the American Psychiatric Association, New Orleans, LA 5.9.2001

2001 Citalopram in Adolescents with Mood and Anxiety Disorders. Presented at the Annual Meeting of NCDEU, Phoenix, AZ 5.29.01

2001 Citalopram in Adolescents with Mood, Anxiety and Comorbid Conditions. Presented at the Annual Meeting of American Psychiatric Association 2001 Institute on Psychiatric Services, Orlando, FL 10.11.01

## **STATE LICENSURE**

ACTIVE: New Hampshire

INACTIVE: Louisiana      South Carolina      Maine  
Florida

Barry C. Quimby

**BARRY C. QUIMBY**

**Summary:** Over 18 years experience in community mental health and substance abuse treatment  
Vast experience in client advocacy to access mainstream benefits/gainful employment  
Knowledge of state/federal regulations and policies governing grant operations  
Knowledge of HUD housing/PATH outreach and program operations

**Experience:**

Center for Life Management- Derry, New Hampshire *June 2000-Present*

- ♦ **Program Manager for Housing Development:** Responsible for overseeing all HUD funding including the Shelter Plus Care housing assistance program. Foster relations with local landlords, Arrange for apartment inspections to meet HUD Quality Standards, Process and complete necessary file documentation, Advocate for clients within the program to obtain affordable housing, Serve as liaison to the local Housing Authority. Responsible for HMIS data entry, Annual renewals, APR submission, and Quarterly reports for all HUD contracts including Beaver Lake Lodge (A HUD funded residential program). Co-Chair to the New Hampshire Balance of State Continuum of Care (BOSCOC) (Nominated November 2007) Active participant of NH-HMIS Advisory Committee and NH HMIS Data Quality Committee. Successful recipient of a second Shelter Plus Care Good Samaritan grant involving three agencies participating in the NH BOSCOC in 2009. Successful recipient of NHH Transitional Housing funds for a Permanent Housing Program 2010.
- ♦ **PATH Homeless Outreach Supervisor:** Successful recipient of PATH funding to CLM. Responsible for overseeing all aspects of program funding for outreach to homeless individuals in Western Rockingham County. Provide outreach to identify homeless individuals suffering from mental illness and homelessness, link to community services for which said individuals are eligible and assist individuals engaged in obtaining mainstream benefits, housing, legal advocacy, and community Mental Health / Substance Abuse services. Assisted in the development of Bi-State Technical Assistance grant from SAMHSA to provide training for PATH providers on legal issues, advocacy, program improvement, and interstate collaboration to improve services provided to homeless individuals in New Hampshire and Vermont. Successfully initiated CLM as a pilot program in New Hampshire for PATH data entry into NH-HMIS.
- ♦ **Case Manager:** Responsible for the direct service planning as part of a multidisciplinary community support team. Provide Case Management and Functional Support Services to adult clients with mental illness. Consult with medical / clinical staff; Assist clients with identifying options for employment and assist with job placement and maintaining employment, Refer clients to community resources; Provide representative payee services; Promote independent functioning in the community to clients served; Provide staff training and orientation. Served as Dialectical Behavioral Therapy (DBT) skills group leader. Trained in DBT Therapy and active member of DBT consultation team. Serve on CLM's Safety Committee as well as CLM's Medicare Part D Committee. NH Hospital Liaison.



## Barry C. Quimby

Harbor Homes, Inc., Nashua, New Hampshire

November 1993-June 2000

- ♦ **Program Manager / Residential Coordinator:** Involved in all aspects of operating a housing and treatment program for 43 clients living in supported housing in the greater Nashua area, including policy and regulation adherence for a 14-bed HUD-funded program. Managed 6 full-time and 21 fee-for-service staff; Fostered relations with local affiliates; Improved the clinical sophistication of program. Implemented training programs, assisted with grant writing, and reduced staff turnover. *HUD certified.*
- ♦ **Fee-for-Service Counselor:** Worked 1:1 with clients to assist in overall treatment goals. Worked with administration and management to develop policies and procedures to enhance the day to day operations of the program. Created training packages to ensure the overall Counselor/Client relationship is more productive and measurable for both billing and therapeutic productivity.

American Training, Lowell, Massachusetts

April 1998-December 1998

- ♦ **Program Director:** Directed all aspects of operating a supported housing program for 27 individuals in the greater Lowell area, including supervision of middle management and direct-care staff, policy and regulation adherence, and fostering program relations with local affiliates.

South Middlesex Opportunity Council, Framingham, Massachusetts

April 1992-April 1998

- ♦ **Program Manager / Site Coordinator:** Managed all aspects of operating a group home and supported housing program for chronic mentally ill adults. Improved program by ensuring licensure and regulation adherence from Department of Mental Health; Created a results-oriented team atmosphere for program efficiency; Reduced the program budget deficit during 1996 fiscal year; Reduced the staff turnover ratio within component; Worked with local and area DMH agencies and affiliates to improve program relations and reputation.
- ♦ **Supported Housing Coordinator:** Coordinated all aspects of a supported housing program for four mentally ill individuals. Managed staff overseeing clients while increasing program client turnover to more independent living status; Improved client charting and documentation to ensure DMH licensure; Improved inter-staff communication to improve efficiency of treatment.
- ♦ **Residential Counselor:** Worked in a program that involved transitioning mentally ill individuals from a hospital setting into community living. Assisted in moving 25 clients from state hospital setting into group homes located in Metro-west area; Assisted two clients in gaining skills needed to move from group home into independent living within the community.

### Education:

Keene State College, Keene, New Hampshire

Graduated May 1991

- ♦ **Bachelor of Arts in Industrial / Social / Counseling Psychology**

Gained Independent Study laboratory experience as a **Research Assistant** organizing and administering semantic-priming research studies at Keene State College. Responsibilities included designing experiments, testing subjects, collecting and analyzing data.

**The Mental Health Center for Southern New Hampshire Inc.  
Family Housing 1**

**Key Personnel**


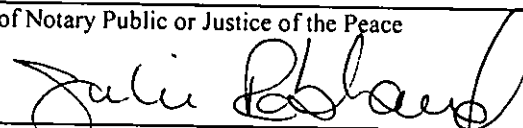
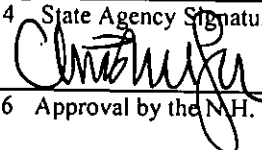
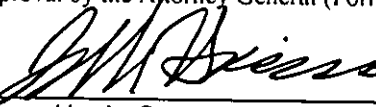
<b>Name</b>	<b>Job Title</b>	<b>Salary</b>	<b>% Paid from this Contract</b>	<b>Amount Paid from this Contract</b>
Vic Topo	President & CEO	\$160,854	2.5%	\$4,021
Michael Bergeron	Vice President & CFO	\$133,674	2.5%	\$3,341
Steve Arnault	Vice President Operations, Quality & Compliance	\$118,821	3.5%	\$4,159
Kenneth Brown	Medical Director	\$260,000	3.5%	\$9,100
Barry Quimby	Homeless & Housing Manager	\$55,000	30%	\$16,500
<b>Total</b>				<b>\$37,121</b>

**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

**GENERAL PROVISIONS****1. IDENTIFICATION.**

1.1 State Agency Name Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management		1.4 Contractor Address 10 Tsienneto Rd Derry, NH 03038	
1.5 Contractor Phone Number (603) 434-1577	1.6 Account Number 05-95-42-423010-7927 102-500731	1.7 Completion Date June 30, 2020	1.8 Price Limitation \$273,230
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Vic Toppo, President/CEO	
1.13 Acknowledgement: State of <del>New Hampshire</del> County of <u>Rockingham</u> On <u>5/28/19</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]		JULIE A. ROBICHAUD, Notary Public State of New Hampshire My Commission Expires August 23, 2022	
1.13.2 Name and Title of Notary or Justice of the Peace Julie Robichaud, HR Administrator			
1.14 State Agency Signature  Date: <u>5/28/19</u>		1.15 Name and Title of State Agency Signatory Christine Santanello, Director, Dept	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>6/4/2019</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

## **8. EVENT OF DEFAULT/REMEDIES.**

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

## **9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

**11. CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

**12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

**13. INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

## **14. INSURANCE.**

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

**16. WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

**17. NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

**19. CONSTRUCTION OF AGREEMENT AND TERMS.**

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

**20. THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

**21. HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

**22. SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

**23. SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

**24. ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

Contractor Initials

Date 5/28/19



Exhibit A

**SCOPE OF SERVICES**

**Permanent Housing Program**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:  
NH DHHS  
Bureau of Housing Supports (BHS)  
129 Pleasant Street  
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

5/28/19



Exhibit A

- 1.10. The Contractor shall support the primary goal of this program which is to facilitate the movement of homeless and chronically homeless individuals and families to permanent housing and maximum self-sufficiency.

**2. Scope of Services**

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a Permanent Housing program serving approximately twenty (20) homeless individuals experiencing mental health and or substance abuse issues to reside in scattered site apartments within Western Rockingham County, NH., and which includes, but is not limited to:
- 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
- 2.2.2. The development of a stabilization plan and crisis management plan with the participant, at intake and, at a minimum, annually. An ongoing Assessment of Housing and Supportive Services is required, with the ultimate goal being assistance to the participant in obtaining the skills necessary to live in the community independently.
- 2.3. The Contractor shall establish and maintain standard operating procedures to ensure CoC program funds are used in accordance with 24 CFR 578 and must establish and maintain sufficient records to enable HUD and BHS to determine Contractor requirement compliance, including:
- 2.3.1. Continuum of Care Records: The Contractor shall maintain the following documentation related to establishing and operating a CoC:
- 2.3.1.1. Records of Homeless Status. The Contractor shall maintain acceptable evidence of homeless status in accordance with 24 CFR 576.500(b).
- 2.3.1.2. Records of at Risk of Homelessness Status: The Contractor shall maintain records that establish "at risk of homelessness" status of each individual or family who receives CoC homelessness prevention assistance, as identified in 24 CFR 576.500(c).
- 2.3.1.3. Records of Reasonable Belief of Imminent Threat of Harm. The Contractor shall maintain documentation of each program participant who moved to a different CoC due to imminent threat of further domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR 578.51(c)(3). The Contractor shall retain documentation that includes, but is not limited to:
- 2.3.1.3.1 The original incidence of domestic violence, dating violence, sexual assault, or stalking, only if the original violence is not already documented in the program participant's case file. This may be written observation of the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; medical or dental records; court records or law enforcement records; or written certification by the program participant to whom the violence occurred or by the head of household.





Exhibit A

- 2.3.1.3.2 The reasonable belief of imminent threat of further domestic violence, dating violence, or sexual assault or stalking, which would include threats from a third-party, such as a friend or family member of the perpetrator of the violence. This may be written observation by the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; current restraining order; recent court order or other court records; law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts; or a written certification by the program participant to whom the violence occurred or the head of household.
- 2.3.1.4. Records of Annual Income. For each program participant who receives housing assistance where rent or an occupancy charge is paid by the program participant, the Contractor must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
- 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
- 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, government benefits administrator) or the written certification by the Contractor's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period; or
- 2.3.1.4.4. To the extent that source documents and third-party verification are unobtainable, the written certification by the program participant of the amount of income that the program participant is reasonably expected to receive over the three (3) month period following the evaluation.
- 2.3.1.5. Program Participant Records. In addition to evidence of homelessness status or at-risk-of-homelessness status, as applicable, the Contractor must keep records for each program participant that document:
- 2.3.1.5.1. The services and assistance provided to that program participant, including evidence that the Contractor has conducted an annual assessment of services for those program participants that remain in the program for more than a year and adjusted the service package accordingly, and including case management services as provided in 24 CFR 578.37(a)(1)(ii)(F); and
- 2.3.1.5.2. Where applicable, compliance with the termination of assistance requirement in 24 CFR 578.91.
- 2.3.1.6. Housing Standards. The Contractor must retain documentation of compliance with the housing standards in 24 CFR 578.75(b), including inspection reports.
- 2.3.1.7. Services Provided. The Contractor must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were reviewed at least annually and that the service package offered to program participants was adjusted as necessary.
- 2.4. The Contractor shall maintain records that document compliance with:
- 2.4.1. The Organizational conflict-of-interest requirements in 24 CFR 578.95(c).

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5/28/19



Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 2.4.3. The Other Conflicts requirements in 24 CFR 578.95(d).
- 2.5. The Contractor shall develop, implement and retain a copy of the personal conflict-of-interest policy that complies with the requirements in 24 CFR 578.95, including records supporting any exceptions to the personal conflict-of-interest prohibitions.
- 2.6. The Contractor shall comply and retain documentation of compliance with:
  - 2.6.1. The Homeless Participation requirements in accordance with 24 CFR 578.75(g).
  - 2.6.2. The Faith-based Activities requirements in accordance with 24 CFR 578.87(b).
  - 2.6.3. Affirmatively Furthering Fair Housing by maintaining copies of all marketing, outreach, and other materials used to inform eligible persons of the program in accordance with 24 CFR 578.93(c).
  - 2.6.4. Other Federal Requirements in 24 CFR 578.99, as applicable.
  - 2.6.5. Other Records Specified by HUD. The Contractor must keep other records as specified by HUD.
  - 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the specific confidentiality and security requirements for HMIS data (76 FR 76917), the Contractor shall develop and implement written procedures to ensure:
  - 2.7.1. All records containing protected identifying information of any individual or family who applies for and/or receives Continuum of Care assistance shall be kept secure and confidential as required by this Agreement and state and federal laws and regulations;
  - 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not be made public, except with written authorization of the person responsible for the operation of the project; and
  - 2.7.3. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality;
- 2.8. Period of Record Retention. The Contractor shall ensure all records, originals or copies made by microfilming, photocopying, or other similar methods, pertaining to Continuum of Care funds are retained for five (5) years following the Contract Completion Date and receipt of final payment by the Contractor unless records are otherwise required to be maintained for a period in excess of the five (5) year period according to state or federal law or regulation.

**3. Program Reporting Requirements**

- 3.1. The Contractor shall submit the following reports:
  - 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and



Exhibit A

3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

**4. Contract Administration**

- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.

**5. Performance Measures**

- 5.1. The Contractor shall adhere to all terms and conditions as set forth in the HUD New Project Application, federal fiscal year 2018, #SF-424; and
  - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
  - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

**6. Deliverables**

- 6.1. The Contractor shall implement a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.
- 6.2. The Contractor shall provide a Permanent Supportive Housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.
  - 6.2.1. Project outcomes shall include, but are not limited to:
    - 6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.
    - 6.2.1.2. Participants experience increased connections to:
      - 6.2.1.2.1. Mainstream benefit resources; employment and/or vocational rehab referrals;
      - 6.2.1.2.2. Mental health and/or substance abuse service access and referrals; and
      - 6.2.1.2.3. Service Coordination Partners for educational, vocational, employment and health needs.
- 6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

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5/28/19



New Hampshire Department of Health and Human Services  
Continuum of Care Program

Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Permanent Housing Program Funding**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
  - 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0014L1T001811
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$273,230
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Rental Assistance: \$221,592
    - 1.2.8.2. Supportive Services: \$45,000
      - 1.2.8.2.1 Mental Health Services \$39,600
      - 1.2.8.2.2 Outreach \$5,400
    - 1.2.8.3. Administrative Expenses: \$6,638
    - 1.2.8.4. Total program amount: \$273,230
    - 1.2.8.5. Vendor Match (25%) \$69,967
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
  - 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:

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NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.
- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule; Review by the State**

- 3.1. **Project Costs:** As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
  - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
  - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
  - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
  - 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

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**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.
- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.

**3.4.5. Schedule of Payments:**

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingsupportsinvoices@dhhs.nh.gov](mailto:housingsupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.

**3.5. Review of the State Disallowance of Costs:**

- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Agreement may be withheld, in whole or in part, in the event of non-compliance with

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any Federal or State law, rule or regulation applicable to the services provided, or if the said services, products, required report submissions, as detailed in Exhibits A and B, or NH-HMIS data entry requirements have not been satisfactorily completed in accordance with the terms and conditions of this Agreement.

**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);

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- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;
- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;

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- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);
- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

**5.4. Rental Assistance**

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only. Property damages may be paid only from funds paid to the landlord from security deposits.

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- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.
- 5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.
- 5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.
- 5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
- 5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
- 5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.
- 5.5. Administrative Costs:
- 5.5.1. Eligible administrative costs include:
- 5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and
- 5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
- 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
- 5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary,

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wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:

- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third-party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

**5.6. Leasing:**

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members

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of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

**5.6.1. Requirements:**

- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other

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requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

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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;

Exhibit C – Special Provisions

Contractor Initials

Date

*[Signature]*  
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- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

**RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:**

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
  - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
  - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
  - 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

New Hampshire Department of Health and Human Services  
Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
  - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
  - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
  - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or





more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF  
WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis

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28/19



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

**20. Contract Definitions:**

- 20.1. **COSTS:** Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.
- 20.2. **DEPARTMENT:** NH Department of Health and Human Services.
- 20.3. **PROPOSAL:** If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the services and/or goods to be provided by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.
- 20.4. **UNIT:** For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.
- 20.5. **FEDERAL/STATE LAW:** Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from time to time.
- 20.6. **SUPPLANTING OTHER FEDERAL FUNDS:** Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.

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5/28/19



## REVISIONS TO STANDARD CONTRACT LANGUAGE

### 1. Revisions to Form P-37, General Provisions

1.1. Section 4, Conditional Nature of Agreement, is replaced as follows:

#### 4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account in the event funds are reduced or unavailable.

1.2. Section 10, Termination, is amended by adding the following language:

10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

### 2. Renewal

2.1. The Department reserves the right to extend this agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner  
NH Department of Health and Human Services  
129 Pleasant Street,  
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
  - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
    - 1.2.1. The dangers of drug abuse in the workplace;
    - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
    - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
  - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
    - 1.4.1. Abide by the terms of the statement; and
    - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
  - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

*[Handwritten Signature]*  
5/28/19

New Hampshire Department of Health and Human Services  
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
    - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
  - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

5/28/19  
Date

Vendor Name:

Name: VICTOR P. O.  
Title: President/CEO.

Vendor Initials

Date

W  
5/28/19



**CERTIFICATION REGARDING LOBBYING**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- \*Temporary Assistance to Needy Families under Title IV-A
- \*Child Support Enforcement Program under Title IV-D
- \*Social Services Block Grant Program under Title XX
- \*Medicaid Program under Title XIX
- \*Community Services Block Grant under Title VI
- \*Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Vendor Name:

5/28/19  
Date

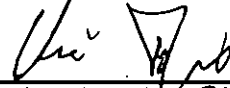

  
Name: V. C. FLOPO  
Title: PRESIDENT/CEO

Exhibit E - Certification Regarding Lobbying

Vendor Initials

Date

  
5/28/19



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION  
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**INSTRUCTIONS FOR CERTIFICATION**

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

#### PRIMARY COVERED TRANSACTIONS

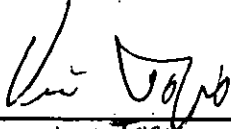
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (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.

Vendor Name:

5/28/19  
Date

  
Name: Vic Topo  
Title: President/CEO

Vendor Initials

Date 5/28/19





**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO  
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND  
WHISTLEBLOWER PROTECTIONS**

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination, Equal Employment Opportunity, Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials

*[Handwritten Signature]*

Date

*5/28/14*

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 Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

5/28/19  
Date

Vendor Name:


  
Name: Victor Topo  
Title: President/CEO

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials



Date

5/28/19



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

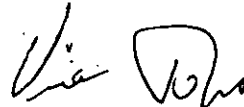
Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

5/28/19  
\_\_\_\_\_  
Date

Vendor Name:

  
\_\_\_\_\_  
Name: VICTOR TOPO  
Title: PRESIDENT/CEO


Vendor Initials   
Date 5/28/19



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

The Vendor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Vendor and subcontractors and agents of the Vendor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. "**Breach**" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "**Business Associate**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "**Covered Entity**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "**Designated Record Set**" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "**Data Aggregation**" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "**Health Care Operations**" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "**HITECH Act**" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "**Individual**" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "**Privacy Rule**" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "**Protected Health Information**" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

3/2014

Vendor Initials

Date

3/28/14



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
  - I. For the proper management and administration of the Business Associate;
  - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

**(3) Obligations and Activities of Business Associate.**

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
- o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
  - o The unauthorized person used the protected health information or to whom the disclosure was made;
  - o Whether the protected health information was actually acquired or viewed
  - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

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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.

*[Signature]*  
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Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

*Christine Santanillo*

Signature of Authorized Representative

*Christine Santanillo*

Name of Authorized Representative

*Director, DHHS*

Title of Authorized Representative

*5/28/19*

Date

*MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE*  
*DB/center for life management*

Name of the Vendor

*Vic Opa*

Signature of Authorized Representative

*Vic Opa*

Name of Authorized Representative

*President/CEO*

Title of Authorized Representative

*5/28/19*

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.

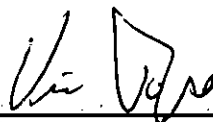
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

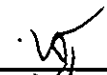
The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Vendor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Vendor Name:

5/28/19  
Date

  
Name: VIC TOPO  
Title: President/CEO

  
5/28/19



**FORM A**

As the Vendor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 085573541
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO \_\_\_\_\_ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

\_\_\_\_\_ NO \_\_\_\_\_ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

**I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR**

**A. Business Use and Disclosure of Confidential Information.**

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

## II. METHODS OF SECURE TRANSMISSION OF DATA

1. **Application Encryption.** If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the Internet.
2. **Computer Disks and Portable Storage Devices.** End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. **Encrypted Email.** End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. **Encrypted Web Site.** If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. **File Hosting Services, also known as File Sharing Sites.** End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. **Ground Mail Service.** End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. **Laptops and PDA.** If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. **Open Wireless Networks.** End User may not transmit Confidential Data via an open

*[Handwritten Signature]*  
*[Handwritten Date: 5/28/19]*

DHHS Information Security Requirements



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

#### A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

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**DHHS Information Security Requirements**



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

**B. Disposition**

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

**IV. PROCEDURES FOR SECURITY**

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
  1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

*[Signature]*  
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DHHS Information Security Requirements



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

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DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
  - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
  - b. safeguard this information at all times.
  - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
  - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

W  
5/28/19



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

## V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

**VI. PERSONS TO CONTACT**

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

*[Handwritten signature]*  
*5/28/19*

# State of New Hampshire

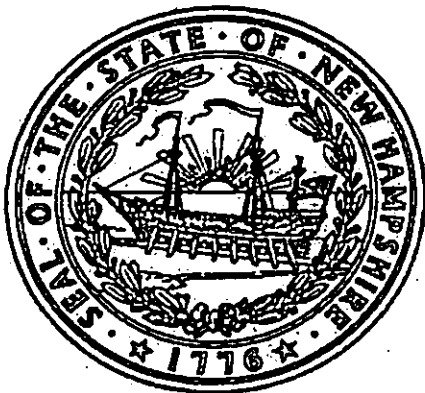
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on April 17, 1967. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 61791

Certificate Number : 0004489721



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. 2019.

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State

# State of New Hampshire

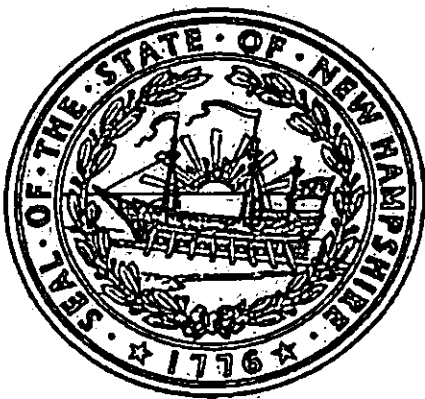
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that CLM CENTER FOR LIFE MANAGEMENT is a New Hampshire Trade Name registered to transact business in New Hampshire on June 30, 2003. 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: 442328

Certificate Number : 0004489718



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. 2019.

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State

## CERTIFICATE OF VOTE

I, Judith Ryan, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of CLM Center For Life Management  
(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 5/28/2019:  
(Date)

RESOLVED: That the Vic Topo PRESIDENT/CEO  
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to  
execute any and all documents, agreements and other instruments, and any amendments, revisions,  
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of  
the 28 day of May, 2019.  
(Date Contract Signed)

4. Vic Topo is the duly elected President/CEO  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Judith Ryan  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Rockingham

The forgoing instrument was acknowledged before me this 28 day of May, 2019.

By Judith Ryan  
(Name of Elected Officer of the Agency)

Julie Robichaud  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

JULIE A. ROBICHAUD, Notary Public  
State of New Hampshire  
My Commission Expires August 23, 2022

Commission Expires: \_\_\_\_\_

Client#: 1485395

MENTAHEA29

ACORD™

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/16/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123		<b>CONTACT</b> NAME: PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL: ADDRESS:															
<b>INSURED</b> The Mental Health Center for Southern NH DBA CLM Center for Life Management 10 Telenneto Rd Derry, NH 03038		<b>INSURER(S) AFFORDING COVERAGE</b> <table border="1"> <tr> <th>INSURER</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A : Philadelphia Indemnity Insurance Co.</td> <td>18058</td> </tr> <tr> <td>INSURER B : Granite State Insurance Company</td> <td>23809</td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>		INSURER	NAIC #	INSURER A : Philadelphia Indemnity Insurance Co.	18058	INSURER B : Granite State Insurance Company	23809	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER D :																	
INSURER E :																	
INSURER F :																	

## COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		PHPK1886772	10/01/2018	10/01/2019	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$250,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		PHPK1886766	10/01/2018	10/01/2019	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10000		PUB648899	10/01/2018	10/01/2019	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	WC017064748	10/01/2018	10/01/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Professional Liab		PHPK1886772	10/01/2018	10/01/2019	\$1,000,000 \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

## CERTIFICATE HOLDER

## CANCELLATION

NH Dept of Health and Human Services  
 Bureau of Mental Health Services  
 105 Pleasant Street  
 Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

See Note

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### **MISSION STATEMENT**

**To promote the health and well-being of individuals, families and organizations. We accomplish this through professional, caring and comprehensive behavioral health care services and by partnering with other organizations that share our philosophy.**

**THE MENTAL HEALTH CENTER FOR  
SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE  
MANAGEMENT AND AFFILIATES**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**  
Years ended June 30, 2018 and 2017

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Years ended June 30, 2018 and 2017

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**Independent Auditor's Report**

To the Board of Directors of  
The Mental Health Center for Southern New Hampshire  
d/b/a CLM Center for Life Management and Affiliates

**Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates (a nonprofit organization), which are comprised of the consolidated statements of financial position as of June 30, 2018 and 2017, and the related consolidated statements of activities, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 16-22 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2018, on our consideration of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates 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 The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliates internal control over financial reporting and compliance.

*Wade White & Assoc., LLC*

Essex Junction, Vermont  
Registration number VT092.0000684  
October 16, 2018

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidated Statements of Financial Position  
June 30, 2018 and 2017

ASSETS

	<u>2018</u>	<u>2017</u>
Current assets:		
Cash and cash equivalents	\$ 1,640,075	\$ 1,060,309
Accounts receivable, net	864,230	874,385
Other receivables	144,815	116,163
Prepaid expenses	80,753	93,249
Security deposit	<u>11,087</u>	<u>11,087</u>
Total current assets	2,740,960	2,155,193
Property and equipment, net	<u>3,656,665</u>	<u>3,808,664</u>
Other assets		
Interest rate swap agreement	<u>48,533</u>	<u>-</u>
Total assets	<u>\$ 6,446,158</u>	<u>\$ 5,963,857</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Current portion of long term debt	\$ 88,538	\$ 86,038
Accounts payable	53,554	81,794
Accrued payroll and payroll liabilities	375,055	364,814
Accrued vacation	327,657	292,305
Accrued expenses	13,319	12,500
Deferred revenue	<u>7,580</u>	<u>7,580</u>
Total current liabilities	865,703	845,031
Long term liabilities		
Interest rate swap agreement	-	37,053
PMPM reserve	112,737	-
Long term debt, less current portion	<u>2,308,819</u>	<u>2,397,390</u>
Total long term liabilities	<u>2,421,556</u>	<u>2,434,443</u>
Total liabilities	3,287,259	3,279,474
Net assets - unrestricted	<u>3,158,899</u>	<u>2,684,383</u>
Total liabilities and unrestricted net assets	<u>\$ 6,446,158</u>	<u>\$ 5,963,857</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidated Statements of Activities  
Years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<u>Public support and revenues:</u>		
Public support:		
Federal	\$ 1,005,755	\$ 744,203
State of New Hampshire - BBH	316,921	518,471
State and local funding	43,602	44,601
Other public support	<u>131,172</u>	<u>148,038</u>
Total public support	1,497,450	1,455,313
Revenues:		
Program service fees, net	12,364,822	11,514,943
Other service income	467,403	422,362
Rental income	4,985	4,798
Other	<u>39,231</u>	<u>20,038</u>
Total revenues	<u>12,876,441</u>	<u>11,962,141</u>
Total public support and revenues	14,373,891	13,417,454
<u>Operating expenses:</u>		
BBH funded programs:		
Children	4,859,070	4,450,932
Elders	282,131	243,821
Vocational	234,156	229,971
Multi-Service	2,609,377	2,329,607
Acute Care	775,806	745,489
Independent Living	2,226,618	1,876,360
Assertive Community Treatment	835,083	678,106
Non-Specialized Outpatient	980,645	1,370,779
Non-BBH funded program services	<u>132,495</u>	<u>167,338</u>
Total program expenses	12,935,381	12,092,403
Administrative expenses	<u>1,049,580</u>	<u>1,089,423</u>
Total expenses	<u>13,984,961</u>	<u>13,181,826</u>
Change in net assets from operations	388,930	235,628
<u>Non-operating expenses:</u>		
Fair value loss on interest rate swap	<u>85,586</u>	<u>148,152</u>
Change in net assets	474,516	383,780
Net assets, beginning of year	<u>2,684,383</u>	<u>2,300,603</u>
Net assets, end of year	<u>\$ 3,158,899</u>	<u>\$ 2,684,383</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidated Statements of Functional Expenses  
Years ended June 30, 2018 and 2017

	2018			2017		
	Program Services	Administrative	Total	Program Services	Administrative	Total
Personnel costs:						
Salaries and wages	\$ 8,271,397	\$ 679,212	\$ 8,950,609	\$ 7,739,427	\$ 708,667	\$ 8,448,094
Employee benefits	1,770,356	136,304	1,906,660	1,512,048	135,073	1,647,121
Payroll taxes	589,194	48,580	637,774	556,222	47,730	603,952
Accounting/audit fees	50,511	4,910	55,421	52,170	9,915	62,085
Advertising	18,548	2,626	21,174	8,195	702	8,897
Conferences, conventions and meetings	27,262	11,456	38,718	20,838	11,992	32,830
Depreciation	186,697	18,240	204,937	201,071	20,764	221,835
Equipment maintenance	14,183	1,385	15,568	11,094	1,146	12,240
Equipment rental	38,062	2,996	41,058	47,239	3,755	50,994
Insurance	64,120	6,898	71,018	71,935	7,568	79,503
Interest expense	96,382	9,417	105,799	98,804	15,153	113,957
Legal fees	43,606	4,071	47,677	35,825	3,498	39,323
Membership dues	48,330	8,218	56,548	46,938	8,670	55,608
Occupancy expenses	896,640	10,055	906,695	842,203	10,283	852,486
Office expenses	193,164	20,508	213,672	195,435	20,893	216,328
Other expenses	55,224	17,866	73,090	28,599	12,015	40,614
Other professional fees	273,798	55,732	329,530	303,067	58,786	361,853
Program supplies	84,240	8,943	93,183	123,719	10,843	134,562
Travel	213,667	2,163	215,830	197,574	1,970	199,544
	12,935,381	1,049,580	13,984,961	12,092,403	1,089,423	13,181,826
Administrative allocation	1,049,580	(1,049,580)	-	1,089,423	(1,089,423)	-
Total expenses	13,948,535	\$ -	\$ 13,984,961	\$ 13,181,826	\$ -	\$ 13,181,826

See notes to financial statements



THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidated Statements of Cash Flows  
Years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 474,516	\$ 383,780
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	204,937	221,835
Amortization of loan origination fees included in interest expense	18,929	18,937
(Increase) decrease in:		
Accounts receivable, net	10,155	207,166
Other receivables	(28,652)	138,959
Prepaid expenses	12,496	(31,206)
Increase (decrease) in:		
Accounts payable and accrued expenses	18,172	104,572
Deferred revenue	-	(4,400)
PMPM reserve	<u>112,737</u>	<u>-</u>
Net cash provided by operating activities	823,290	1,039,643
Cash flows from investing activities:		
Purchases of property and equipment	<u>(52,938)</u>	<u>(32,734)</u>
Net cash (used) provided by investing activities	<u>(52,938)</u>	<u>(32,734)</u>
Cash flows from financing activities:		
Fair value (gain) loss on interest rate swap	(85,586)	(148,152)
Net borrowing (payments) on line of credit	-	(100,000)
Net principal payments on long term debt	<u>(105,000)</u>	<u>(102,500)</u>
Net cash used in financing activities	<u>(190,586)</u>	<u>(350,652)</u>
Net increase (decrease) in cash and cash equivalents	579,766	656,257
Cash and cash equivalents, beginning of year	<u>1,060,309</u>	<u>404,052</u>
Cash and cash equivalents, end of year	\$ <u>1,640,075</u>	\$ <u>1,060,309</u>
<u>Supplemental cash flow disclosures:</u>		
Cash paid during the year for interest	\$ <u>105,799</u>	\$ <u>113,957</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Notes to Consolidated Financial Statements  
June 30, 2018 and 2017

Note 1. Nature of organization

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management (the "Agency") is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health and related non-mental health programs.

During 2006, the Center for Life Management Foundation (the "Foundation") was established to act for the benefit of, to carry out the functions of, and to assist the Agency. It is affiliated with The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management through common board members and management. In addition, the Agency is the sole member.

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and the Center for Life Management Foundation are collectively referred to the "Organization".

Basis of consolidation

The consolidated financial statements include the accounts of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and the Center for Life Management Foundation. All intercompany transactions have been eliminated in consolidation.

Note 2. Basis of accounting and summary of significant accounting policies

Basis of accounting

The financial statements are prepared on the accrual basis of accounting. Under this basis, revenues, other than contributions, and expenses are reported when incurred, without regard to date of receipt or payment of cash. Contributions are reported in accordance with FASB Accounting Standards Codification ("ASC") *Accounting for Contributions Received and Contributions Made*.

Basis of presentation

The Organization's financial statement presentation is required by the Not-for-Profit *Presentation of Financial Statements* topic of the FASB ASC. The Organization is required to report information regarding its financial position and activities according to the following three classifications of net assets based on the existence or absence of donor-imposed restrictions.

Unrestricted net assets – Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets – Net assets subject to donor-imposed restrictions that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Permanently restricted net assets – Net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

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Note 2. Basis of accounting and summary of significant accounting policies (continued)

At June 30, 2018 and 2017, the Organization had no temporarily or permanently restricted net assets.

General

The significant accounting policies of the Organization are presented to assist in understanding the Organization's financial statements. The financial statements and the notes are representations of the Organization's management. The Organization is responsible for the integrity and objectivity of the financial statements.

Use of estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

Cash and cash equivalents

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash and cash equivalents. Cash equivalents include savings, money market accounts, and certificates of deposits.

Accounts receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management writes off accounts when they are deemed uncollectible and establishes an allowance for doubtful accounts for estimated uncollectible amounts. The Organization had an allowance for doubtful accounts of \$224,548 and \$208,878 as of June 30, 2018 and 2017, respectively. Refer to Note 3 for additional discussion of accounts receivable.

Property

Property is recorded at cost, except for donated assets which are recorded at estimated fair value at the date of donation. Depreciation is computed on the straight line basis over the estimated useful lives of the related assets as follows:

Buildings and improvements	15 - 40 years
Automobiles	3 - 15 years
Equipment	5 - 7 years

All equipment valued at \$500 or more is capitalized. Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Depreciation expense was \$204,937 and \$221,835 for the years ended June 30, 2018 and 2017, respectively.

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Note 2. Basis of accounting and summary of significant accounting policies (continued)

Finance costs

Financing costs are recorded on the statement of position net of accumulated amortization. In accordance with Generally Accepted Accounting Principles, the unamortized financing costs are reported as a reduction in long term debt - see Note 6. The costs are amortized over the term of the respective financing arrangement.

Vacation pay and fringe benefits

Vacation pay is accrued and charged to programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on programs.

Fair value measurements and financial instruments

The Company adopted FASB ASC 820, Fair Value Measurements and Disclosures, for assets and liabilities measured at fair value on a recurring basis. The codification established a common definition for fair value to be applied to existing generally accepted accounting principles that requires the use of fair value measurements, establishes a framework for measuring fair value, and expands disclosure about such fair value measurements.

FASB ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, FASB ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

The Organization's financial instruments consist primarily of cash, accounts receivables, accounts payable and accrued expenses. The carrying amount of the Organization's financial instruments approximates their fair value due to the short-term nature of such instruments. The carrying value of long-term debt approximates fair value due to their bearing interest at rates that approximate current market rates for notes with similar maturities and credit quality.

The Organization's interest rate swap agreements are classified as level 2 in the hierarchy, as all significant inputs to the fair value measurement are directly observable, such as the underlying interest rate assumptions.

Contributions

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

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**Note 2. Basis of accounting and summary of significant accounting policies (continued)**

All donor-restricted contributions received are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of support, revenues, and expenses as net assets released from restrictions.

Restricted contributions that meet the restriction in the same reporting period are reported as increases in unrestricted net assets.

**Third-party contractual arrangements**

A significant portion of revenue is derived from services to patients insured by third-party payers. Reimbursements from Medicare, Medicaid, and other commercial payers are at defined service rates for services rendered to patients covered by these programs are received. The difference between the established billing rates and the actual rate of reimbursement is recorded as an allowance when received. A provision for estimated contractual allowances is provided on outstanding patient receivables at the statement of financial position date.

**Interest rate swap**

The Organization uses an interest rate swap to effectively convert the variable rate on its State Authority Bond to a fixed rate, as described in Note 8. The change in the fair value of the swap agreement and the payments to or receipts from the counterparty to the swap are netted with the interest expense on the bonds. Cash flows from interest rate swap contracts are classified as a financing activity on the statement of cash flows.

**Advertising expenses**

The Organization expenses advertising costs as they are incurred.

**Expense allocation**

The costs of providing the various programs and other activities 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.

**Income taxes**

The Agency is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Agency has also been classified as an entity that is not a private foundation within the meaning of 509(a) and qualifies for deductible contributions.

The Foundation is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is an organization that is organized and operated exclusively for the benefit of the Agency.

These financial statements follow FASB ASC, *Accounting for Uncertain Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return.

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**Note 2. Basis of accounting and summary of significant accounting policies (continued)**

*Accounting for Uncertain Income Taxes* did not have a material impact on these financial statements as the Organization believes it has taken no uncertain tax positions that could have an effect on its financial statements.

Federal Form 990 (Return of an Organization Exempt from Income Tax) for fiscal years 2015, 2016 and 2017 are subject to examination by the IRS, generally for three years after filing.

**Reclassifications**

Certain amounts in the prior-year financial statements have been reclassified in order to be comparable with the current year presentation.

**Subsequent events**

The Organization has evaluated all subsequent events through October 16, 2018, the date the financial statements were available to be issued.

**Note 3. Accounts receivable, net**

Accounts receivable consist of the following at June 30,:

	<u>2018</u>			<u>2017</u>		
	Receivable			Receivable		
<u>Accounts receivable</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Clients	\$ 332,312	\$ (179,244)	\$ 153,068	\$ 310,035	\$ (161,421)	\$ 148,614
Insurance companies	144,808	(6,476)	138,332	136,783	(3,018)	133,765
Medicaid	540,750	(35,213)	505,537	494,240	(29,656)	464,584
Medicare	70,908	(3,615)	67,293	142,205	(14,783)	127,422
	<u>\$1,088,778</u>	<u>\$ (224,548)</u>	<u>\$ 864,230</u>	<u>\$1,083,263</u>	<u>\$ (208,878)</u>	<u>\$ 874,385</u>

	<u>2018</u>	<u>2017</u>
<b><u>Other receivables</u></b>		
Towns	\$ 18,600	\$ 23,000
NH Division of Mental Health	87,680	64,982
Contractual services	<u>38,535</u>	<u>28,181</u>
	<u>\$ 144,815</u>	<u>\$ 116,163</u>

**Note 4. Concentrations of credit risk**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of the following:

	<u>2018</u>	<u>2017</u>
Receivables primarily for services provided to individuals and entities located in southern New Hampshire	<u>\$ 864,230</u>	<u>\$ 874,385</u>
Other receivables due from entities located in New Hampshire	<u>\$ 144,815</u>	<u>\$ 116,163</u>

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Note 4. Concentrations of credit risk (continued)

Bank balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to the prevailing FDIC limit. At June 30, 2018 and 2017, the Organization had approximately \$1,212,400 and \$655,600 in uninsured cash balances.

Note 5. Property

Property and equipment consists of the following at June 30:

	<u>2018</u>	<u>2017</u>
Land	\$ 565,000	\$ 565,000
Buildings and improvements	3,977,453	3,959,330
Automobiles	20,000	20,000
Equipment	<u>1,446,194</u>	<u>1,411,379</u>
	6,008,647	5,955,709
Less: accumulated depreciation	<u>(2,351,982)</u>	<u>(2,147,045)</u>
Property and equipment, net	<u>\$ 3,656,665</u>	<u>\$ 3,808,664</u>

Note 6. Long term debt

Long term debt consists of the following as of June 30,:

	<u>2018</u>	<u>2017</u>
Series 2015 New Hampshire Health and Education Facilities Bond -		
Payable through 2036, original principal of \$3,042,730, remarketed and sold to People's United Bank at a variable rate, with an effective rate of 2.8169% and 2.17385% at June 30, 2018 and 2017, respectively. Secured by land, building, equipment, and certain revenues, and is subject to certain financial covenants. The note matures August 2025. The Organization has entered into an interest rate swap agreement to effectively fix the interest rate on the note. See Note 8.	2,755,230	2,860,230
Less: unamortized finance costs	<u>(357,873)</u>	<u>(376,802)</u>
Long term debt, less unamortized finance costs	2,397,357	2,483,428
Less: current portion of long term debt	<u>(88,538)</u>	<u>(86,038)</u>
Long term debt, less current portion	<u>\$ 2,308,819</u>	<u>\$ 2,397,390</u>

In 2017, the Organization retroactively adopted the requirements of FASB ASC 835-30 to present debt issuance costs as a reduction of the carrying amount of debt rather than as an asset.

Amortization of the finance costs is reported as interest expense in the financial statements. Amortization of \$18,929 and \$18,937 is reported as interest expense in the consolidated statement of activities for the years ending June 30, 2018 and 2017, respectively.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
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Note 6. Long term debt (continued)

Future maturities to long term debt are as follows:

<u>Year ending June 30,</u>	<u>Long Term Debt Principal</u>	<u>Unamortized Finance Costs</u>	<u>Net</u>
2019	\$ 107,500	\$ (18,962)	\$ 88,538
2020	112,500	(18,962)	93,538
2021	117,500	(18,962)	98,538
2022	122,500	(18,962)	103,538
2023	127,500	(18,962)	108,538
Thereafter	<u>2,167,730</u>	<u>(263,063)</u>	<u>1,904,667</u>
Total	<u>\$ 2,755,230</u>	<u>\$ (357,873)</u>	<u>\$ 2,397,357</u>

Note 7. Line of credit

As of June 30, 2018, the Organization had a demand line of credit with People's United Bank with a borrowing capacity of \$850,000, which is available through March 29, 2019. Interest accrued on the outstanding principal balance is payable monthly at the Wall Street Journal Prime plus 1.50% (effective rate of 6.00% at June 30, 2018). The outstanding balance on the line at June 30, 2018 was \$0. The line of credit is secured by all business assets and real estate.

As of June 30, 2017, the Organization had a demand line of credit with People's United Bank with a borrowing capacity of \$850,000, which was available through March 2018. Interest accrued on the outstanding principal balance was payable monthly at the Wall Street Journal Prime plus 1.50% (effective rate of 5.25% at June 30, 2017). The outstanding balance on the line at June 30, 2017 was \$0. The line of credit was secured by all business assets and real estate.

Note 8. Interest rate swap

During 2016, the Organization entered into an interest rate swap agreement with People's United Bank that effectively fixes the interest rate on the outstanding principal of the Banks term note at 3.045%.

Under the arrangement, the notional principal amount is the balance of the note, with the Organization receiving floating payments of one month London InterBank Offered rate ("LIBOR") plus .69% and paying a fixed rate of 3.045%.

The agreement matures August 2025 and has a notional amount of \$2,755,230 and \$2,860,230 at June 30, 2018 and 2017, respectively.



THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
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Note 8. Interest rate swap (continued)

In accordance with Generally Accepted Accounting Principles, the interest rate swap agreement is recorded at its fair value as an asset or liability, with the changes in fair value being reported as a component of the change in unrestricted net assets. For the year ending June 30, 2018 and 2017, the Organization reported an interest rate swap asset of \$48,533 and liability of \$37,053 on the statement of financial position and a fair value gain / (loss) on the interest rate swap of \$85,586 and \$148,152 on the statement of activities, respectively. The fair value gain / (loss) is reported as a non-operating expense of the Organization and is a non-cash transaction.

Note 9. Employee benefit plan

Discretionary matching contributions to a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code are contingent upon financial condition. This program covers eligible regular full-time and part-time employees who have successfully completed at least one year of employment and work at least 20 hours per week. Eligible employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Employer contributions totaled \$99,861 and \$94,737 for the years ending June 30, 2018 and 2017, respectively.

Note 10. Commitments and contingencies

The Mental Health Center for Southern New Hampshire, d/b/a CLM Center for Life Management, has entered into an agreement with Parkland Medical Center ("PMC") of Derry, New Hampshire, which requires that CLM provide psychiatric services and consultations to inpatients of PMC for the hospital medical and nursing staff. The consultations are requested by the hospital and responded to by CLM medical staff on an on-call basis.

In addition to the psychiatric services, CLM provides emergency mental health assessments, evaluations, and referral services to the emergency department ("ED") of the hospital. CLM emergency service clinicians are available on a twenty-four hour, seven days a week basis to see patients entering the ED who are experiencing a mental health crisis or psychiatric emergency.

The original agreement expired May 31, 2018, however, a new agreement was effective July 1, 2018. The new agreement is effective for an initial one year term and may be renewed for up to two additional one year terms.

For the years ending June 30, 2018 and 2017, the Agency received approximately 72% and 67%, respectively, of its total revenue in the form of Medicaid reimbursements. Being a State of New Hampshire designated Community Mental Health Center affords the Agency Medicaid provider status. Annual contracting with New Hampshire Department of Health and Human Services-Bureau of Behavioral Health provides a base allocation of state general funds are taken as grant funds which are drawn as related expenses are incurred. Medicaid is comprised of 50% Federal funds and 50% New Hampshire State matching funds..

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Note 11. Lease commitments

The Agency leases facilities and multiple copier agreements under various operating leases. Rent expense recorded under these arrangements was approximately \$157,000 and \$141,000 for the years ended June 30, 2018 and 2017, respectively.

The following details the future minimum lease payments on leases with an initial or remaining term of greater than one year as of June 30, 2018:

<u>Year ending June 30,</u>	
2019	\$ 120,612
2020	12,316
2021	2,157
2022	2,157
2023	<u>2,157</u>
Total	\$ <u>139,399</u>

SUPPLEMENTARY INFORMATION

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES

Consolidating Statement of Position

June 30, 2018

Center for Life

CLM

Management

Foundation

Total

Eliminations

Consolidated

**ASSETS**

Current assets:

Cash and cash equivalents	\$ 1,429,298	\$ 210,777	\$ 1,640,075	\$ -	\$ 1,640,075
Accounts receivable, net	864,230	-	864,230	-	864,230
Other receivables	144,815	-	144,815	-	144,815
Prepaid expenses	80,753	-	80,753	-	80,753
Security deposit	11,087	-	11,087	-	11,087
Total current assets	2,530,183	210,777	2,740,960	-	2,740,960

Property and equipment, net

3,656,665 - 3,656,665 - 3,656,665

Other assets:

Interest rate swap agreement 48,533 - 48,533 - 48,533

Total assets \$ 6,235,381 \$ 210,777 \$ 6,446,158 \$ - \$ 6,446,158

**LIABILITIES AND NET ASSETS**

Current liabilities:

Current portion of long-term debt	\$ 88,538	\$ -	\$ 88,538	\$ -	\$ 88,538
Accounts payable	53,554	-	53,554	-	53,554
Accrued payroll and payroll liabilities	375,055	-	375,055	-	375,055
Accrued vacation	327,657	-	327,657	-	327,657
Accrued expenses	13,319	-	13,319	-	13,319
Deferred revenue	7,580	-	7,580	-	7,580
Total current liabilities	865,703	-	865,703	-	865,703

Long term liabilities:

PMPM reserve	112,737	-	112,737	-	112,737
Long-term-debt less current portion	2,308,819	-	2,308,819	-	2,308,819
Total long term liabilities	2,421,556	-	2,421,556	-	2,421,556
Total liabilities	3,287,259	-	3,287,259	-	3,287,259

Net assets - unrestricted

2,948,122 210,777 3,158,899 - 3,158,899

Total liabilities and unrestricted net assets \$ 6,235,381 \$ 210,777 \$ 6,446,158 \$ - \$ 6,446,158

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES

Consolidating Statement of Position

June 30, 2017

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 877,779	\$ 182,530	\$ 1,060,309	\$ -	\$ 1,060,309
Accounts receivable, net	874,385	-	874,385	-	874,385
Other receivables	116,163	-	116,163	-	116,163
Prepaid expenses	93,249	-	93,249	-	93,249
Security deposit	11,087	-	11,087	-	11,087
Total current assets	1,972,663	182,530	2,155,193	-	2,155,193
Property and equipment, net	3,808,664	-	3,808,664	-	3,808,664
Total assets	<u>\$ 5,781,327</u>	<u>\$ 182,530</u>	<u>\$ 5,963,857</u>	<u>\$ -</u>	<u>\$ 5,963,857</u>

**LIABILITIES AND NET ASSETS**

Current liabilities:					
Current portion of long-term debt	\$ 86,038	\$ -	\$ 86,038	\$ -	\$ 86,038
Accounts payable	81,794	-	81,794	-	81,794
Accrued payroll and payroll liabilities	364,814	-	364,814	-	364,814
Accrued vacation	292,305	-	292,305	-	292,305
Accrued expenses	12,500	-	12,500	-	12,500
Deferred revenue	7,580	-	7,580	-	7,580
Total current liabilities	845,031	-	845,031	-	845,031
Long term liabilities					
Interest rate swap agreement	37,053	-	37,053	-	37,053
Long-term-debt less current portion	2,397,390	-	2,397,390	-	2,397,390
Total long term liabilities	2,434,443	-	2,434,443	-	2,434,443
Total liabilities	3,279,474	-	3,279,474	-	3,279,474
Net assets - unrestricted	2,501,853	182,530	2,684,383	-	2,684,383
Total liabilities and unrestricted net assets	<u>\$ 5,781,327</u>	<u>\$ 182,530</u>	<u>\$ 5,963,857</u>	<u>\$ -</u>	<u>\$ 5,963,857</u>

See Independent Auditor's Report

**THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE**  
**D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES**  
Consolidating Statement of Activities  
For the Year Ended June 30, 2018

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
<b>Public support and revenues:</b>					
Public support:					
Federal	\$ 1,005,755	\$ -	\$ 1,005,755	\$ -	\$ 1,005,755
State of New Hampshire - BBH	316,921	-	316,921	-	316,921
State and local funding	43,602	-	43,602	-	43,602
Other public support	66,499	64,673	131,172	-	131,172
Total public support	1,432,777	64,673	1,497,450	-	1,497,450
Revenues:					
Program service fees, net	12,364,822	-	12,364,822	-	12,364,822
Other service income	467,403	-	467,403	-	467,403
Rental income	4,985	-	4,985	-	4,985
Other	39,231	-	39,231	-	39,231
Total revenues	12,876,441	-	12,876,441	-	12,876,441
Total public support and revenues	14,309,218	64,673	14,373,891	-	14,373,891
<b>Operating expenses:</b>					
BBH funded programs:					
Children	4,859,070	-	4,859,070	-	4,859,070
Elders	282,131	-	282,131	-	282,131
Vocational	234,156	-	234,156	-	234,156
Multi-Service	2,609,377	-	2,609,377	-	2,609,377
Acute Care	775,806	-	775,806	-	775,806
Independent Living	2,226,618	-	2,226,618	-	2,226,618
Assertive Community Treatment	835,083	-	835,083	-	835,083
Non-Specialized Outpatient	980,645	-	980,645	-	980,645
Non-BBH funded program services	96,069	36,426	132,495	-	132,495
Total program expenses	12,898,955	36,426	12,935,381	-	12,935,381
Administrative expenses	1,049,580	-	1,049,580	-	1,049,580
Total expenses	13,948,535	36,426	13,984,961	-	13,984,961
Change in net assets from operations	360,683	28,247	388,930	-	388,930
<b>Non-operating expenses:</b>					
Fair value gain on interest rate swap	85,586	-	85,586	-	85,586
Change in net assets	446,269	28,247	474,516	-	474,516
Net assets, beginning of year	2,501,853	182,530	2,684,383	-	2,684,383
Net assets, end of year	\$ 2,948,122	\$ 210,777	\$ 3,158,899	\$ -	\$ 3,158,899

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Consolidating Statement of Activities  
For the Year Ended June 30, 2017

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
<b>Public support and revenues:</b>					
Public support:					
Federal	\$ 744,203	\$ -	\$ 744,203	\$ -	\$ 744,203
State of New Hampshire - BBH	518,471	-	518,471	-	518,471
State and local funding	44,601	-	44,601	-	44,601
Other public support	105,760	42,278	148,038	-	148,038
Total public support	1,413,035	42,278	1,455,313	-	1,455,313
Revenues:					
Program service fees, net	11,514,943	-	11,514,943	-	11,514,943
Other service income	422,362	-	422,362	-	422,362
Rental income	4,798	-	4,798	-	4,798
Other	20,038	-	20,038	-	20,038
Total revenues	11,962,141	-	11,962,141	-	11,962,141
Total public support and revenues	13,375,176	42,278	13,417,454	-	13,417,454
<b>Operating expenses:</b>					
BBH funded programs:					
Children	4,450,932	-	4,450,932	-	4,450,932
Elders	243,821	-	243,821	-	243,821
Vocational	229,971	-	229,971	-	229,971
Multi-Service	2,329,607	-	2,329,607	-	2,329,607
Acute Care	745,489	-	745,489	-	745,489
Independent Living	1,876,360	-	1,876,360	-	1,876,360
Assertive Community Treatment	678,106	-	678,106	-	678,106
Non-Specialized Outpatient	1,370,779	-	1,370,779	-	1,370,779
Non-BBH funded program services	148,951	18,387	167,338	-	167,338
Total program expenses	12,074,016	18,387	12,092,403	-	12,092,403
Administrative expenses	1,089,423	-	1,089,423	-	1,089,423
Total expenses	13,163,439	18,387	13,181,826	-	13,181,826
Change in net assets from operations	211,737	23,891	235,628	-	235,628
<b>Non-operating expenses:</b>					
Fair value loss on interest rate swap	148,152	-	148,152	-	148,152
Change in net assets	359,889	23,891	383,780	-	383,780
Net assets, beginning of year	2,141,964	158,639	2,300,603	-	2,300,603
Net assets, end of year	\$ 2,501,853	\$ 182,530	\$ 2,684,383	\$ -	\$ 2,684,383

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES  
Analysis of Accounts Receivable  
For the Year Ended June 30, 2018

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Change in Allowance	Accounts Receivable End of Year
Clients	\$ 310,035	\$ 1,296,179	\$ (364,667)	\$ (909,235)	\$ -	\$ 332,312
Insurance companies	136,783	1,962,853	(893,278)	(1,061,550)	-	144,808
Medicaid	494,240	11,924,477	(1,980,508)	(9,897,459)	-	540,750
Medicare	142,205	628,346	(208,580)	(491,063)	-	70,908
Allowance	(208,878)	-	-	-	(15,670)	(224,548)
Total	<u>\$ 874,385</u>	<u>\$ 15,811,855</u>	<u>\$ (3,447,033)</u>	<u>\$ (12,359,307)</u>	<u>\$ (15,670)</u>	<u>\$ 864,230</u>

See Independent Auditor's Report



THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT  
Schedule of Program Revenues and Expenses  
For the Year Ended June 30, 2018

	Children	Elder	Vocational	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	Non-Specialized Outpatient	Other Non-BEH	Total Program Services	Administrative	Total Agency
<b>Public support and revenues:</b>												
Public support:												
Federal	\$ 76,300	\$ -	\$ -	\$ -	\$ 60,923	\$ 756,032	\$ 112,500	\$ -	\$ -	\$ 1,005,755	\$ -	\$ 1,005,755
State of New Hampshire - BEH	89,637	-	-	26,653	60,923	2,000	112,500	25,208	-	316,921	-	316,921
State and local funding	14,538	-	-	-	-	-	-	14,538	14,526	43,602	-	43,602
Other public support	672	60	44	371	133	252	109	61,113	568	63,322	3,177	66,499
Total public support	181,147	60	44	27,024	121,979	758,284	225,109	100,859	15,094	1,429,600	3,177	1,432,777
<b>Revenues:</b>												
Program service fees, net	5,557,379	520,735	190,868	3,268,342	361,910	1,452,537	567,804	445,772	275	12,364,822	-	12,364,822
Other service income	84,630	35,613	-	250	274,970	324	-	23,055	47,641	466,483	920	467,403
Rental income	854	-	-	1,569	854	854	-	854	-	4,985	-	4,985
Other	30,304	325	364	2,209	325	544	918	220	200	35,409	3,822	39,231
Total revenues	5,673,167	556,673	191,232	3,272,370	638,059	1,454,259	567,922	469,801	48,116	12,871,699	4,742	12,876,441
Total public support and revenues	5,854,314	556,733	191,276	3,299,394	760,038	2,212,543	793,031	570,760	63,210	14,301,299	7,919	14,309,218
Total expenses	5,254,682	305,079	253,201	2,821,626	838,909	2,407,738	903,010	1,060,410	103,880	13,948,535	-	13,948,535
Change in net assets from operations	599,632	251,654	(61,925)	477,768	(78,871)	(195,195)	(109,979)	(489,650)	(40,670)	352,764	7,919	360,683
<b>Non-operating revenues:</b>												
Fair value gain on interest rate swap	-	-	-	-	-	-	-	-	-	-	85,586	85,586
Change in net assets	\$ 599,632	\$ 251,654	\$ (61,925)	\$ 477,768	\$ (78,871)	\$ (195,195)	\$ (109,979)	\$ (489,650)	\$ (40,670)	\$ 352,764	\$ 93,505	\$ 446,269

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE  
D/B/A CLM CENTER FOR LIFE MANAGEMENT  
Schedule of Program Expenses  
For the Year Ended June 30, 2018

	Children	Elder	Vocational	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	non-Specialized Outpatient	Other Non-RBH	Total Program Services	Administrative	Total Agency
Personnel costs:												
Salaries and wages	\$ 3,281,850	\$ 181,606	\$ 136,384	\$ 1,813,693	\$ 581,186	\$ 1,022,254	\$ 544,273	\$ 649,251	\$ 60,900	\$ 8,271,397	\$ 679,212	\$ 8,950,609
Employee benefits	639,679	58,197	55,224	407,059	69,889	266,730	118,061	123,877	11,640	1,770,356	136,304	1,906,660
Payroll taxes	234,369	13,191	8,633	128,933	42,269	71,879	38,903	46,644	4,371	589,194	48,580	637,774
Accounting/audit fees	18,883	1,128	1,053	9,962	3,058	8,353	3,328	3,849	630	30,268	4,910	35,178
Advertising	6,664	549	477	3,501	1,276	2,586	1,153	1,666	424	18,296	2,626	20,922
Conferences, conventions and meetings	9,176	385	294	5,075	1,574	2,289	2,416	5,920	133	27,262	11,456	38,718
Depreciation	70,150	4,181	3,914	36,991	11,354	31,028	12,357	14,304	2,418	186,697	18,240	204,937
Equipment maintenance	5,329	318	297	2,810	862	2,357	939	1,087	184	14,183	1,385	15,568
Equipment rental	15,754	635	613	6,529	3,379	4,858	1,935	3,960	379	38,062	2,996	41,058
Insurance	22,935	1,552	1,343	13,883	3,939	9,738	3,954	4,961	1,022	63,347	6,898	70,245
Interest expense	36,218	2,157	2,021	19,098	5,861	16,016	6,380	7,382	1,349	96,382	9,417	105,799
Legal fees	14,266	1,274	939	7,876	2,827	5,349	6,490	3,558	1,027	43,606	4,071	47,677
Membership dues	20,010	1,235	927	8,538	3,341	5,636	2,343	3,827	2,393	48,330	8,218	56,548
Occupancy expenses	164,107	2,745	2,265	40,520	6,632	616,862	8,117	53,362	1,953	896,565	10,053	906,620
Office expenses	72,682	3,214	4,090	28,540	10,936	30,098	22,190	18,736	2,448	192,934	20,508	213,442
Other expenses	7,634	412	426	3,849	1,991	2,883	1,312	2,459	718	21,684	17,866	39,550
Other professional fees	97,506	5,767	5,399	52,594	17,673	52,913	16,993	20,286	3,354	272,485	35,732	308,217
Program supplies	32,132	1,435	2,935	13,591	6,698	7,223	7,269	12,197	760	84,240	8,943	93,183
Travel	89,704	2,130	6,920	6,333	1,021	67,566	36,630	3,319	44	213,667	2,162	215,830
	4,859,070	282,131	234,156	2,609,377	775,806	2,226,618	835,083	980,645	96,069	12,898,955	1,049,580	13,948,535
Administrative allocation	395,612	22,948	19,045	212,249	63,103	181,120	67,927	79,765	7,811	1,049,580	(1,049,580)	-
Total program expenses	\$ 5,254,682	\$ 305,079	\$ 253,201	\$ 2,821,626	\$ 838,909	\$ 2,407,738	\$ 903,010	\$ 1,060,410	\$ 103,880	\$ 13,948,535	\$ -	\$ 13,948,535

See Independent Auditor's Report



**BOARD OF DIRECTORS FY2019**

**Ron Lague**  
Chairperson

(978) 649-2155  
[ron@korbeylague.com](mailto:ron@korbeylague.com)

**Elizabeth Roth**  
Vice Chair

(603) 893-9260  
[eroth@rothlawyers.com](mailto:eroth@rothlawyers.com)

**Judi Ryan**  
Secretary

(603) 898-2278  
[jryan24112@comcast.net](mailto:jryan24112@comcast.net)

**Jeffrey Rind, MD**

(603) 434-3525  
[jdrnd@comcast.net](mailto:jdrnd@comcast.net)

**Gail Corcoran**

(603) 898-4272  
[gbchr@comcast.net](mailto:gbchr@comcast.net)

**Vic Topo**  
President & CEO

(603) 965-0729  
[vtopo@clmnh.org](mailto:vtopo@clmnh.org)

**Vernon Thomas**

(603) 437-0152  
[vthomas@derrynhpolice.com](mailto:vthomas@derrynhpolice.com)

**Susan Davis**

(603) 887-3040  
[susandavisnh99@gmail.com](mailto:susandavisnh99@gmail.com)

**David Hebert**

(603) 310-9220  
[dhebert@nhhfa.org](mailto:dhebert@nhhfa.org)

**James Morgan**

(603) 818-8778  
[jmorgan@semigen.net](mailto:jmorgan@semigen.net)

**Marla Gudinas**

(603) 641-4145  
[maria.gudinas@unh.edu](mailto:maria.gudinas@unh.edu)

**Christopher Peterson,**  
MD

(603) 490-4497  
[cpeterson.advocacy@gmail.com](mailto:cpeterson.advocacy@gmail.com)

# VICTOR TOPO

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## President/Chief Executive Officer

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Successful 27-year career as clinician, manager and CEO in community mental health organizations located in Ohio and New Hampshire. Proven ability to lead board and staff with a persistent focus on mission and achieving results. Talent for exploring new and innovative approaches to delivering traditional and non-traditional behavioral health care. Possess wide range of knowledge and experience with all service populations, especially vulnerable persons at high risk. Strengths include:

- Operations
- Reorganization and Reinvention
- Team building and leadership
- Strategic planning
- Board Collaboration
- Joint ventures and strategic partnerships
- Strong relationship with funders
- Community building

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## Professional Experience

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**Center for Life Management – Derry, NH**

**1999 – Present**

**President/Chief Executive Officer**

Recruited to manage 501(c) 3 comprehensive community mental health center and its title holding 501(c) 2 corporation, entitled West Rock Endowment Association. Began with revenues of 6.5 million and increased to 9 million. Restructured senior management increasing direct reports from three to six.

Key results:

- Consolidation of three outpatient offices into one newly constructed 28,000 sq. ft. facility.
- Established closer connection with surrounding community utilizing aggressive public relations strategy.
- Guided Board of Directors toward more accountability including higher expectation from management and individual board members.
- Initiated and created Fund Development which then led to creation of CLM Foundation.
- Initiated and implemented Corporate Compliance Program, including selection of corporate compliance officer.
- Facilitated joint venture with Manchester Mental Health Center involving medical services.
- Created and implemented strategy to integrate mental health care with physical health care.
- In partnership with CIO, developed and successfully implemented first in the state Electronic Health Record (EHR) called webAISCE.

**Pathways, Inc. – Mentor, OH**

**1988 - 1999**

**Chief Executive Officer/Executive Director**

Started with managing a small single purpose case management agency with revenues of \$486,000 and over 11 years grew revenues to 4 million by expanding services to chronically mentally ill consumers. Created senior management team and strengthened Board of Directors utilizing shared vision approach.

Key results:

- In collaboration with mental health board designed one of Ohio's first 24 hour 7 days a week in-home crisis stabilization program called C.B.S. (Community Based Stabilization).
- Assumed leadership role in transitioning 32 long-term patients back to our

## **VICTOR TOPO**

-Page 2-

- Positioned organization every year to competitively bid on ever/service provided and be awarded the service contract. Expanded wide range of services that include psychiatry, counseling, emergency services and housing.
- Created county's only Atypical Neuroleptic Medication Program (e.g. Clozaril).
- Pathways' first long range strategic plan in 1992.
- Increased Medicaid revenue from \$38,000 in 1989 to \$431,210 in 1997.

### **Community Counseling Center – Ashtabula, OH**

1983-1988

#### **Case Management Supervisor/Case Manager**

Provided direct services and supervision for services to severely mentally disabled persons in the community. Partnered with local private hospital as well as state hospital.

##### **Key results:**

- Transitioned consumers back into supervised and independent living.
  - Recruited, trained and managed staff of five case managers.
  - Designed and implemented agency's first case management program.
- 

## **EDUCATION**

### **Master of Social Work (MSW)**

West Virginia University, Morgantown, WV

### **Bachelor of Arts (BA)**

Siena College, Loudonville, NY

### **Associate of Applied Science (AAS)**

Fulton-Montgomery Community College, Johnstown, NY

## **BOARD/LEADERSHIP POSITIONS**

**Heritage United Way – Board of Directors**

**Mental Health Commission – Co-Chair**

Consumers and Families Work Group

**Statewide Evidenced Based Practice Committee – Co-Chair**

**Greater Salem Chamber of Commerce – Board of Directors**

**Greater Derry/Londonderry Chamber of Commerce – Board of Directors**

**Greater Derry/Salem Regional Transportation Council (RTC) -**

Chairman, Board of Directors, Derry, NH

**Greater Salem Leadership Program – Graduate, Class of 2001**

**Michael J. Bergeron**

**PROFESSIONAL PROFILE:**

- Thirty-five plus years of extensive clinical background and skills combined with proven administrative and financial management experience. Reputation for high integrity, loyalty, dependability, hard work, dedication, attention to detail, and goal achievement. Proven history of successful program development.

**EXPERIENCE:**

**CLM Center for Life Management, Salem, NH** 9/99--Present  
**Vice President, Chief Financial Officer**

- Executive/administrative responsibility for Finance, Accounting, Accounts Receivable, Accounts Payable, Payroll, and Facilities/Operations. Primary responsibilities for fiscal management and reporting and regulatory compliance, budget development, monitoring and management, state & vendor contracting, employee benefits negotiations, facilities management and financing, board reporting, and lender relations.

**CLM Center for Life Management, Salem, NH** 11/87--9/99  
**Director, Case Management Services**

- Complete administrative, operational, and supervisory responsibility for the initial development and ongoing management of discrete case management services within the context of a multi-disciplinary treatment team model of community support programs. Led the expansion of this service to all populations, and guided transformation from a fully funded to a revenue generating service with \$1.4 million of annual billing and significant budget surpluses. Assisted with the design and development of customized network database system for case management and clinical desk top applications. Responsible for State audits resulting in ninety-five plus percent contract compliancy ratings. Member of management council, budget committee, strategic planning group, mission statement work group, communication committee, TBS TQM initiative, and invited by the Board to the CEO search committee.

**Hampstead Hospital, Hampstead, NH** 10/76--10/87  
**Senior Psychiatric Counselor**

- Provided individual, group, and family counseling as well as milieu management services and staff training. Instrumental in the expansion of the counseling role and responsibility. Appointed senior counselor by the Medical Director in recognition of this initiative and overall performance.

**Prudential Insurance Company, Lawrence, MA** 9/75--10/76  
**Special Agent**

- Sales and marketing of complete insurance portfolio including life, health, property-casualty, and retirement.

**Raytheon Company, Andover, MA** 5/73--3/75  
**Government Property Coordinator**

- Management of utilization and disposition of government property, facilities, tooling, and test equipment in accordance with contract stipulations.

**Holy Family Hospital, Methuen, MA** 6/70--6/72  
**Psychiatric Counselor**

- Provided individual, group, and family counseling. Assisted with other indicated medical procedures such as electroconvulsive therapy, and participated in milieu management and activities.

**EDUCATION:**

- New Hampshire College, Graduate School of Business, Manchester, NH  
M.B.A. Degree 1987
- Fitchburg State College, Graduate School of Guidance and Counseling, Fitchburg, MA  
18 Graduate Hours in Counseling 1973
- Nathaniel Hawthorne College, Antrim, NH  
B.A. Degree 1971

**LICENSES AND PROFESSIONAL AFFILIATIONS:**

- Licensed Certified Social Worker, Massachusetts License #3028-2-051-181
- Member in Good Standing National Association of Social Workers

# Steve Arnault

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## Objective

To obtain a position where I can maximize my multilayer of management skills, quality assurance, program development, experience as an educator, customer service, and a successful track record in the health care environment.

## Professional Experience

Lead

Healthcare Systems Align, LLC  
Nottingham, NH

1/2010 - Present

[Healthcare Systems Align.com](http://HealthcareSystemsAlign.com)

- Provide consultation to agencies, medical practices and practitioners to establish systems of integrated healthcare that includes practice patterns, billing strategies, quality and compliance strategy, policy development, outcome measurement and supervision.

VP of Quality, Compliance

Center for Life Management, Derry, NH  
[www.centerforlifemanagement.org](http://www.centerforlifemanagement.org)

1/2009 - Present

- Senior management position in mental health center serving 6000 consumers. Responsibilities include development, implementation and monitoring of strategies and systems to continuously improve the quality of services to consumers. Assure compliance to state and federal regulations.
- Develop and maintain systems to assure fidelity to evidence based practices.
- Continuous development of EMR and associated staff training.
- Establish and maintain outcome measures and their incorporation into QI/UR initiatives.
- Develop and implement projects to improve the quality of care.
- Chair of agency Safety Committee.

Director, Behavioral Health Services

Portsmouth Regional Hospital  
Portsmouth, NH

1/2006 - 12/2009

- Responsible for clinical, administrative and fiscal management of service line which includes 22 bed inpatient psychiatric unit, Psychiatric Assessment and Referral Service and interdepartmental service. Supervision of an Assistant Director and Coordinator. Responsible for 85 staff. Oversee the integration of behavioral health into primary care. Manage annual budget of 10.5 million dollars.
- Chair Directors Operations Meeting. Coordinate monthly meeting of hospital departmental directors.
- Co-chair of Patient Flow Committee. Analysis and development of data systems to monitor patient throughput. Develop and implement strategies to improve the efficiency of care.



# Steve Arnault

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## Teaching & Educational Experience

Assistant Director / Residential Resources; Keene, NH 1/1989 - 1/1992  
Behavioral Specialist

- Directed all administrative, fiscal and clinical activities for 5 group homes and 3 supported living arrangements serving people with developmental disabilities. Provide behavioral consultation to individuals with behavioral/functional challenges.

Behavioral Specialist / The Center for Humanistic Change 8/1986 - 1/1989  
Clinical Supervisor Manchester, NH

- Provide behavioral consultation to individuals facing behavioral/functional challenges in group homes, day programs, vocational and family settings. Supervised 2 clinicians.

House Manager Greater Lawrence Psychological Center 6/1984 - 8/1986  
Lawrence, MA

- Administrative, clinical and financial management of a group home serving 4 men with severe and persistent mental illness.

Adjunct Faculty New England College; Henniker, NH 9/1994 - Present  
[www.nec.edu](http://www.nec.edu)

- Teach graduate and undergraduate courses in psychology, counseling, program development and evaluation

Director of Masters Degree Program in New England College; Henniker, NH 1/1998 - 3/2002  
Mental Health Counseling

- Developed and implemented curriculum for degree program.
- Oversight of curriculum to insure quality, academic standards and student retention.
- Development and execution of marketing plan.
- Provided academic advising and mentoring to students.
- Faculty recruitment, supervision and monitoring of academic quality

Curriculum Consultant New England College; Henniker, NH Fall 2012 - Present

- Developed curricula for a certificate and C.A.G.S. in the integration of behavioral health into primary medicine.

# Steve Arnault

Curriculum Consultant      Bruce Mast and Associates; Portsmouth, NH      Fall 2008 –  
[www.bmaleadership.com](http://www.bmaleadership.com)      Spring 2010

- Co-authored Masters of Science Degree in Healthcare Transformative Leadership.
- Marketed degree to colleges, worked with senior administrations toward implementation, wrote course descriptions for academic catalogues, recruited faculty.
- Judge for BusinessNH Magazine's 10 Best Companies to Work For contest, 2010-2012. Lead Judge for last two years

<b>Education</b>	Masters of Arts Counseling Psychology	Antioch New England Graduate School Keene, NH	1989
	Bachelor of Arts Psychology	Plymouth State College; Plymouth, NH	1984

SeaCare Health Services  
[WWW.Seacarehealthservices.org](http://WWW.Seacarehealthservices.org)

<b>Community Service</b>	Board	8/2012- Present
	July 2008-November 2009	

## Publications

Hudgins, C., Rose, S., Fifield, P.Y., Arnault, S., (2014). The Ethics of Integration: Where Policy and Practice Collide. In Hodgson, J., Lamson, A., Mendenhall, T., Russell Crane, D. (eds) Medical Family Therapy: Advanced Applications. (First Edition, pp. 381-401) Dordrecht, Switzerland, Springer International Publishing.

Hudgins, C., Rose, S., Fifield, P.Y., Arnault, S., (2013). Navigating the ethical foundations of informed consent and confidentiality in integrated primary care. *Families, Systems, & Health*. 31, 9-19

KENNETH M. BROWN, M.D., M.P.H.

**EMPLOYMENT:**

1996 to Present	Hampstead Hospital Staff Psychiatrist ---Evaluations, treatment, individual therapy, family therapy, medication management, utilization review, staff development and education, patient safety committee for Adult, Adolescent and Child patients.	Hampstead, NH
2012 to Present	Hampstead Hospital Medical Director Recovery Matters --Acute Residential Treatment program for substance abuse disorders.	Hampstead, NH
1996 to Present	Private Practice --Outpatient medication management, individual therapy, consultation, adult, adolescent and child --Vivitrol injection clinic for alcohol and opiate dependence	Hampstead, NH
2001 to 2009	Hampstead Hospital Medical Director	Hampstead, NH
2009 to 2013	Center for Life Management Community Mental Health Center --Evaluations, medication management, treatment team focus, consultations Child and Adolescent Psychiatry and Adult Substance Abuse	Derry, NH
2006 to 2010	Specialized Behavioral Health Consultants Psychiatric consultations at various contracted nursing homes in Rockingham County, New Hampshire	
1997 to 2000	Center for Life Management Community Mental Health Center --Evaluations, medication management, treatment team focus, consultations Child and Adolescent Psychiatry	Salem, NH

## **EDUCATION**

- 1994 to 1996 CHILD AND ADOLESCENT PSYCHIATRY FELLOWSHIP  
University of Miami/ Jackson Memorial Hospital  
Miami, Florida
- 1991 to 1994 GENERAL PSYCHIATRY RESIDENCY  
Medical University of South Carolina  
Charleston, South Carolina
- 1987 to 1991 DOCTOR OF MEDICINE  
Tulane University School of Medicine  
New Orleans, Louisiana
- 1987 to 1991 MASTERS IN PUBLIC HEALTH  
Tulane University School of Public Health and Tropical Medicine  
New Orleans, Louisiana
- 1983 to 1987 BACHELOR IN SCIENCE ENGINEERING  
BIOMEDICAL ENGINEERING  
Tulane University College of Engineering  
New Orleans, Louisiana
- 1985 to 1986 TULANE UNIVERSITY HONOR SCHOLAR YEAR ABROAD  
University of Southampton  
Southampton, England

## **ACADEMIC AFFILIATION**

- 2005 - Present MASSACHUSETTS COLLEGE OF PHARMACY AND HEALTH APPLIED  
SCIENCES  
--Preceptor for Psychiatry rotation for Physician Assistant students
- 1999 - 2003 DARTMOUTH UNIVERSITY  
Lebanon, New Hampshire  
Adjunct Professor in Clinical Research

## **RESEARCH**

2000 - 2003

### **ACCESS CLINICAL TRIALS (sub-investigator)**

A three week multicenter, randomized, double blind, placebo controlled, parallel group safety and efficacy study of extended release carbamazepine in patients with bipolar disorder. (SHIRE Laboratories)

A three week multicenter, randomized, double blind, placebo controlled, parallel group safety and efficacy study of extended release carbamazepine in Lithium Failure Patients patients with bipolar disorder. (SHIRE Laboratories)

A double blind, parallel study of the safety, tolerability and preliminary efficacy of flutamide compared to placebo in patients with anorexia nervosa. (VELA Pharmaceuticals, Inc.)

A phase III, randomized, double blind, placebo controlled study of safety and efficacy of C-1073 (Mifepristone) in patients with major depressive disorder with psychotic features who are not receiving antidepressants or antipsychotics. (CORCEPT Therapeutics, Inc.)

Olanzapine versus Ziprasidone in the treatment of schizophrenia (Eli Lilly and Company)

A Multicenter, randomized, double blind study of aripiprazole versus placebo in the treatment of acutely manic patients with bipolar disorder. (Bristol-Meyers-Squibb Pharmaceutical Research Institute)

## **PUBLICATIONS AND POSTER PRESENTATIONS**

Bupropion Sustained Release in Adolescents with Comorbid Attention Deficit/ Hyperactivity Disorder and Depression. Davis, Bentivoglio, Racusin, Brown, et al. J.A.M.Acad. Child Adolescent Psychiatry, 40:3, March 2001

A Retrospective Study of Citalopram in Adolescents with Depression. Bostic, Prince, Brown, Place. Journal of Child and Adolescent Psychopharmacology 2001; 11; 159-166

Citalopram for the Treatment of Adolescent Anxiety Disorders: A Pilot Study. Prince, Bostic, Monteaux, Brown, Place. Pharmacology Bulletin 2002; 36: 100-107.

2001 Citalopram in Adolescents with Mood and Anxiety Disorder: A Chart Review. Presented at the Annual Meeting of the American Psychiatric Association, New Orleans, LA 5.9.2001

2001 Citalopram in Adolescents with Mood and Anxiety Disorders. Presented at the Annual Meeting of NCDEU, Phoenix, AZ 5.29.01

2001 Citalopram in Adolescents with Mood, Anxiety and Comorbid Conditions. Presented at the Annual Meeting of American Psychiatric Association 2001 Institute on Psychiatric Services, Orlando, FL 10.11.01

## **STATE LICENSURE**

ACTIVE: New Hampshire

INACTIVE: Louisiana                      South Carolina                      Maine  
Florida

**CLM CENTER FOR LIFE MANAGAEMNT**

**Key Personnel**

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Vic Topo	President & CEO	\$160,854	32 %	\$51,473
Michael Bergeron	Vice President & CFO	\$133,674	32 %	\$42,776
Steve Arnault	Vice President Operations, Quality & Compliance	\$118,821	32 %	\$38,023
Kenneth Brown	Medical Director	\$260,000	32 %	\$83,200

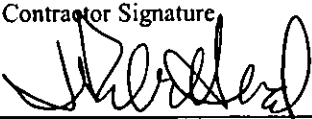
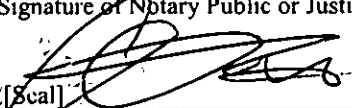
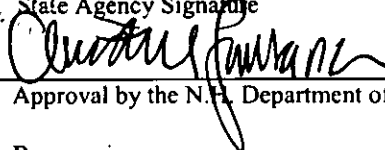

Subject: Continuum of Care, Coordinated Entry Program, SS-2020-BHS-05-Coord-04

**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.**

<b>1.1 State Agency Name</b> NH Department of Health and Human Services		<b>1.2 State Agency Address</b> 129 Pleasant Street Concord, NH 03301-3857	
<b>1.3 Contractor Name</b> Tri-County Community Action Program, Inc.		<b>1.4 Contractor Address</b> 30 Exchange Street Berlin, NH 03570	
<b>1.5 Contractor Phone Number</b> (603) 352-7512	<b>1.6 Account Number</b> 05-95-42-423010-7927-102-500731	<b>1.7 Completion Date</b> June 30, 2020	<b>1.8 Price Limitation</b> \$130,822
<b>1.9 Contracting Officer for State Agency</b> Nathan D. White, Director		<b>1.10 State Agency Telephone Number</b> 603-271-9631	
<b>1.11 Contractor Signature</b> 		<b>1.12 Name and Title of Contractor Signatory</b> Jeanne Robillard CEO	
<b>1.13 Acknowledgement:</b> State of <u>New Hampshire</u> , County of <u>Coos</u>  On <u>5/22/19</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.			
<b>1.13.1 Signature of Notary Public or Justice of the Peace</b> 		<b>CHRISTINA MORIN, Notary Public</b> State of New Hampshire My Commission Expires December 19, 2023	
<b>1.13.2 Name and Title of Notary or Justice of the Peace</b> Christina Morin Notary Public			
<b>1.14 State Agency Signature</b> 		<b>1.15 Name and Title of State Agency Signatory</b> Christina Santanillo, DEHS Director	
<b>1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)</b>  By: _____ Director, On: _____			
<b>1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable)</b>  By:  (K. Allen Brooks) On: <u>6/4/19</u>			
<b>1.18 Approval by the Governor and Executive Council (if applicable)</b>  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.




Exhibit A

**SCOPE OF SERVICES**

**Coordinated Entry Program**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:  
  
NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports (BHS), has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.7. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.
- 1.8. Failure to submit required reports or enter data into NH-HMIS in a timely fashion could result in the delay or withholding of reimbursements until such reports are received or data entries are confirmed by BHS.

  
5/22/19



## 2. Scope of Services

- 2.1. Based on the continued receipt/availability of federal funds from HUD Continuum of Care Program, the Contractor shall provide a Coordinated Entry program that shall serve approximately One Thousand Three Hundred (1300) homeless individuals or individuals at imminent risk of homelessness.
- 2.2. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 2.3. The Contractor shall support the primary goal of this program which is to identify and engage unsheltered homeless persons and persons at imminent risk of homelessness, and to provide basic interventions such as food and referrals to services and to facilitate their movement to shelter, permanent housing and maximum self-sufficiency.
- 2.4. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations, or at imminent risk of homelessness. The Contractor must obtain and retain appropriate documentation.
- 2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.
- 2.6. The contractor shall participate in their regional Coordinated Entry process.

## 3. Program Reporting Requirements

- 3.1. The Contractor shall submit the following reports:
  - 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract/Grant Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and
  - 3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

## 4. Contract Administration

- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.
- 4.3. All contract records (originals or copies made by microfilming, photocopying, or other similar methods) shall be retained for a period of five (5) years or as required by state or federal law, following completion of the contract and receipt of final payment by the Contractor, or until an audit is completed and all questions arising there from are resolved, whichever is later.

*JK*

5/22/19



**5. Performance Measures**

- 5.1. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and all terms and conditions, and amendments thereto, as detailed in the relevant fiscal year Notice of Funding Available (NOFA) CoC Project Application approved by HUD; and
  - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
  - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

*JAL*

5/22/19



New Hampshire Department of Health and Human Services  
Continuum of Care Program

Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Coordinated Entry Program**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
  - 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0096L1T001803
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Coordinated Entry
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$130,822
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Leasing Expenses: \$5,928
    - 1.2.8.2. Rental Assistance: \$0,000
    - 1.2.8.3. Operating Expenses: \$0,000
    - 1.2.8.4. Supportive Services: \$121,624
    - 1.2.8.5. Administrative Expenses: \$3,270
    - 1.2.8.6. Total program amount: \$130,822
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
  - 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:  
NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301

*JR*

5/22/19



**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.
- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule; Review by the State**

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
  - 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
  - 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
  - 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
  - 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.

*[Signature]*  
5/22/19





**New Hampshire Department of Health and Human Services  
Continuum of Care Program**

**Exhibit B**

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.

**3.4.5. Schedule of Payments:**

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingsupportsinvoices@dhhs.nh.gov](mailto:housingsupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.

**3.5. Review of the State Disallowance of Costs:**

- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

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**New Hampshire Department of Health and Human Services  
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**Exhibit B**

**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, and may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;

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- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;
- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

**5.4. Rental Assistance**

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

- 5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.
- 5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.
- 5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.
- 5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

**5.5. Administrative Costs:**

5.5.1. Eligible administrative costs include:

- 5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and
- 5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
  - 5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.
  - 5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:

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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

**5.6. Leasing:**

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

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**5.6.1. Requirements:**

- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8)
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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Continuum of Care Program**

**Exhibit B**

- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

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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.

New Hampshire Department of Health and Human Services  
Exhibit C



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
  - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
  - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
  - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (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

5/22/19



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

**20. Contract Definitions:**

- 20.1. **COSTS:** Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.
- 20.2. **DEPARTMENT:** NH Department of Health and Human Services.
- 20.3. **PROPOSAL:** If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the services and/or goods to be provided by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.
- 20.4. **UNIT:** For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.
- 20.5. **FEDERAL/STATE LAW:** Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from time to time.
- 20.6. **SUPPLANTING OTHER FEDERAL FUNDS:** Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.

*VL*

5/22/19



**REVISIONS TO STANDARD CONTRACT LANGUAGE**

**1. Revisions to Form P-37, General Provisions**

1.1. Section 4, Conditional Nature of Agreement, is replaced as follows:

**4. CONDITIONAL NATURE OF AGREEMENT.**


Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account in the event funds are reduced or unavailable.

1.2. Section 10, Termination, is amended by adding the following language:

- 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
- 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
- 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
- 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
- 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

**2. Renewal**

- 2.1. The Department reserves the right to extend this agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

  
Date 5/22/19



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**ALTERNATIVE I - FOR GRANTEEES OTHER THAN INDIVIDUALS**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner  
NH Department of Health and Human Services  
129 Pleasant Street,  
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
  - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
    - 1.2.1. The dangers of drug abuse in the workplace;
    - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
    - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
  - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
    - 1.4.1. Abide by the terms of the statement; and
    - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
  - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services  
Exhibit D



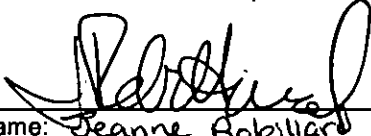
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
    - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
  - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

5/22/19  
Date

Vendor Name: Tri-County Community Action Programs, INC.

  
Name: Jeanne Robillard  
Title: CEO

)

Vendor Initials VR  
Date 5/22/19





**CERTIFICATION REGARDING LOBBYING**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- \*Temporary Assistance to Needy Families under Title IV-A
- \*Child Support Enforcement Program under Title IV-D
- \*Social Services Block Grant Program under Title XX
- \*Medicaid Program under Title XIX
- \*Community Services Block Grant under Title VI
- \*Child Care Development Block Grant under Title IV

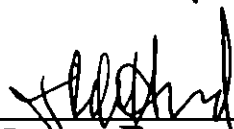
The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Vendor Name: Tri-County Community Action Programs, Inc.

5/22/19  
Date

  
Name: Jeanne Robillard  
Title: CEO



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION  
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**INSTRUCTIONS FOR CERTIFICATION**

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

#### PRIMARY COVERED TRANSACTIONS


11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
  - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).


#### LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
  - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name: Tri-County Community Action Programs, INC.

5/22/19  
Date

  
Name: Joanne Robillard  
Title: CEO

Vendor Initials   
Date 5/22/19



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO  
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND  
WHISTLEBLOWER PROTECTIONS**

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections; which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials

Date 5/22/19

New Hampshire Department of Health and Human Services  
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

5/22/19  
Date

Vendor Name: Tri-County Community Action Programs, Inc.


  
Name: Regine Robillard  
Title: CEO

Exhibit G

Vendor Initials JK

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name: Tri-County Community Action Programs, INC.

5/22/19  
Date

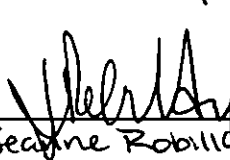
  
Name: Jeanne Robillard  
Title: CEO



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

The Vendor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Vendor and subcontractors and agents of the Vendor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

**(1 Definitions.**

- a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

*JM*

Date 5/22/19



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
  - I. For the proper management and administration of the Business Associate;
  - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business

*JK*





Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

**(3) Obligations and Activities of Business Associate.**

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
  - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
  - o The unauthorized person used the protected health information or to whom the disclosure was made;
  - o Whether the protected health information was actually acquired or viewed
  - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (l). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

3/2014

Vendor Initials

*VR*

Date 5/22/19



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

**(4) Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

**(5) Termination for Cause**

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

**(6) Miscellaneous**

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

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Date 5/22/19



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

*Christine Santaniello*

Signature of Authorized Representative

Christine Santaniello

Name of Authorized Representative

Director, DEHS

Title of Authorized Representative

5/29/19

Date

Tri-County Community Action Programs, INC.

Name of the Vendor

*Jeanne Robillard*

Signature of Authorized Representative

Jeanne Robillard

Name of Authorized Representative

Chief Executive Officer

Title of Authorized Representative

5/22/19

Date

*JR*

5/22/19



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY  
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
  - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
  - 10.2. Compensation information is not already available through reporting to the SEC.

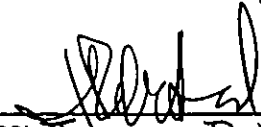
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Vendor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Vendor Name: Tri-County Community Action Programs, INC.

5/22/19  
Date

  
Name: Jeanne Robillard  
Title: CEO

New Hampshire Department of Health and Human Services  
Exhibit J



**FORM A**

As the Vendor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 073975709
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

☒ NO ☐ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

☐ NO ☐ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements



#### A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

## I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

### A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a





request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

## II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

*[Signature]*  
5/22/19



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

### III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

#### A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

**B. Disposition**

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

**IV. PROCEDURES FOR SECURITY**

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
  1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

*[Signature]*  
5/22/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
  - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
  - b. safeguard this information at all times.
  - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
  - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

A handwritten signature in black ink, appearing to be "JL", is written over the "Contractor Initials" label.

DHHS Information Security Requirements



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

**V. LOSS REPORTING**

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

- 1. Identify Incidents;
- 2. Determine if personally identifiable information is involved in Incidents;
- 3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
- 4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

*[Signature]*  
5/22/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

**VI. PERSONS TO CONTACT**

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

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5/22/19

# State of New Hampshire

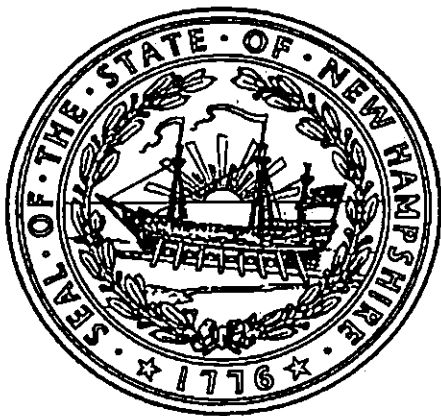
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (TRI-COUNTY CAP) is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 18, 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: 63020

Certificate Number: 0004483439



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 1st day of April A.D. 2019.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner  
Secretary of State



## CERTIFICATE OF VOTE

I, Gary Coulombe, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Tri-County Community Action Programs, INC.  
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of  
the Agency duly held on 6/26/2018:  
(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 22 day of May, 2019.  
(Date Contract Signed)

4. Jeanne Robillard 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 Coos

The forgoing instrument was acknowledged before me this 22 day of May, 2019.

By Gary Coulombe  
(Name of Elected Officer of the Agency)

  
(Notary Public/Justice of the Peace)

CHRISTINA MORIN, Notary Public  
State of New Hampshire

My Commission Expires December 19, 2023

(NOTARY SEAL)

Commission Expires: December 19, 2023

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**Board Resolution 19FY18: Resolution of the Corporation**

**Authority to Sign**

The Board of Directors of Tri-County Community Action Program, Inc. (the "Corporation") takes the following action:

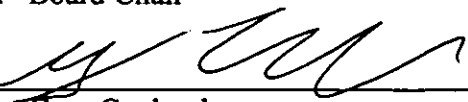
**Resolved,**

That the Tri-County Community Action Program, Inc. Chief Executive Officer (CEO), Jeanne Robillard, Chief Operations Officer Regan L. Pride and Randall Pilotte, Chief Financial Officer (CFO) are hereby authorized on behalf of this Corporation to enter into contracts with the Federal Government, State of New Hampshire, and any other parties as deemed necessary and to execute any and all documents, agreements and other instruments and amendments, revisions or modifications thereto, as may be deemed necessary, desirable or appropriate for the Corporation; this authorization being in force and effective until June 24, 2019.

This resolution is made with the understanding that any new undertakings or commitments have a material impact on the purpose of our organization will be preceded by Board approval.

Approved by the Board of Directors on June 26, 2018

By:   
Name: Sandy Alonzo  
Title: Board Chair

By:   
Name: Gary Coulombe  
Title: Board Secretary



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/22/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must 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> PIAI/Cross Insurance 1100 Elm Street  Manchester NH 03101		<b>CONTACT NAME:</b> Karen Shaughnessy <b>PHONE (AC, No, Ext):</b> (603) 669-3218 <b>FAX (AC, No):</b> (603) 645-4331 <b>E-MAIL ADDRESS:</b> kshaughnessy@crossagency.com	
<b>INSURED</b> Tri-County Community Action Program, Inc 30 Exchange Street  Berlin NH 03570		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Technology Ins. Co. <b>NAIC #</b> 42376 <b>INSURER B:</b> Wesco Ins. Co. <b>25011</b> <b>INSURER C:</b> Granite State Health Care and Human Ser <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	

**COVERAGES**

CERTIFICATE NUMBER: 18-19 All lines w/prof

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			TPP1224751	7/1/2018	7/1/2019	EACH OCCURRENCE \$ 1,000,000
			DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000				
			MED EXP (Any one person) \$ 5,000				
			PERSONAL & ADV INJURY \$ 1,000,000				
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:						GENERAL AGGREGATE \$ 3,000,000
							PRODUCTS - COMP/OP AGG \$ 3,000,000
							Crime/Employee Dishonesty \$ 600,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS			TPP1224751	7/1/2018	7/1/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
			BODILY INJURY (Per person) \$				
			BODILY INJURY (Per accident) \$				
			PROPERTY DAMAGE (Per accident) \$				
							Underinsured motorist combined sir \$ 1,000,000
B	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE			WDM1565713	7/1/2018	7/1/2019	EACH OCCURRENCE \$ 2,000,000
			AGGREGATE \$ 2,000,000				
	DED <input checked="" type="checkbox"/> RETENTION \$ 10,000						
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> Y	N/A	BCHS20180000045 (3a.) NH: Ruby Urban; Karen Matthews & William Hatch excluded	7/1/2018	7/1/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
			E.L. EACH ACCIDENT \$ 1,000,000				
			E.L. DISEASE - EA EMPLOYEE \$ 1,000,000				
			E.L. DISEASE - POLICY LIMIT \$ 1,000,000				
A	Professional Liability			TPP1224751	7/1/2018	7/1/2019	Per Occurrence \$1,000,000 Aggregate \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Confirmation of Coverage.

**CERTIFICATE HOLDER****CANCELLATION**

Bureau of Homless & Housing Services  
Div of Comm Based Care Service  
129 Pleasant St  
Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

T Franggos/JSC

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## **MISSION STATEMENT**

**Tri-County CAP is a group of people and projects dedicated to improving the lives and well-being of New Hampshire's people and communities.**

**We provide opportunities and support for people to learn and grow in self-sufficiency, and to get involved in helping their neighbors and improving the conditions in their communities.**

***Tri-County Community Action Programs...  
Helping people, changing lives.***

**TRI-COUNTY COMMUNITY ACTION PROGRAM, Inc. Is a private, non-profit 501(C) 3 corporation that is dedicated to improving the lives and well being of New Hampshire's people and communities. Formed on May 18, 1965, we provide opportunities and support for people to learn and grow in self-sufficiency and get involved in helping their neighbors and improving the conditions in their communities.**

***TRI-COUNTY COMMUNITY ACTION PRPGRAM, Inc.***

***...Helping people, changing lives.***

*Financial Statements*

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**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.  
AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED  
JUNE 30, 2018 AND 2017  
AND  
INDEPENDENT AUDITORS' REPORT**

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

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To the Board of Directors of  
Tri-County Community Action Program, Inc.  
Berlin, New Hampshire

**Leone,  
McDonnell  
& Roberts**  
PROFESSIONAL ASSOCIATION  
CERTIFIED PUBLIC ACCOUNTANTS  
WOLFEBORO • NORTH CONWAY  
DOVER • CONCORD  
STRATHAM

## **INDEPENDENT AUDITORS' REPORT**

### ***Report on the Financial Statements***

We have audited the accompanying consolidated financial statements of Tri-County Community Action Program, Inc. and Affiliate (a New Hampshire nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2018 and 2017, and the related consolidated statements of cash flows, functional expenses, and the related consolidated statement of activities for the year ended June 30, 2018, for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, 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 consolidated financial position of Tri-County Community Action Program, Inc. and Affiliate as of June 30, 2018 and 2017, and its consolidated cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2018, in accordance with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited Tri-County Community Action Program, Inc. and Affiliate's 2017 consolidated financial statements, and we expressed an unmodified audit opinion on those consolidated financial statements in our report dated November 10, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited consolidated 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*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 October 19, 2018, on our consideration of Tri-County Community Action Program, 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 the effectiveness of Tri-County Community Action Program, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tri-County Community Action Program, Inc.'s internal control over financial reporting and compliance.

*Leone McDonnell & Roberts*  
*Professional Association*

October 19, 2018  
North Conway, New Hampshire



**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE****CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,329,038	\$ 505,700
Accounts receivable	1,156,657	1,326,994
Pledges receivable	212,207	205,804
Inventories	87,569	65,641
Prepaid expenses	<u>25,640</u>	<u>45,345</u>
Total current assets	<u>2,811,111</u>	<u>2,149,484</u>
<b>PROPERTY</b>		
Property and equipment	12,812,689	13,544,469
Less accumulated depreciation	<u>(5,203,324)</u>	<u>(5,317,470)</u>
Property, net	<u>7,609,365</u>	<u>8,226,999</u>
<b>OTHER ASSETS</b>		
Restricted cash	706,765	942,687
Building refinance costs, net	<u>12,705</u>	<u>13,591</u>
Total other assets	<u>719,470</u>	<u>956,278</u>
<b>TOTAL ASSETS</b>	<u>\$ 11,139,946</u>	<u>\$ 11,332,761</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Demand note payable	\$ 516,022	\$ 671,434
Current portion of long term debt	142,733	587,809
Current portion of capital lease obligations	4,445	4,057
Accounts payable	237,276	518,447
Accrued compensated absences	203,121	242,545
Accrued salaries	187,508	196,882
Accrued expenses	131,888	107,627
Refundable advances	191,069	197,548
Other liabilities	<u>387,168</u>	<u>645,311</u>
Total current liabilities	<u>2,001,230</u>	<u>3,171,660</u>
<b>LONG TERM DEBT</b>		
Long term debt, net of current portion	5,386,642	5,254,436
Capital lease obligations, net of current portion	<u>8,226</u>	<u>12,670</u>
Total liabilities	<u>7,396,098</u>	<u>8,438,766</u>
<b>NET ASSETS</b>		
Unrestricted	2,926,057	2,191,395
Temporarily restricted	<u>817,791</u>	<u>702,600</u>
Total net assets	<u>3,743,848</u>	<u>2,893,995</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 11,139,946</u>	<u>\$ 11,332,761</u>

See Notes to Consolidated Financial Statements

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**

**CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2018 Total</u>	<u>2017 Total</u>
<b>REVENUES AND OTHER SUPPORT</b>				
Grant and contracts	\$ 14,097,629	\$ 211,457	\$ 14,309,086	\$ 12,644,557
Program funding	1,259,037	-	1,259,037	1,708,487
Utility programs	1,079,361	-	1,079,361	972,359
In-kind contributions	351,187	-	351,187	436,874
Contributions	116,928	278,297	395,225	497,735
Fundraising	59,536	-	59,536	42,421
Rental income	679,112	-	679,112	847,380
Interest income	348	-	348	270
Gain (loss) on disposal of property	48,487	-	48,487	(16,685)
Forgiveness of debt	-	-	-	25,912
Other revenue	81,938	-	81,938	4,461
Total revenues and other support	17,773,563	489,754	18,263,317	17,163,771
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u>374,563</u>	<u>(374,563)</u>	-	-
Total revenues, other support, and net assets released from restrictions	<u>18,148,126</u>	<u>115,191</u>	<u>18,263,317</u>	<u>17,163,771</u>
<b>FUNCTIONAL EXPENSES</b>				
Program Services:				
Agency Fund	922,701	-	922,701	825,517
Head Start	2,481,916	-	2,481,916	2,312,665
Guardianship	760,009	-	760,009	735,925
Transportation	879,729	-	879,729	1,063,996
Volunteer	122,941	-	122,941	121,543
Workforce Development	394,252	-	394,252	402,576
Alcohol and Other Drugs	444,581	-	444,581	1,165,000
Carroll County Dental	642,637	-	642,637	542,920
Support Center	276,172	-	276,172	265,052
Homeless	577,783	-	577,783	554,509
Energy and Community Development	7,480,943	-	7,480,943	6,276,570
Elder	1,142,818	-	1,142,818	1,026,070
Housing Services	176,511	-	176,511	167,528
Total program services	<u>16,302,993</u>	<u>-</u>	<u>16,302,993</u>	<u>15,459,871</u>
Supporting Activities:				
General and administrative	1,102,448	-	1,102,448	1,213,425
Fundraising	8,023	-	8,023	4,873
Total supporting activities	<u>1,110,471</u>	<u>-</u>	<u>1,110,471</u>	<u>1,218,298</u>
Total functional expenses	<u>17,413,464</u>	<u>-</u>	<u>17,413,464</u>	<u>16,678,169</u>
<b>CHANGE IN NET ASSETS</b>	734,662	115,191	849,853	485,602
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>2,191,395</u>	<u>702,600</u>	<u>2,893,995</u>	<u>2,408,393</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 2,926,057</u>	<u>\$ 817,791</u>	<u>\$ 3,743,848</u>	<u>\$ 2,893,995</u>

See Notes to Consolidated Financial Statements

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 849,853	\$ 485,602
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	464,370	492,141
Donation of property and equipment	-	(224,685)
Loss on disposal of property	(48,487)	16,685
Forgiveness of debt	-	(25,912)
(Increase) decrease in assets:		
Accounts receivable	170,337	(78,676)
Pledges receivable	(6,403)	23,615
Inventories	(21,928)	23,239
Prepaid expenses	19,705	(4,353)
Restricted cash	235,922	(154,926)
(Decrease) increase in liabilities:		
Accounts payable	(281,171)	(157,079)
Accrued compensated absences	(39,424)	(51,698)
Accrued salaries	(9,374)	20,697
Accrued expenses	24,261	13,863
Refundable advances	(6,479)	(35,781)
Other liabilities	(258,143)	134,401
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b><u>1,093,039</u></b>	<b><u>477,133</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property	278,972	26,750
Purchases of property and equipment	(141,335)	(181,113)
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b><u>137,637</u></b>	<b><u>(154,363)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net repayment on demand note payable	(90,412)	(192,432)
Repayment of long-term debt	(312,870)	(210,808)
Repayment of capital lease obligations	(4,056)	(3,636)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b><u>(407,338)</u></b>	<b><u>(406,876)</u></b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>823,338</b>	<b>(84,106)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>505,700</u></b>	<b><u>589,806</u></b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 1,329,038</u></b>	<b><u>\$ 505,700</u></b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid during the year for:		
Interest	<b><u>\$ 182,514</u></b>	<b><u>\$ 208,781</u></b>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:</b>		
Purchase of property and equipment financed by long-term debt	<b><u>\$ -</u></b>	<b><u>\$ 14,867</u></b>
Purchase of property and equipment financed by capital lease	<b><u>\$ -</u></b>	<b><u>\$ 5,889</u></b>
Fixed assets donated	<b><u>\$ 18,830</u></b>	<b><u>\$ -</u></b>

See Notes to Consolidated Financial Statements

INDCOUNTY COMMUNITY ACTION PROGRAM INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2011

	Agency Fund	Food Bank	Quantileville	Transportation	Volunteers	Workforce Development	Alcohol and Other Drugs	Carroll County Dental	Support Center	Homeless	Energy and Development	Elder	Housing Services	Total	General & Administration	Capitalization	Total
Direct Expenses																	
Payroll	\$ 99,755	\$ 1,230,882	\$ 511,480	\$ 443,633	\$ 68,707	\$ 217,953	\$ 224,378	\$ 330,478	\$ 161,856	\$ 307,378	\$ 1,123,354	\$ 482,842	\$ 11,487	\$ 5,214,049	\$ 678,982	\$ -	\$ 8,084,841
Payroll taxes and benefits	22,318	339,051	128,443	90,978	17,100	52,347	41,810	82,705	41,808	85,786	296,144	102,104	-	1,200,319	184,414	-	1,424,733
Insurance to clients	74,171	-	-	-	-	9,916	-	-	5,448	67,282	5,380,848	-	-	5,538,546	-	-	5,538,546
Consumable supplies	1,723	240,844	8,954	11,274	980	4,157	19,410	40,917	5,356	8,344	314,482	280,137	2,662	949,850	11,219	-	961,068
Space costs and rentals	21,013	164,435	36,255	14,558	3,684	80,102	8,830	5,325	4,742	28,411	152,185	54,004	-	578,542	72,385	-	650,927
Depreciation and amortization expense	325,516	1,858	-	12,871	-	-	5,387	30,747	9,865	1,008	3,742	385	67,388	464,378	-	-	464,378
In-kind expended	12,500	708,055	-	32,001	22,014	-	-	-	6,618	22,360	-	50,240	-	351,188	-	-	351,188
Consultants and contractors	13,619	28,950	3,788	7,531	-	-	101,267	53,254	-	10,800	17,300	78,837	-	315,842	18,582	-	331,504
Utilities	133,351	32,308	17,418	15,952	1,140	5,485	3,043	10,658	18,783	18,324	24,708	21,849	21,362	326,658	3,589	-	330,248
Travel and meetings	1,083	50,726	27,257	109,253	4,314	13,628	4,479	2,048	6,181	19,007	12,254	28,854	915	278,787	9,478	-	288,257
Other direct program costs	44,833	9,716	11,418	6,742	4,028	745	31,288	7,421	1,563	1,518	-	37,943	14,108	21,364	-	8,023	223,106
Fiscal and administrative	243	28,305	7,732	1,555	155	210	758	8,585	1,238	3,508	25,808	16,334	30	94,548	106,328	-	300,808
Building and grounds maintenance	62,872	62,508	1,945	1,940	-	15	587	8,652	6,262	9,360	58	10,328	35,600	188,381	180	-	198,581
Interest expense	176,850	305	848	1,080	3	-	2,839	39,349	172	144	11,478	128	-	182,514	1,241	-	183,755
Vehicle expense	4,282	98	-	107,555	-	-	18	-	95	639	51,843	-	-	164,861	-	-	164,861
Insurance	85,854	14,058	654	21,511	934	-	4,398	2,554	3,809	4,537	20,480	-	15,752	154,315	3,835	-	158,400
Maintenance of equipment and rental	-	52,124	3,700	1,816	30	488	-	36,285	3,058	10,885	6,325	13,541	-	127,333	14,918	-	141,351
Fired fees	-	95	-	-	-	124	-	1,421	-	-	951	1,721	-	6,212	-	-	6,312
<b>Total Direct Expenses</b>	<b>1,015,074</b>	<b>2,481,816</b>	<b>780,009</b>	<b>879,729</b>	<b>122,841</b>	<b>384,252</b>	<b>444,581</b>	<b>842,637</b>	<b>276,172</b>	<b>577,783</b>	<b>7,480,843</b>	<b>1,142,818</b>	<b>176,511</b>	<b>16,305,306</b>	<b>1,102,448</b>	<b>8,023</b>	<b>17,505,837</b>
Indirect Expenses																	
Indirect costs	88,920	248,080	84,748	87,085	11,821	35,934	49,468	65,364	30,821	54,201	222,084	117,223	-	1,102,448	(1,102,448)	-	-
<b>Total Direct &amp; Indirect expenses</b>	<b>\$ 1,009,851</b>	<b>\$ 2,730,006</b>	<b>\$ 864,758</b>	<b>\$ 978,824</b>	<b>\$ 134,662</b>	<b>\$ 420,186</b>	<b>\$ 494,049</b>	<b>\$ 708,001</b>	<b>\$ 306,993</b>	<b>\$ 631,984</b>	<b>\$ 7,703,027</b>	<b>\$ 1,260,041</b>	<b>\$ 176,511</b>	<b>\$ 17,405,441</b>	<b>\$ -</b>	<b>\$ 8,023</b>	<b>\$ 17,413,464</b>
Capitalized Expenses																	
Less capitalization of assets	(92,373)	-	-	-	-	-	-	-	-	-	-	-	-	(92,373)	-	-	(92,373)

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2017

	Aerospace Fund	Head Start	Residential	Transportation	Volunteer	Workforce Development	Alcohol and Other Drugs	Carroll County Devoted	Support Center	Homeless	Energy & Development	Other	Housing Services	Total	General & Administrative	Fundraising	Total
Direct Expenses																	
Payroll	\$ 104,098	\$ 1,122,988	\$ 500,276	\$ 459,500	\$ 57,925	\$ 178,248	\$ 748,486	\$ 326,917	\$ 153,094	\$ 295,500	\$ 1,005,420	\$ 427,875	\$ 11,251	\$ 5,389,959	\$ 638,547	\$ -	\$ 6,029,806
Payroll taxes and benefits	10,111	307,007	129,584	97,175	13,155	45,427	180,112	86,553	48,788	72,525	280,296	94,181	-	1,347,802	165,870	-	1,513,672
Assistance to clients	1,079	-	-	-	-	53,724	-	-	1,511	57,636	4,263,487	-	-	4,377,437	-	-	4,377,437
Consumable supplies	14,973	178,067	8,225	8,007	1,192	2,886	73,307	48,430	6,340	6,134	274,747	775,838	13,528	902,888	11,083	-	913,979
Space costs and rentals	1,984	167,616	31,805	13,860	4,774	95,919	30,558	-	-	33,536	154,444	58,434	-	581,030	728,784	-	519,864
Depreciation and amortization expense	179,148	31,368	-	123,747	-	-	24,153	32,547	10,025	1,752	21,485	557	87,309	492,141	-	-	492,141
in-kind expended	12,850	308,258	-	32,670	36,413	-	-	-	7,677	20,589	-	19,017	-	436,874	-	-	436,874
Utilities	128,652	20,225	14,875	13,335	1,277	7,052	33,880	8,953	21,082	21,363	25,625	18,473	21,838	340,520	3,750	-	344,270
Travel and meetings	802	54,129	25,567	97,127	2,858	18,927	12,047	2,721	4,020	14,891	10,888	23,728	905	268,529	7,170	-	275,897
Insurance	50,983	20,169	943	36,222	889	-	16,506	2,472	5,484	6,721	31,083	-	14,551	226,622	8,175	-	232,797
Other direct program costs	45,803	6,279	8,891	21,573	253	1,525	(13,937)	4,857	687	1,838	110,351	6,375	8,787	203,394	22,789	4,873	231,056
Interest expense	144,081	48	1,689	3,820	42	-	6,791	37,145	494	1,022	12,667	583	-	208,781	4,670	-	213,451
Consultants and contractors	3,473	38,736	4,482	12,918	-	-	33,806	3,389	-	10,000	8,896	73,065	-	190,347	11,897	-	202,644
Building and grounds maintenance	81,132	32,150	-	1,935	-	665	7,820	1,420	11,290	7,990	909	12,478	28,802	186,279	1,706	-	187,985
Fiscal and administrative	808	24,572	8,142	3,732	750	192	5,544	3,881	1,435	1,136	38,910	3,297	-	83,207	82,714	-	175,921
Vehicle expense	7,455	39	-	130,623	-	-	1,384	-	-	321	25,671	-	-	165,903	-	-	165,903
Maintenance of equipment and rental	(10,916)	2,937	1,261	7,404	17	-	4,951	10,850	944	1,425	7,720	10,845	-	37,008	28,150	-	85,188
Flood fees	-	-	-	-	-	-	-	-	3	-	-	1,488	-	1,482	-	-	1,482
<b>Total Direct Expenses</b>	<b>825,517</b>	<b>2,312,665</b>	<b>735,925</b>	<b>1,053,896</b>	<b>121,543</b>	<b>402,576</b>	<b>1,163,000</b>	<b>942,920</b>	<b>765,032</b>	<b>554,509</b>	<b>6,276,570</b>	<b>1,025,079</b>	<b>167,528</b>	<b>15,459,871</b>	<b>1,213,425</b>	<b>4,873</b>	<b>16,678,189</b>
Indirect Expenses																	
Indirect costs	78,804	751,442	89,711	112,610	10,786	33,919	142,508	63,688	32,036	57,699	220,962	118,278	-	1,213,425	(1,213,425)	-	-
<b>Total Direct &amp; Indirect expenses</b>	<b>\$ 904,321</b>	<b>\$ 2,564,107</b>	<b>\$ 825,636</b>	<b>\$ 1,176,506</b>	<b>\$ 132,329</b>	<b>\$ 436,495</b>	<b>\$ 1,305,508</b>	<b>\$ 1,006,608</b>	<b>\$ 797,068</b>	<b>\$ 612,208</b>	<b>\$ 6,497,532</b>	<b>\$ 1,143,348</b>	<b>\$ 167,528</b>	<b>\$ 16,673,296</b>	<b>\$ -</b>	<b>\$ 4,873</b>	<b>\$ 16,678,169</b>

See Notes to Consolidated Financial Statements

## **TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

#### **NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Organization and Principles of Consolidation**

The consolidated financial statements include the accounts of Tri-County Community Action Program, Inc. and its affiliate, Cornerstone Housing North, Inc. The two organizations are consolidated because Tri-County Community Action Program, Inc. controls 100% of the voting power of Cornerstone Housing North, Inc. All significant intercompany items and transactions have been eliminated from the basic financial statements. Tri-County Community Action Program, Inc. (the Organization) is a New Hampshire non-profit corporation that operates a wide variety of community service programs which are funded primarily through grants or contracts from various federal, state, and local agencies. Cornerstone Housing North, Inc. (a New Hampshire nonprofit corporation) was incorporated under the laws of the State of New Hampshire for the acquisition, construction, and operation of community based housing for the elderly.

##### **Nature of activities**

The Organization's programs consist of the following:

##### **Agency**

Tri-County CAP Administration provides central program management support and oversight to the Organization's many individual programs. This includes planning and budget development, bookkeeping and accounting, payroll and HR services, legal and audit services, IT support, management support, financial support and central policy development.

Tri-County CAP Administration is the liaison between Tri-County Community Action Program, Inc., Board of Directors and its programs, ensuring that programs comply with agreements made by the Board to funding sources and vendors.

Other responsibilities include the management and allocation of funding received through a Community Services Block Grant, as well as management of the Organization's real estate property.

##### **Head Start**

Head Start provides comprehensive services to low-income children and their families. Head Start supports children's growth and development in a positive learning environment through a variety of activities as well as providing services, which include in addition to early learning, health and family well-being. All children receive health and development screenings, nutritious meals, oral health and mental health support. Parents and families are supported in achieving their own goals, such as housing stability, continued education, and financial stability.

Programs support and strengthen parent-child relationships as their child's primary educator. Head Start staff work as partners with parents to identify and provide individualized activities that support their child's growth and development.

Tri County Community Action Head Start serves 217 children in Carroll, Coos & Grafton counties in 9 locations with 12 center-based classrooms and 1 home based option.

#### **Guardianship**

The Organization's Guardianship program provides advocacy and guardian services for the vulnerable population of New Hampshire residents (developmentally disabled, chronically mentally ill, traumatic brain injury, and the elderly suffering from alzheimer's, dementia, and multiple medical issues) who need a guardian and who have no family member or friend willing, able, or suitable to serve in that capacity. This program serves 406 individuals. Additional services include, conservatorship, representative payee-ship, federal fiduciary services, benefit management services and private probate accounting services.

#### **Transportation**

The Organization's transit program provides various transportation services: public bus routes, door-to-door service by request, long distance medical travel to medical facilities outside our regular service area, and special trips for the elderly to go shopping and enjoy other activities that are located outside the regular service area. The Organization's fleet of 17 wheelchair accessible vehicles offers transportation options to the elderly and disabled, as well as to the general public.

#### **Volunteer**

The Coos County Retired & Senior Volunteers Program (RSVP) maintains a minimum group of 400 volunteers, ages 55 and older, of which 309 actively served during the last reporting period. These volunteers share their skills, life experiences, and time with over 60 local non-profit and public agencies throughout Coos County that depend on volunteer assistance to meet the needs of their constituents. Our volunteers donate over 43,611 hours yearly.

#### **Workforce Development**

The Organization is assisting transitional and displaced workers as they prepare for new jobs, and also assisting currently-employed workers to gain the skills required for better jobs.

The Organization is helping to implement New Hampshire's Unified State Plan for Workforce Development, in line with the federal Workforce Investment Act. Workforce training programs, with training facilities in three towns, provide temporary assistance for needy families (TANF) recipients with 20-30 hours per week of training in the areas of employment skills, computer skills, and business experience, and also place participating TANF recipients in community-based work experience sites.

#### **Alcohol & Other Drugs (AOD)**

Services provided through the AOD program include assisting the alcoholic/addicted person on the road to recovery, through three phases: Crisis Intervention, Sobriety Maintenance, and Assessment and Referral to appropriate treatment facilities.

The Residential Treatment Programs (Friendship House) provide chemically dependent individuals with the fundamental tools of recovery, including educational classes, group and individual counseling, work and recreational therapy, and attendance at in-house and community-based alcoholics anonymous and narcotics anonymous meetings. The AOD program also offers assistance with its impaired driver programs.

The Friendship House, in December of 2014, had approximately \$130,000 worth of investments and improvements due to assistance from Public Services of New Hampshire. There was a total of \$111,595 of pre-development capitalized expenses at June 30, 2017.

Effective October 1, 2017, the Organization is no longer responsible for the Alcohol & Other Drugs (AOD) program. The grants for the program have been transferred to North Country Health Consortium (NCHC), as they are taking over the program. The Friendship House was sold to Affordable Housing Education and Development (AHEAD).

#### **Carroll County Dental**

The Tamworth Dental Center (the Center) offers high quality oral health care to children with NH Medicaid coverage. The Organization also serves uninsured and underinsured children and adults using a sliding fee scale that offers income-based discounts for care. The Center accepts most common dental insurances for those who have commercial dental insurance coverage. A school-based project of the Dental Center, School Smiles, offers oral health education, screening, treatment and referrals for treatment to over 1,000 children in 9 schools in the vicinity of the Center.

#### **Support Center**

The Organization's Support Center at Burch House provides direct service and shelter to victims and survivors of domestic and sexual violence and stalking in Northern Grafton County. Support Center services are accessible 24 hours a day, 365 days a year. They include: crisis intervention; supportive counseling; court, hospital and policy advocacy and accompaniment; emergency shelter; support groups; community



education and outreach; violence prevention programs for students; information, referrals and assistance accessing other community resources.

### **Homeless**

Homeless services include an outreach intervention and prevention project that strives to prevent individuals and families from becoming homeless, and assists the already homeless in securing safe, affordable housing. The Organization provides temporary shelter space for homeless clients.

The Organization also provides some housing rehabilitation services to help preserve older housing stock.

### **Energy Assistance and Outreach**

Energy Assistance Services provide fuel and electric assistance through direct pay to vendors or a discount on the client's bill. Community Contact sites allow local participants access to energy assistance programs and other emergency services. The offices provide information to the Organization's clients about other programs offered, as well as other programs available through other organizations in the community.

### **Low-Income Weatherization**

The NH weatherization program helps low-income families, elderly, disabled, small children and individuals lower their home energy costs; increase their health, safety, and comfort; and improve the quality of living while improving housing stock in communities around the state utilizing energy cost saving, health and safety and carbon lowering measures. The NH Weatherization Assistance Program also creates local NH jobs.

### **Elder**

The Organization's elder program provides senior meals in 15 community dining sites, home-delivered meals (Meals on Wheels) to the frail and homebound elderly, and senior nutrition education and related programming. The Coos County ServiceLink Aging & Disability Resource Center assists with person-centered counseling, Medicare counseling, Medicaid assistance, long-term care counseling services, and caregiver supports.

### **Housing Services**

Cornerstone Housing North, Inc. is subject to a Project Rental Assistance Contract (PRAC) with the United States Department of Housing and Urban Development (HUD), and a significant portion of their rental income is received from HUD.

The Organization includes a 12 unit apartment complex in Berlin, New Hampshire for the elderly. This operates under Section 202 of the National Housing Act and is regulated by HUD with respect to the rental charges and operating methods.

The above Organization has a Section 202 Capital Advance. Under guidelines established by the U.S. Office of Management and Budget *Uniform Guidance, Title 2 U.S. Code of Federal Regulations (CFR) part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, the Section 202 Capital Advance is considered to be a major program.

**Method of accounting**

The consolidated financial statements of Tri-County Community Action Program, Inc. have been prepared utilizing the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under this basis, revenue, other than contributions, and expenses are reported when incurred without regard to the date of receipt or payment of cash.

**Basis of presentation**

Financial statement presentation follows the recommendations of the FASB in its Accounting Standard Codification No. 958 *Financial Statements of Not-For-Profit Organizations*. Under FASB ASC No. 958, 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.

The Organization had no permanently restricted net assets at June 30, 2018 and 2017. The Organization had temporarily restricted net assets of \$817,791 and \$702,600 at June 30, 2018 and 2017, respectively.

**Restricted and unrestricted support**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Unrestricted net assets** include revenues and expenses and contributions which are not subject to any donor imposed restrictions. Unrestricted net assets can be board designated by the Board of Directors for special projects and expenditures.

**Temporarily restricted net assets** include contributions for which time restrictions or donor-imposed restrictions have not yet been met. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction (Note 12).

**Permanently restricted net assets** include gifts which require, by donor restriction, that the corpus be invested in perpetuity and only the income or a portion thereof (excluding capital gains restricted by State statute) be made available for program operations in accordance with donor restrictions. The Organization had no permanently restricted net assets at June 30, 2018 and 2017.

#### **Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date. The accounting standards for fair values establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Organization. Unobservable inputs are inputs that reflect the Organization's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The hierarchy is classified into three levels based on the reliability of inputs as follows:

**Level 1:** Valuations based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

**Level 2:** Valuation is determined from quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in markets that are not active or by model-based techniques in which all significant inputs are observable in the market.

**Level 3:** Valuations based on inputs that are unobservable and significant to the overall fair value measurement. The degree of judgment exercised in determining fair value is greatest for instruments categorized as Level 3.

The availability of observable inputs can vary and is affected by a wide variety of factors, including, the type of asset/liability, whether the asset/liability is established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, assumptions are required to reflect those that market participants would use in pricing the asset or liability at the measurement date.

#### **Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Most of the receivables are amounts due from federal and state awarding agencies and are based on reimbursement for expenditures made under specific grants or contracts. A portion of the accounts receivable balance represents amounts due from patients at Carroll County Dental program. Past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United State because the effects of the direct write method approximate those of the allowance method. Management selects accounts to be written off after analyzing past payment history, the age of the accounts receivable, and collection rates for receivables with similar characteristics, such as length of time outstanding. The Organization does not charge interest on outstanding accounts receivable.

#### **Property and Depreciation**

Acquisitions of buildings, equipment, and improvements in excess of \$5,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Buildings, equipment, and improvements are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets.

Depreciation expense related to assets used solely by an individual program is charged directly to the related program. Depreciation expense for assets used by more than one program is charged to the program based upon a square footage or other similar allocation.

Depreciation expense related to administrative assets is included in the indirect cost pool and charged to the programs in accordance with the indirect cost plan. Maintenance and repairs that do not materially prolong the useful lives of assets are charged to expense as incurred.

Estimated useful lives are as follows:

Buildings and improvements	20 to 40 years
Vehicles	5 to 8.5 years
Furniture and equipment	5 to 15 years

#### **Client Rents and HUD Rent Subsidy**

Cornerstone Housing North, Inc.'s rents are approved on an annual basis by the Department of Housing and Urban Development. Rental increases are prohibited without such approval. The clients are charged rent equal to 30% of their income less adjustments allowed by the Department of Housing and Urban Development.

Rent subsidies are received from the Department of Housing and Urban Development for the difference between the allowed rents and the amounts received from the clients.

#### **Refundable Advances**

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or incurred. Funds received in advance of grantor conditions being met aggregated \$191,069 and \$197,548 as of June 30, 2018 and 2017, respectively.

#### **Nonprofit tax status**

The Organization is a *not-for-profit* Section 501(c)(3) organization in accordance with the Internal Revenue Code. It has been classified as an Organization that is not a private foundation under the Internal Revenue Code and qualifies for a charitable contribution deduction for individual donors. The Organization files information returns in the United States. The Organization's Federal Form 990 (Return of Organization Exempt from Income Tax), is subject to examination by the IRS, generally for three years after it is filed. The Organization is no longer subject to examinations by tax authorities for years prior to 2014.

The Organization follows FASB ASC, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Organization does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized.

Cornerstone Housing North, Inc. is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Organization to be other than a private foundation within the meaning of Section 509(a).

#### **Retirement plan**

The Organization maintains a tax-sheltered annuity plan under the provisions of Section 403(b) of the Internal Revenue Code. All employees are eligible to contribute to the plan beginning on the date they are employed. Each employee may elect salary reduction agreement contributions in accordance with limits allowed in the Internal Revenue Code. Employer contributions are at the Organization's annual discretion. In January 2013, employer contribution payments ceased, therefore as of June 30, 2018 and 2017, there were no discretionary contributions recorded. Further information can be obtained from the Organization's 403(b) audited financial statements.

#### **Donated services and goods**

Contributions of donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

Contributed noncash assets are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of noncash assets are recorded as unrestricted support.

#### **Donated property and equipment**

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

#### **Promises to Give**

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at the net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

As of June 30, 2018 and 2017, there were promises to give that were absent of donor stipulations, but restricted in regards to timing, and therefore classified as temporarily restricted in the amount of \$212,207 and \$205,804, respectively. This amount was included in grants and contracts on the Consolidated Statement of Activities.

#### **Use of estimates**

The presentation of financial statements in conformity accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

#### **Fair Value of Financial Instruments**

Accounting Standards Codification No. 825 (ASC 825), *Disclosures of Fair Value of Financial Instruments*, requires the Organization to disclose fair values of its

financial instruments. The carrying amount of the Organization's financial instruments which consists of cash, accounts receivable, deposits and accounts payable, approximate fair value because of the short-term 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 in the statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

**Program salaries and related expenses** are allocated to the various programs and supporting services based on actual or estimated time employees spend on each function as reported on a timesheet.

**Workers Compensation expenses** are charged to each program based upon the classification of each employee and allocated to the various program based upon the time employees spend on each function as noted above.

**Paid Leave** is charged to a leave pool and is allocated to each program as a percentage of total salaries.

**Fringe Benefits** are charged to a Fringe Benefit Pool. These expenses include employer payroll taxes, pension expenses, health and dental insurance and unemployment compensation. The pool is allocated to each program based upon a percentage of salaries.

**Depreciation expense** is allocated to each program based upon specific assets used by the program and is reported as depreciation expense on the statements of functional expenses.

**Other occupancy expenses** are applicable to assets which are used by multiple programs. Buildings are primarily charged to the benefiting program based upon an analysis of square footage. Costs related to a building include depreciation, insurance, utilities, building maintenance, etc. These costs are reported as space costs on the statements of functional expenses.

**Insurance:** automobile insurance is allocated to programs based on vehicle usage; building liability insurance is allocated to programs based on square footage of the buildings; and insurance for furniture and equipment is allocated to programs using the book basis of the insured assets.

**The remaining shared expenses** are charged to an Indirect Cost Pool and are allocated to each program based upon a percentage of program expenses. The expenses include items such as administrative salaries, general liability insurance, administrative travel, professional fees and other expenses which cannot be specifically identified and charged to a program.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human Services. The proposal effective for the fiscal year beginning July 1, 2017 received provisional approval and is effective until amended at a rate of 13%. Per the agreement with the U.S. Department of Health and Human Services, the Organization's final rate for the year ended June 30, 2017 was 12.5%. The Organization carefully calculates the allocation to agree exactly with the expenses in the indirect pool. The actual rate for the year ended June 30, 2018 was approximately 11.454%, which is allowable because it is less than the provisional rate.

#### **Advertising policy**

The Organization uses advertising to inform the community about the programs it offers and the availability of services. Advertising is expensed as incurred. The total cost of advertising for the years ended June 30, 2018 and 2017 was \$18,616 and \$26,456, respectively.

#### **NOTE 2. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of cash on hand, funds on deposit with financial institutions; and investments with original maturities of three months or less. At year end and throughout the year, the Organization's cash balances were deposited with multiple financial institutions. At June 30, 2018 and 2017, the balances in interest and non-interest-bearing accounts were insured by the FDIC up to \$250,000. At June 30, 2018 and 2017, there was approximately \$1,200,000 and \$665,000, of deposits held in excess of the FDIC limit, respectively. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents and considers this a normal business risk.

#### **Cash Restrictions**

The Organization is required to maintain a deposit account with a bank as part of the loan security agreement disclosed at **Note 6**. The required balance in the account is \$19,968 and is restricted from withdrawal except to make payments of debt service or as approved by the US Department of Agriculture. The Organization is compliant with this requirement as of October 2017.

Amounts withdrawn to make payments of debt service must be replenished with monthly deposits until the maximum required deposit balance is achieved. The balance as of June 30, 2018 and 2017 was \$19,980 and \$19,611, respectively. The Organization has made all of their scheduled deposits for the years ended June 30, 2018 and 2017. These amounts are included in restricted cash on the Statements of Financial Position.

The Organization is required to maintain a deposit account with another bank as part of a bond issue (see bond payable in **Note 6**). The required balance in the account is \$173,817 and is equal to 12 monthly payments. The balance as of June 30, 2018 and 2017 was \$174,273 and \$187,095, respectively, and the Organization was in compliance with this requirement. These amounts are included in restricted cash on the Statements of Financial Position.



The Organization maintains a deposit account on behalf of clients who participate in the Guardianship Services Program. The balance in the account is restricted for use on behalf of these clients and an offsetting liability is reported on the financial statements as other current liabilities. The total current liability related to this restriction at June 30, 2018 and 2017 was \$378,605 and \$642,308, respectively. These amounts are included in other liabilities on the Statements of Financial Position. The total restricted cash within this account at June 30, 2018 and 2017 was \$378,605 and \$642,308, respectively, and is included in the restricted cash balance on the Statements of Financial Position.

Certain cash accounts related to Cornerstone Housing North, Inc. are restricted for certain uses in the Organization under rules and regulations prescribed by the Department of Housing and Urban Development. The total amount restricted at June 30, 2018 and 2017 was \$131,610 and \$93,673, respectively.

**NOTE 3. INVENTORY**

In 2018 and 2017, inventory included weatherization materials which had been purchased in bulk. These items are valued at the most recent cost. A physical inventory is taken annually. Cost is determined using the first-in, first-out (FIFO) method. Inventory at June 30, 2018 and 2017, consists of weatherization materials totaling \$87,569 and \$65,641, respectively.

During the year ended June 30, 2018, the Organization adopted the provisions of the FASB Accounting Standard Update (ASU) 2015-11, *Inventory, (Topic 330): Simplifying the Measurement of Inventory*, which simplifies the subsequent measurement of inventory by requiring inventory to be measured at the lower of cost net realizable value. Net realizable value is the estimated selling price of inventory in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. The Organization has evaluated ASU 2015-11 and has determined that is no material impact to the financial statements.

**NOTE 4. ACCRUED EARNED TIME**

For the years ending June 30, 2018 and 2017, employees of the Organization were eligible to accrue vacation for a maximum of 160 hours. At June 30, 2018 and 2017, the Organization had accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$203,121 and \$242,545, respectively.

**NOTE 5. PROPERTY**

Property consists of the following at June 30, 2018:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$10,003,944	\$ 3,448,411	\$ 6,555,533
Equipment	2,384,905	1,754,913	629,992
Land	<u>423,840</u>	<u>-</u>	<u>423,840</u>
	<u>\$12,812,689</u>	<u>\$ 5,203,324</u>	<u>\$ 7,609,365</u>

Property consists of the following at June 30, 2017:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$10,679,707	\$ 3,428,094	\$ 7,251,613
Equipment	2,400,922	1,889,376	511,546
Land	<u>463,840</u>	<u>-</u>	<u>463,840</u>
	<u>\$13,544,469</u>	<u>\$ 5,317,470</u>	<u>\$ 8,226,999</u>

The Organization has use of computers and equipment which are the property of state and federal agencies under grant agreements. The equipment, whose book value is immaterial to the financial statements, is not included in the Organization's property and equipment totals.

Depreciation expense for the years ended June 30, 2018 and 2017 totaled \$463,483 and \$491,254, respectively.

The Organization also had building refinancing costs of \$17,730 during the year ended June 30, 2014. Amortization expense and accumulated amortization for the year ended June 30, 2018 totaled \$887 and \$5,025, respectively. Amortization expense and accumulated amortization for the year ended June 30, 2017 totaled \$887 and \$4,138, respectively.

**NOTE 6. LONG TERM DEBT**

The long term debt of the Organization as of June 30, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Note payable with the USDA requiring 360 monthly installments of \$1,496, including interest at 4.5% per annum. The property was sold and the loan was paid in full during 2018.	\$ -	\$ 108,127

Note payable with the USDA requiring 360 monthly installments of \$1,664, including interest at 5% per annum. Secured by general business assets. Final installment due January 2027.	138,225	150,935
Note payable with the USDA requiring 360 monthly installments of \$292, including interest at 4.75% per annum. The property was sold and loan was paid in full during 2018.	-	29,633
Note payable with the USDA requiring 360 monthly installments of \$74, including interest at 4.75% per annum. The property was sold and loan was paid in full during 2018.	-	8,103
Note payable with a bank requiring 120 monthly installments of \$3,033, including interest at 4.69% per annum. Secured by first mortgages on two commercial properties. Final installment due April 2021.	349,131	368,428
Note payable with a bank requiring 60 monthly installments of \$459, including interest at 5% per annum. This note was an unsecured line of credit that was converted to a term loan during the year ended June 30, 2016. Final installment due April 2021. See Note 8.	14,500	19,144
Note payable to a non-profit organization (related party), monthly principal payments of \$1,533. Final installment due October 2018. A portion of the note payable was forgiven by the non-profit organization during the year ended June 30, 2017. See Note 16.	-	24,533
Note payable to a financing company requiring 72 monthly installments of \$312, including interest at 5.49% per annum. Secured by the Organization's vehicle. Final installment due August 2021.	10,874	13,934
Note payable to a financing company requiring 72 monthly installments of \$313, including interest at 5.54% per annum. Secured by the Organization's vehicle. Final installment due July 2021.	10,637	13,715
Note payable to a financing company requiring 60 monthly installments of \$143, including interest at 5.99% per annum. Secured by the Organization's vehicle. Final installment due November 2020.	3,863	5,306

Note payable to a financing company requiring 72 monthly installments of \$248, including interest at 6.10% per annum. Secured by the Organization's vehicle. Final installment due February 2023.

12,041 14,207

Note payable with a bank requiring 60 monthly installments of \$4,518, including interest at 4.16% per annum. Secured by second mortgage on commercial property. Final balloon payment was due December 2017. The loan was refinanced in March 2018. It requires 60 monthly installments of \$2,512, including interest at 5.51% per annum. Final balloon payment is due in March 2023.

403,244 417,421

Bond payable with a bank requiring monthly installments of \$14,485, including interest of 2.75% plus the bank's internal cost of funds multiplied by 67% with an indicative rate as of March 2017 of 3.28%. Secured by first commercial real estate mortgage on various properties and assignments of rents at various properties. Final installment due August 2040.

2,719,260 2,801,159

Cornerstone Housing North, Inc. capital advance due to the Department of Housing and Urban Development. This capital advance is not subject to interest or principal amortization and will be forgiven after 40 years, or in August 2047.

1,617,600 1,617,600

Cornerstone Housing North, Inc. mortgage payable due to New Hampshire Housing Finance Authority. The mortgage is not subject to interest or principal amortization. Payments are deferred for 40 years, final payment due in August 2047.

250,000 250,000

5,529,375 5,842,245

Less current portion due within one year

(142,733) (587,809)

\$ 5,386,642 \$ 5,254,436

The scheduled maturities of long term debt as of June 30, 2018 were as follows:

<u>Years ending June 30</u>	<u>Amount</u>
2019	\$ 142,733
2020	148,501
2021	437,412
2022	123,200
2023	485,560
Thereafter	<u>4,191,969</u>
	<u>\$ 5,529,375</u>

As described at **Note 2**, the Organization is required to maintain a reserve account with a bank for the first four notes payable listed above. In May 2013, the Organization began making monthly deposits to the reserve account, but had not yet accumulated the required balance. Failure to meet this requirement may be construed by the Government to constitute default; however, the awarding agency is aware of this issue and has not made a request for advanced payment.

**NOTE 7. CAPITAL LEASE OBLIGATIONS:**

During the year ended June 30, 2016, the Organization leased a phone system and copier under the terms of capital leases, expiring in November 2020 and March 2021, respectively. During the year ended June 30, 2017, the Company leased an additional copier under the terms of a capital lease, expiring in May 2021. The assets and liabilities under the capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the assets. The assets are depreciated over their estimated lives.

The obligations included in capital leases at June 30, 2018 and 2017, consisted of the following:

	<u>2018</u>	<u>2017</u>
Lease payable to a financing company with monthly installments of \$208 for principal and interest at 9.5% per annum. The lease is secured by the phone system and will mature in November 2020.	\$ 5,362	\$ 7,246
Lease payable to a financing company with monthly installments of \$122 for principal and interest at 8.841% per annum. The lease is secured by a copier and will mature in March 2021.	3,467	4,570

Lease payable to a financing company with monthly installments of \$122 for principal and interest at 8.918% per annum. The lease is secured by a copier and will mature in May 2021.

	<u>3,842</u>	<u>4,911</u>
	12,671	16,727
Less current portion	<u>(4,445)</u>	<u>(4,057)</u>
	<u>\$ 8,226</u>	<u>\$ 12,670</u>

The scheduled maturities of capital lease obligations as of June 30, 2018 were as follows:

<u>Years ending</u> <u>June 30</u>	<u>Amount</u>
2019	\$ 4,445
2020	4,870
2021	<u>3,356</u>
	<u>\$ 12,671</u>

**NOTE 8. DEMAND NOTE PAYABLE**

The Organization has available a \$750,000 line of credit with TD Bank which is secured by real estate mortgages and assignments of leases and rents on various properties as disclosed in the line of credit agreement. Borrowings under the line bear interest at 5.00% per annum, and totaled \$316,000 and \$400,000 at June 30, 2018 and 2017, respectively. The line is subject to renewal each January.

The Organization was issued an unsecured revolving line of credit in 2014 with the New Hampshire Department of Administration Services. On June 30, 2018 and 2017, the outstanding debt totaled \$200,022 and \$271,434, respectively, which included accrued interest of \$22 and \$21,434, respectively. During the year ended June 30, 2017 there was an amendment to the original agreement. The Organization is not required to make payments of interest or principal prior to maturity. The unsecured revolving line of credit matures in November 2019.

**NOTE 9. OPERATING LEASES**

The Organization has entered into numerous lease commitments for space. Leases under non-cancelable lease agreements have various starting dates, lengths, and terms of payment and renewal. Additionally, the Organization has several facilities which are leased on a month to month basis. For the years ended June 30, 2018 and 2017, the annual rent expense for leased facilities totaled \$165,227 and \$163,025, respectively.

Minimum future rental payments under non-cancelable operating leases having initial terms in excess of one year as of June 30, 2018, are as follows:

<u>Years ending</u> <u>June 30</u>	<u>Amount</u>
2019	\$ 157,610
2020	43,441
2021	39,611
2022	<u>3,301</u>
	<u>\$ 243,963</u>

**NOTE 10. IN-KIND CONTRIBUTIONS**

The Organization records the value of in-kind contributions according to the accounting policy described in Note 1. The Head Start, transportation and elder programs rely heavily on volunteers who donate their services to the Organization. These services are valued based upon the comparative market wage for similar paid positions.

The Organization is also the beneficiary of a donation of in kind in the form of below market rent for some of the facilities utilized by the Head Start and elder programs. The value of the in-kind rent is recorded at the difference between the rental payment and the market rate for the property based upon a recent appraisal.

Many other individuals have donated significant amounts of time to the activities of the Organization. The financial statements do not reflect any value for these donated services since there is no reliable basis for making a reasonable determination.

**NOTE 11. CONCENTRATION OF RISK**

Tri-County Community Action Program, Inc. receives a majority of its support from federal and state governments. For the years ended June 30, 2018 and 2017, approximately \$13,773,803 (75%) and \$12,128,016 (71%), respectively, of the Organization's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant effect on the Organization's programs and activities.

Cornerstone Housing North, Inc. receives a large majority of its support from the U.S. Department of Housing and Urban Development. For the years ended June 30, 2018 and 2017 approximately 69% for each year, respectively, of the Organizations total revenue was derived from the U.S. Department of Housing and Urban Development. In the absence of additional revenue sources, the future existence of Cornerstone Housing North, Inc. is dependent upon the funding policies of the U.S. Department of Housing and Urban Development.

The majority of Cornerstone Housing North, Inc.'s assets are apartment projects, for which operations are concentrated in the elderly person's real estate market. In

addition, the Organization operates in a regulated environment. The operation of the Organization is subject to administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the administrative burden, to comply with the change.

**NOTE 12. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following specific program services as of June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Temporary Municipal Funding	\$ 212,207	\$ 205,804
Restricted Buildings	190,049	94,239
10 Bricks Shelter Funds	142,190	141,190
FAP	136,614	87,991
IDN Capacity Fund	32,194	15,066
Homeless Programs	27,680	36,856
FAP/EAP	23,249	11,735
Loans - HSGP	21,454	24,261
USDA	10,332	7,252
Loans - HHARLF	6,967	10,884
RSVP Program Funds	5,021	3,675
Head Start	4,172	973
Community Needs Assessment	4,076	-
Donations to Maple Fund	1,586	1,246
NH Charitable Foundation Grant, Mt. Jasper	-	32,653
Service Link	-	12,123
L. CHIP – Brown Co. House	-	8,236
Donations to Mahoosuc Trail	-	6,842
Julien Fund (AOD)	-	1,175
Angelias Fund (AOD)	-	235
EAP	-	164
	<u>          </u>	<u>          </u>
Total temporarily restricted net assets	<u>\$ 817,791</u>	<u>\$ 702,600</u>

**NOTE 13. COMMITMENTS AND CONTINGENCIES**

**Grant Compliance**

The Organization receives funds under several federal and state grants. Under the terms of the grants the Organization is required to comply with various stipulations including use and time restrictions. If the Organization was found to be noncompliant with the provisions of the grant agreements, the Organization could be liable to the grantor or face discontinuation of funding.



### **Environmental Contingencies**

On March 30, 2009, the Organization's Board of Directors agreed to secure ownership of a 1.2-acre site located in Berlin, New Hampshire. There are 2 buildings on this site designated as the East Wing and West Wing Buildings which were formerly used as a research and development facility for the Berlin Mills Company.

The exterior soil and interior parts of the East Wing Building contained contaminants which required environmental remediation. In a letter dated May 2, 2012, the State of New Hampshire Department of Environment Services (the Department) noted that the remedial actions for the exterior soils and parts of the East Wing Building had been completed to the Department's satisfaction.

In addition, the Department noted that the contaminants related to the West Wing Building did not pose an exposure hazard to site occupants, area residents, and the environment provided the West Wing Building is maintained to prevent further structural deterioration. If further deterioration occurs and contaminants are released into the environment, the Organization could be required to take additional action including containment and remediation.

### **Loss Contingencies**

During the year ended June 30, 2018, legal actions were brought against the Organization. Due to the uncertainty of the outcome of such cases as of June 30, 2018, as well as the uncertainty of the Organization's potential liability, no amount has been accrued by the Organization at this time.

## **NOTE 14. RELATED PARTY TRANSACTIONS**

As disclosed in **Note 6**, the Organization has a loan payable to a non-profit organization which also provides pass-through state and federal funding for some of the Organization's programs. See **Note 6** and **Note 16** for terms of the note payables and related forgiveness of debt. The Organization had a note payable to a related party in the amount of \$24,533 at June 30, 2017. The note payable was paid in full during 2018.

## **NOTE 15. RESIDUAL RECEIPTS ACCOUNT**

Cornerstone Housing North, Inc.'s use of the residual receipts account is contingent upon HUD's prior written approval. During the year ended June 30, 2017, HUD approved a withdrawal from the residual receipt account in the amount of \$13,205 for an energy efficiency project. There were no withdrawals from the residual receipts account for the year ended June 30, 2018. Residual receipts of \$21,326 and \$1,847 were held in a segregated account for the years ended June 30, 2018 and 2017, respectively.

**NOTE 16. FORGIVENESS OF DEBT**

During the year ended June 30, 2017, the Organization realized forgiveness of debt income in connection with a note payable to a non-profit organization. Forgiveness of debt income totaled \$25,912 for the year ended June 30, 2017.

**NOTE 17. 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. Non-recognized 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 October 19, 2018, the date the financial statements were available to be issued.

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2013**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S IDENTIFYING NUMBER	FEDERAL EXPENDITURES
<b>U.S. Department of Health and Human Services</b>				
Head Start	93.600		01CH10000-03-00	\$ 1,404,182
Head Start	93.600		01CH10000-04-00	993,408
			<b>TOTAL</b>	<b>2,397,590</b>
Low-income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1881NHLEA	294,014
Low-income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1781NHLEA	5,279,727
Low-income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1681NHLEA	4,102
Low-income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1701NHLEA	183,618
Low-income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1801NHLEA	37,908
Low-income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1781NHLEA 1056420	231,155
Low-income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1681NHLEA 1056420	420,823
			<b>TOTAL</b>	<b>6,451,350</b>
<b>AGING CLUSTER</b>				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (SEAS)	93.044	State of New Hampshire Office of Energy and Planning	17AANH73SP	8,111
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (Sr Wheels)	93.044	State of New Hampshire Department of Health and Human Services	512-500352	191,820
			<b>TOTAL</b>	<b>199,931</b>
Special Programs for the Aging - Title III, Part C - Nutrition Services (Congregate & HD Meals)	93.045	State of New Hampshire Department of Health and Human Services	541-500383	272,095
Nutrition Services Incentive Program (NSIP)	93.053	State of New Hampshire Department of Health and Human Services	NONE	94,579
			<b>CLUSTER TOTAL</b>	<b>478,805</b>
Community Services Block Grant	93.569	State of New Hampshire Department of Health and Human Services	102-500731	537,811
<b>TANF CLUSTER</b>				
Temporary Assistance for Needy Families (NHFP Workplace Success)	93.558	Southern New Hampshire Services, Inc.	13-DHRS-BWW-CSP-05	300,103
Temporary Assistance for Needy Families (JARC)	93.558	State of New Hampshire Department of Health and Human Services	102-500731	24,800
			<b>CLUSTER TOTAL</b>	<b>324,903</b>
Preventative Health & Human Services Block Grant - Oral Health	93.758	State of New Hampshire Department of Health and Human Services	90072003	14,434
HIV Care Formula Grants (Ryan White Care Program)	93.917	State of New Hampshire Department of Health and Human Services	530-500371	8,455
National Family Caregiver Support, Title III, Part E (Family Caregiver)	93.052	State of New Hampshire Department of Health and Human Services	570-500928	24,030
<b>MEDICAID CLUSTER</b>				
Medical Assistance Program (Options Counseling and I&R #7)	93.778	State of New Hampshire Department of Health and Human Services	550-500734	70,784
Social Services Block Grant (Title XXI I&R)	93.667	State of New Hampshire Department of Health and Human Services	545-500387	6,244
Social Services Block Grant (Guardianship)	93.667	State of New Hampshire Department of Health and Human Services	544-500386	83,719
Social Services Block Grant (Title XXI HD rules)	93.667	State of New Hampshire Department of Health and Human Services	102-500731	39,399
			<b>TOTAL</b>	<b>129,362</b>
State Health Insurance Assistance Program	93.324	State of New Hampshire Department of Health and Human Services	102-500734	6,063
Special Programs for the Aging - Title IV and Title II - Discretionary Projects (SMPP)	93.048	State of New Hampshire Department of Health and Human Services	102-500734	6,006
Medicare Enrollment Assistance Program (MSPPA)	93.071	State of New Hampshire Department of Health and Human Services	102-500734	2,847
Promoting Safe and Stable Families/Family Violence Prevention and Services/Discretionary	93.558 & 93.582	State of New Hampshire Coalition against Domestic and Sexual Violence	SPRODV	53,041
Preventative HHS Block Grant & Injury Prevention and Control Research	93.136 & 93.758	State of New Hampshire Coalition against Domestic and Sexual Violence	NONE	8,900
Block Grants for Prevention and Treatment of Substance Abuse	93.959	State of New Hampshire Division of Public Health Services	05-95-49-491510	92,358
Projects for Assistance in Transition from Homelessness (PATH)	93.150	State of New Hampshire Bureau of Homelessness and Housing	500731-102	78,824
<b>Total U.S. Department of Health and Human Services</b>				<b>\$ 10,685,453</b>

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<u>U.S. Department of Energy</u>				
Weatherization Assistance for Low-Income Persons	81.042	State of New Hampshire Governor's Office of Energy & Community Service:	EE0006169	\$ 253,133
Total U.S. Department of Energy				\$ 253,133
<u>U.S. Corporation for National and Community Service</u>				
Retired and Senior Volunteer Program	94.002		18SRNH001	\$ 83,512
Total U.S. Corporation for National and Community Service				\$ 83,512
<u>U.S. Department of Agriculture</u>				
FOOD DISTRIBUTION CLUSTER				
Emergency Food Assistance Program (Administration Costs)	10.558	BMCAP	81750000	\$ 2,390
Child and Adult Care Food Program	10.558	State of New Hampshire Department of Education	NONE	134,760
Total U.S. Department of Agriculture				\$ 137,120
<u>U.S. Department of Homeland Security</u>				
Emergency Management Performance Grants (FEMA)	97.042			\$ 20,754
Total U.S. Department of Homeland Security				\$ 20,754
<u>U.S. Department of Justice</u>				
Grants to Encourage Arrest Program (GTEAP)	18.590	State of New Hampshire Coalition against Domestic and Sexual Violence	2014-WE-AX-0038	\$ 1,274
Crime Victim Assistance (VOCA)	18.575	State of New Hampshire Coalition against Domestic and Sexual Violence	NONE	119,065
Sexual Assault Services Formula Program (SASP)	18.017	State of New Hampshire Coalition against Domestic and Sexual Violence	2017-KF-AX-0019	15,851
Total U.S. Department of Justice				\$ 136,210
<u>U.S. Department of Transportation</u>				
Formula Grants for Rural Areas (Section 5311)	20.509	State of New Hampshire Department of Transportation	NH-16-XD48	\$ 277,148
TRANSIT SERVICES PROGRAMS CLUSTER				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of New Hampshire Department of Transportation	NH-65-X004	31,528
Enhanced Mobility of Seniors and Individuals with Disabilities (5310 POS, HCC)	20.513	State of New Hampshire Department of Transportation	NH-16-X043	40,059
			CLUSTER TOTAL	71,587
Total U.S. Department of Transportation				\$ 348,735
<u>U.S. Department of Housing and Urban Development</u>				
Emergency Solutions Grant Program	14.231	State of New Hampshire Department of Health and Human Services	102-500731	\$ 31,317
Continuum of Care Program (HOCP)	14.267	State of New Hampshire Department of Health and Human Services	NH0086L17001600	130,821
Total U.S. Department of Housing and Urban Development				\$ 162,138

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b>U.S. Department of Labor</b>				
<b>WIA/WIOA CLUSTER</b>				
WIA/WIOA Adult Program	17.258	Southern New Hampshire Services, Inc.	2015-0004	\$ 62,339
WIA/WIOA Dislocated Worker Formula Grants	17.278	Southern New Hampshire Services, Inc.	2015-0004	48,495
Total U.S. Department of Labor			CLUSTER TOTAL	\$ 100,834
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<b>\$ 11,977,889</b>
<b>NON-FEDERAL</b>				
NH Public Utilities Commission - Electrical Assistance Program	BMCAP		TOTAL NON-FEDERAL	\$ 273,132

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal grant activity of Tri-County Community Action Program, Inc. under programs of the federal government for the year ended June 30, 2018. 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 Tri-County Community Action Program, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**NOTE B - 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 Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE C - INDIRECT RATE**

Tri-County Community Action Program Inc. has elected to not use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**

**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  
Tri-County Community Action Program, Inc.  
Berlin, 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 financial statements of Tri-County Community Action Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 19, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered Tri-County Community Action Program 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 Tri-County Community Action Program Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tri-County Community Action Program Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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*

October 19, 2018  
North Conway, New Hampshire

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**

**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  
Tri-County Community Action Program, Inc.  
Berlin, New Hampshire

**Report on Compliance for Each Major Federal Program**

We have audited Tri-County Community Action Program Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Tri-County Community Action Program Inc.'s major federal programs for the year ended June 30, 2018. Tri-County Community Action Program 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 Tri-County Community Action Program 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 the audit 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). Those standards and 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 Tri-County Community Action Program 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 Tri-County Community Action Program Inc.'s compliance.



### ***Opinion on Each Major Federal Program***

In our opinion, Tri-County Community Action Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

### **Report on Internal Control over Compliance**

Management of Tri-County Community Action Program, 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 Tri-County Community Action Program 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 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 Tri-County Community Action Program, 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Leone McDonnell & Probits  
Professional Association*

October 19, 2018  
North Conway, New Hampshire

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

1. The auditors' report expresses an unmodified opinion on the financial statements of Tri-County Community Action Program, Inc.
2. No significant deficiencies relating to the audit of the 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 financial statements of Tri-County Community Action Program, Inc. which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs during the audit are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance in Accordance with the Uniform Guidance*.
5. The auditors' report on compliance for the major federal award programs for Tri-County Community Action Program, Inc. expresses an unmodified opinion on all major programs.
6. No audit findings that are required to be reported in accordance with 2 CFR 200.516(a) are reported in this Schedule.
7. The programs tested as major programs included:
  - U.S. Dept. of Health & Human Services, LIHEAP – CFDA #93.568
  - U.S. Dept. of Health & Human Services, TANF Cluster – CFDA #93.558
  - Electrical Assistance Program (Non-Federal) – NH Public Utilities Company
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Tri-County Community Action Program, Inc. was determined to be a low-risk auditee.

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None



# COMMUNITY ACTION

TRI-COUNTY CAP

## BOARD OF DIRECTORS FY2019

### COÖS COUNTY

#### Board Chair

Sandy Alonzo

#### Treasurer

Cathy Conway

#### Secretary

Gary Coulombe

### CARROLL COUNTY

Anne Barber

Michael Dewar

#### Vice Chair

Dino Scala

Karolina Brzozowska

### GRAFTON COUNTY

Linda Massimilla

Tricia Garisson

Richard McLeod

Serving Coös, Carroll & Grafton Counties

Administration 603-752-7001	Weatherization 603-326-6626	Community Contact 603-752-3248	Energy Programs 603-752-7100	AoD 603-752-7941	Transit 603-752-1741	R.S.V.P. 603-752-4103	Elder Programs 603-752-3010
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# **Jeanne L. Robillard**

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## **CORE STRENGTHS**

Program development, management and administration ♦ Community collaborations  
Development of policy, protocol, and service delivery to meet funder standards  
Grant writing and management ♦ Budget performance and financial reporting  
Innovative solutions & problem solving ♦ Capacity building  
Professional presentations ♦ Public speaking  
Dedication ♦ Imagination ♦ Determination ♦ Fortitude

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## **PROFESSIONAL EXPERIENCE**

### **Tri-County Community Action Programs, Inc.**

#### **Chief Executive Officer**

**Berlin, NH 2018 - current FT employment**

### **Tri-County Community Action Programs, Inc.**

#### **Chief Operating Officer**

**Berlin, NH 2016 - 2018**

Responsible for the operations of six agency Divisions with 15 individual programs that provide over 60 consumer services across three counties of Northern New Hampshire. Essential duties include; supervision of Division Directors, oversee and monitor program resources, revenues, expenditures and budget performance; tactical oversight of programs to meet or exceed agency defined strategic goals; develop and implement strategies to improve individual programs and overall agency program and fiscal performance; oversee and lead special projects such as the Annual Report, Strategic Plan, Community Needs Assessment process, and work with Senior Management Team to develop new service initiatives. Provide tactical guidance to Division Directors to trouble shoot issues and problems in the daily operations of programs.

### **Tri-County Community Action Programs, Inc.**

#### **Division Director: TCCAP Prevention Services**

**Berlin, NH 2015- 2016**

Responsible for four agency programs under the umbrella of TCCAP Prevention Services; oversee division resources, revenues, and expenditures and monitor budget performance; general oversight of programs to meet or exceed agency defined strategic goals; supervise program directors; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and agency; develop fundraising and marketing strategies for programs; represent program through participation in state and local initiatives relative to program/division goals and service delivery; collaborate with stakeholders and elected officials, including presenting legislative testimony.

### **Tri-County Community Action Programs, Inc.**

#### **Program/Division Director: Support Center at Burch House**

**Littleton, New Hampshire 2007- 2015**

Oversee daily operation and supervision of domestic and sexual violence crisis center and residential shelter; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and parent agency; oversee program resources, revenues and expenditures, and monitor budget performance and progress toward strategic goals; create and direct victim advocacy programs to ensure compliance with grant deliverables and applicable state and federal law; develop fundraising and marketing strategies; participate in state and local collaborations to enhance victim services; represent program in state and federal victim service initiatives, including presentation of legislative testimony; create and present trainings for medical and legal professionals on legal standards and best practices for victim services.

**Bookkeeper: Women's Rural Entrepreneurial Network (WREN)**

**Bethlehem, NH current PT employment**

Responsible for grant fiscal tracking, reporting, funds release and account transfers, bi-weekly payroll and 941 payments, accounts payable and receivable, month end reconciliations for bank accounts, credit cards, petty cash, retail and market sales; monthly POS/QB reconciliation for three retail locations, preparing monthly cash flow, forecasts, and standard fiscal reports for Board of Directors.

**Tri-County Community Action Programs, Inc.**

**Direct Services/Volunteer Coordinator: Support Center at Burch House**

**Littleton, New Hampshire 1997 to 2007**

Provide advocacy and direct service to victims of domestic and sexual violence; supervise court advocacy programs; recruit, train and supervise staff, volunteers, and interns; develop agency systems, policies and protocols; create and present community outreach presentations and campaigns; present school-based violence prevention classes for grades K-12; provide on-call coverage of crisis line

**Director: Haverhill Area Juvenile Diversion Program**

**Woodsville, New Hampshire 1999-2001**

Recruit, train, and supervise volunteer diversion committees; establish community programming for diverted youth; supportive counseling of youth; maintain collaborative relationships between the court system, juvenile service officers, local police departments, and diversion program; prepare and file court reports on diverted youth; community outreach and education

**Counselor/Title I Teacher: Northern Family Institute-Jefferson Shelter**

**Jefferson, New Hampshire 1996-1999**

Provide individual supportive counseling to adjudicated youth, facilitate peer support groups, develop and implement treatment plans and case management services to clients, supervise and tutor youth in classroom setting, supervise youth in daily living skills

**Education**

**BS in Human Services, Springfield College School of Human Services, Boston, MA**

Criminal Justice Concentration, *Graduated with 4.0 GPA*

**AS in Drug and Alcohol Rehabilitation Counseling (DARC Program)**

**Southern Connecticut Community College, New Haven, CT**

**Additional Skills, Professional Leadership and Civic Affiliations**

- ◆ Chairman, Bethlehem Board of Selectmen, Town of Bethlehem Twice Elected 2006-2010
- ◆ Chairman, Arts Alliance of Northern New Hampshire 2000-2003, *Treasurer 1996-1998*
- ◆ Chairman, Haverhill Area Family Violence Council 1998-2003
- ◆ Certified PRIME FOR LIFE Impaired Driver Intervention Program Instructor #NH16199
- ◆ Registered Sexual Harassment Prevention Trainer in the State of New Hampshire
- ◆ Board Member, Women's Rural Entrepreneurial Network 2014; *Individual Member 2008-2017*
- ◆ Bethlehem Planning Board 2010 - 2015
- ◆ Bethlehem Conservation Commission 2006 - *current*
- ◆ Granite United Way, North Country Cabinet Member 2011-2012
- ◆ TCCAP: Commendation- Division Director Award, 2011
- ◆ Bethlehem Citizen's Advisory Committee on Recycling 2007-2010
- ◆ Licensed Foster Parent, State of NH 2000-2006
- ◆ Small Business Owner : Aurora Energies 2015- *current*
- ◆ Speakeasy Trio Jazz Vocalist/ Sweet Jamm Swing Band Jazz Vocalist 1997- *current*
- ◆ Member, United States Figure Skating Association/International Skating Institute *current since 1993*

# RANDALL S. PILOTTE

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## SUMMARY

Accounting professional with over 29 years of experience, of which 21 years were with a single private manufacturer. 16 years of experience managing accounting professionals. Key competencies include:

Financial Statements	Accounts Payables	Inventory	Fixed Assets
Payroll	Bank Reconciliations	Accounts Receivables	Sales/Use Tax
Budgeting	Cash Flow Management	Audits	Forecasting

## EXPERIENCE

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC., Berlin, NH

06/2013-Present

### **CFO (2017 – Present)**

Work closely with the CEO, Treasurer and Finance Committee to identify performance goals for the Agency and to maintain systems to monitor performance against those goals. Plan, direct, coordinate, implement and evaluate the financial management systems and activities of the Agency with a budget of \$18M.

- Prepare/provides complete and accurate financial, statistical, and accounting records for the Agency and outside regulatory agencies.
- As a member of the senior management team, assists in the formulation and execution of corporate finance policies, objectives and programs.
- Prepares program and agency budgets in conjunction with the CEO and Program Directors. Plan, direct, coordinate, implement and evaluate fiscal performance reviews of Tri-County CAPs divisions.
- Hire, train, direct and evaluate employee performance within the department; recommend promotions and salary adjustments.
- Provides supervision and direction for the Facilities Management Team, ensuring that all mortgages, leases and covenants are maintained for Tri-County CAP's facilities. Creation of five-year capital plan.
- Reviews cash flows for each division, monitor cash management practices, and monitor investments associated with each property.
- Prepared five-year debt reduction plan.

### **Fiscal Director/Interim CFO (2016 – 2017)**

- Direct and manage a fiscal staff of 5 and processes associated with the general ledger, payroll, and accounts payable, accounts receivable, cash receipts and fixed assets.
- Prepare and supervise the production of financial statements including Balance Sheet, Revenue and Expense Reports, and Cost Summaries on a monthly and annual basis.
- Maintain proper accounting controls on grants and contributions to ensure accurate revenue reporting and expense tracking to support periodic monitoring's by funders and auditors.
- Ensure all balance sheet, revenue and expense accounts are analyzed and reconciled periodically.
- Collaborate with Division Directors to monitor departmental revenue and expenses versus budget.
- Worked with the CFO to develop real time monthly and annual financial reporting; and implementing departmental goals.
- Prepare audit schedules for external auditors.
- Collaborate with external auditors in completing annual audit in a timely manner.

### **Accounting Manager (2015-2016)**

### **Sr. Accountant (2013-2014)**

**RANDALL PILOTTE RESUME:**

KENT NUTRITION GROUP, INC. (f/k/a Blue Seal Feeds, Inc.), Londonderry, NH

03/1989-09/2010

**Assistant Controller (2005-2010)**

- Ensured an accurate and timely monthly and year end close, consisting of the preparation of a consolidated and individual financial statement in accordance with GAAP for nine manufacturing plants and 11 retail stores with gross revenues in excess of \$200M. Additional responsibilities included preparing journal entries, account analysis, inventory review and observation, fixed assets, and depreciation.
- Managed, trained, and supervised a staff accountant responsible for ensuring accurate journal entries, inventory reconciliation, tonnage tax returns, bank reconciliations, and assignment of special projects.
- Oversaw all aspects of proprietary software, multi-state payroll system for 500 employees. Prepared all federal and state payroll tax reports, including quarterly and year-end returns, processing of W2s, and supervision of payroll clerk.
- Interfaced with 18 various banks throughout New England and Mid-Atlantic area used as depositories.
- Prepared multi-state sales/use tax returns and acted as point of contact for audits.
- Pro-actively coached and consulted plant and store management on the annual budget development process.
- Oversaw month-end accruals.
- Assisted and responded to auditors' requests on annual audit.
- Filed annual franchise and abandoned property reports with appropriate states.

**Accounting Manager (1999-2005)**

Supported the Corporate Controller's initiatives by providing supervision and oversight to the Accounting function. Supervised and trained two accounts payable clerks on Chart of Accounts, Accounts Payable, timely and accurate processing and payment of vendor's invoices, employee travel reimbursements, and standard accounting practices.

**Accountant/Payroll Supervisor (1994-1999)**

**Accountant (1989-1994)**

NORTHERN TELECOM, INC., Concord, NH

05/1987-03/1989

**Associate Results Accountant (1988-1989)**

**Accounts Payable (1987-1988)**

**E D U C A T I O N**

**Bachelor of Science, Accounting, FRANKLIN PIERCE COLLEGE, Concord, NH**

# REGAN L. PRIDE

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## SUMMARY

My experience spans the fields of engineering, computer technology, education, and public administration. This unique combination brings a wide array of knowledge and skills to the table for your organization. I am a team player, a patient trainer, and adept at interpersonal relations.

## RELEVANT KNOWLEDGE AND SKILL AREAS

- Confidence in public speaking for business and technical applications, and instructional settings
- Strong writing skills and interpersonal communication skills, ability to teach others, and build consensus
- Approachable, warm and personable style in teaching classes and interacting with colleagues
- Robust education in mathematics, engineering and general science topics
- Fluency with entire Microsoft Office application suite.
- Fluency with AutoCAD computer-aided drafting software
- Familiarity with ArcView GIS software.
- Familiar with Avante Enterprise Resource Planning software
- Familiar with BMSI fund accounting and Avitar assessing/tax billing software
- Adept at Macromedia/Adobe Dreamweaver MX web site design software

## WORK EXPERIENCE

NORTH COUNTRY COUNCIL REGIONAL PLANNING COMMISSION, Littleton, NH

TITLE: Planner, 2012-2013 + 2015-2018

Managed solid waste technical assistance program funded by USDA Rural Development. Conducted "Full Cost Accounting" studies of municipal solid waste department operations. Reviewed and updated operating plans for municipal solid waste facilities. Organized household hazardous waste collection events. Created and delivered training programs for solid waste operator certification. Created pilot programs to reduce & divert food waste from landfills in 4 communities.

2013-2014

INNOVATIVE STRUCTURAL BUILDING PRODUCTS

TITLE: Project Manager

Performed a variety of functions including business plan preparation and product development associated with a start-up company in the engineered wood sheathing industry. I created engineering drawings, built and tested prototypes, and assisted in marketing activities.

2000 – Present

ICANTOO ENTERPRISES, Lisbon, NH

TITLE: Owner, Computer Applications Consulting

Assistance and training with business and technical applications. Created customized solutions involving AutoCAD, MS Word, MS Excel, MS Access software applications. I also perform web site HTML and CGI development, hardware setup, upgrades, and troubleshooting.

Recent clients/projects include:

- New England Electric Wire Corp – Implementation of Avante MRP & APS scheduling software, computerized WIP labeling system, computer workstation installations, user/operator training.
- Littleton, NH Senior Softball League – custom programming and support of statistical software
- Louisiana Corporate Credit Union – Web site design and maintenance.
- Brammer Creek – Web site design for wholesale food distributor.



2006 – 2012

TOWN OF LISBON, NH, Lisbon, NH

TITLE: Town Administrator, CPM

Prepared annual town budgets and performed presentations at budget hearings and town meeting. Prepared annual financial reports (MS-2, MS-4, MS-6) for the town. Generated tax warrants, and water/sewer warrants. Analyzed water/sewer revenues and developed rate structure to balance department's budget. Performed the functions of financial administration, personnel management, grant administration, welfare administration, emergency management, and project management.

1990-2000 & 2004 – 2006

NEW ENGLAND CATHETER CORPORATION, Lisbon, NH

(Subsidiary of New England Wire Technologies)

TITLE: Engineer, Medical Products

Performed process engineering support in the manufacture of wire-reinforced medical tubing including; equipment specification, process/procedure development, tooling design, and statistical data analysis. Developed customized spreadsheets for product design, and manufacturing process control.

I was also employed with the parent company as an engineer/CAD operator from 1990 to 2000. While in this capacity, I led personal computer users groups, installed the first Ethernet network in the company engineering department, and developed computer file management systems and backup routines.

2002 – 2004

SCHOOL ADMINISTRATIVE UNIT 35, Littleton, NH

TITLE: Distance Learning Coordinator

This position involved collaboration with teachers and staff to develop interactive educational programs utilizing distance learning/videoconferencing technology. Programs were distributed between three high school campuses. Duties included setup, configuration, operation and maintenance of videoconferencing endpoints, and operation of bridge/gateway at central office. I served as webmaster for SAU website. I also performed various computer support duties.

## EDUCATION/CERTIFICATIONS

NH Bureau of Education and Training  
CPM Certificate (Certified Public Manager)

University of California at Berkeley, Engineering Department  
92 semester credits in Mechanical Engineering Major

## CONTINUING EDUCATION

- NH Certified Public Supervisor program
- Radvision H.232 technician course
- Six Sigma process control course by Boston Scientific Corp.
- Extrusion Theory course at University of Massachusetts, Lowell

## PROFESSIONAL & CIVIC ASSOCIATIONS

- Board of Directors, North Country Council Regional Planning Commission, Bethlehem, NH; 2007-2012. Served as chairman in 2011.
- Grafton-Coos Regional Coordinating Council (for public transit); Littleton, NH; 2009-2012
- Member of NHMMA, NHGFOA, NHLWAA – 2006-2012
- Board of Selectman, Lisbon, NH March 2000-2006. Served as chairman from 2002 to 2006.
- Board of Directors, Lisbon Main Street, Inc., Lisbon, NH; 2008-2012;
- Economic Restructuring Committee of Lisbon Main Street, Inc., 2002-present
- Member of Granite State Distance Learning Network, 2002-2004

## REFERENCES

Professional references shall be produced upon request and presented at time of interview.



## Kristy Letendre

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"If human beings are perceived as potentials rather than problems, as possessing strengths instead of weaknesses, as unlimited rather than dull and unresponsive, then they thrive and grow to their capabilities."

~Barbara Bush

### Experience

**May 2019–Present**

**Division Director • TCCAP, Inc- Prevention**

Responsible to provide Sr. Leadership and oversight to the development, design, daily operation, compliance, and financial solvency of the programs and facilities under Prevention Services which include Guardianship Services; Homeless Programs, including Tyler Blain Homeless Shelter, and Advocacy and Support Services for Victims of Domestic Violence and Sexual Assault, including Emergency Shelter Services at the Support Center at Burch House

**Sept 2018–Present**

**Division Operations Coordinator • TCCAP, Inc- Prevention**

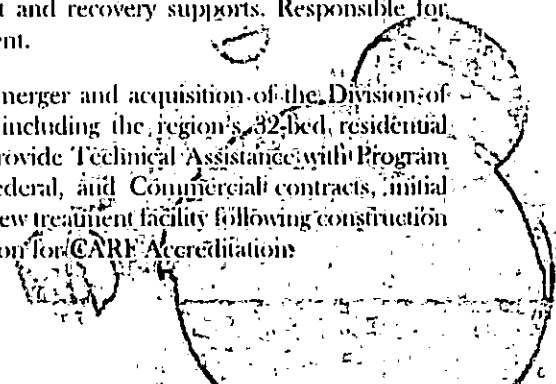
Responsible for monitoring compliance of grant deliverables and legal / ethical integrity of programs and services offered throughout the Division. Responsible to compile and analyze division data; reporting trends and outcomes to Sr. management and local stakeholders. Responsible to develop, review, and update program written policy, procedures, and work flows. Responsible for program development and oversight.

**May 2017–August 2018**

**North Country SUD Continuum of Care Facilitator / Lead Transition Coordinator • North Country Health Consortium**

**COCF:** The North Country Region's designated state liaison responsible to work with regional key stakeholders to conduct a comprehensive assets and gaps analysis; reporting back findings to NH DHHS and facilitate the development of a comprehensive plan aimed to create a robust, effective, and well-coordinated Continuum of Care (CoC) in the North Country for addressing substance use disorders (SUD) that include health, prevention, early identification/intervention, treatment and recovery supports. Responsible for community education and engagement.

**LTC:** Responsible to oversee the merger and acquisition of the Division of Alcohol and other Drug Services, including the region's 32-bed residential treatment facility. Responsible to provide Technical Assistance with Program Development, transfer of State, Federal, and Commercial contracts, initial Credentialing and Licensure of the new treatment facility following construction completion, and managing preparation for CARE Accreditation





April 2014–May 2017

Division Director • TCCAP, Inc- Clinical Services

Responsible to provide Sr. Leadership and oversight to the development, design, daily operation, compliance, and financial solvency of the programs and facilities under Clinical Services including the Division of Alcohol and other Drug Services, Friendship House; the region's 32- bed Residential Treatment facility, and the Tanworth Dental Center Practice.

May 2004–April 2014

Associate Division Director • TCCAP, Inc- Division of Alcohol and Drugs

In conjunction with the Division Director, responsible to provide joint Sr. Leadership and oversight to the development, design, daily operation, compliance, and financial solvency of the programs and facilities under the Division of Alcohol and other Drug Services, including Friendship House, the region's 32- bed Residential Treatment facility, the out-patient SUD treatment practice with 6 satellite sites throughout the 3 counties in the North Country and the Impaired Driver Care Management Program.

### Accomplishments

Friendship House New Construction-Bethlehem, NH-\$5.2 MIL - 2015-2018

17,588-sq ft, 32-Bed Residential Substance Use Disorder Treatment Facility

- Submission of state and federal grant applications resulting in \$2.7 MIL in awards & executed a grass roots advocacy campaign securing the remaining \$2.5 MIL in anonymous donations
- Issued all final project approvals on the design, project development, construction, submission of permit applications and town zoning requirements, and licensure and compliance standards.

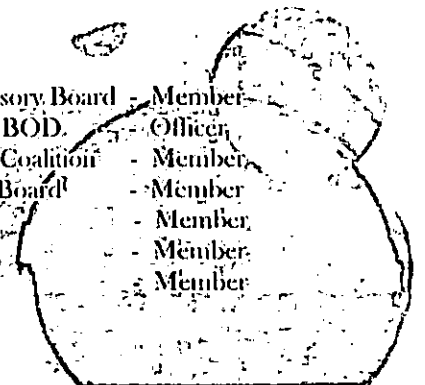
Implemented New Reimbursement System. 2015

- Eliminated the Division's dependence on grant funding by successfully procuring contracts and credentialing with NH Medicaid, MCO's, and Commercial insurance companies creating eligibility to submit claims on a fee-for-service basis stabilizing revenue and enhancing rates for service.
- Successfully negotiated a contract amendment with DHHS to expand billable services to include Outpatient and Intensive Outpatient services resulting in an increase to from \$1.8 MIL to \$2.5MIL.

Expert Panelist - Guidance Document on Best Practices: Community-Based MAT for Opioid Use Disorders in New Hampshire, First Edition. 2016

### Civic Involvement

2019 - Present	MWV Supports Recovery Advisory Board	- Member
2017 - Present	North Country Serenity Center BOD	- Officer
2016 - Present	Stand-Up Androscoggin Valley Coalition	- Member
2016 - 2018	Project Aware, BHS, Advisory Board	- Member
2017 - Present	Littleton ATOD Coalition	- Member
2018 - Present	Lancaster Area Coalition	- Member
2016 - 2017	NCHC Board of Directors	- Member





### Skills

Creative flair	Good sense of humor	Excellent written and oral communication skills
Engaging Community Presenter	Cultural intelligence	Well-informed in policy and procedure development
Proficient in Office Suite	Versatile and adaptable	Proficient in budget development and management
Solution focused problem resolution	Computer and technology adept	Lateral thinking and logical reasoning
Unique leadership through empowerment	Knowledgeable grant writer	Innovative
Detail oriented	Creative strategic planner	Experienced non-profit management
Excellent Community and political relations	Advocacy	Approachable, relatable, and relevant

### Education

**Plymouth State University, Plymouth NH.**

2017-In Progress | Business Administration

Coursework: accounting, economics, finance, management, marketing theories and practices of business ethics and social responsibility, quantitative skills to analyze.

**White Mountains Community College, Berlin NH.**

2015-2017 | Business Administration

Coursework: management, accounting, finance, strategy, economics, statistics, marketing, operations/project management, entrepreneurship, and computer applications. Completed requirements of the first two years of a four-year business administration degree, AS-equivalent, 4.0 GPA

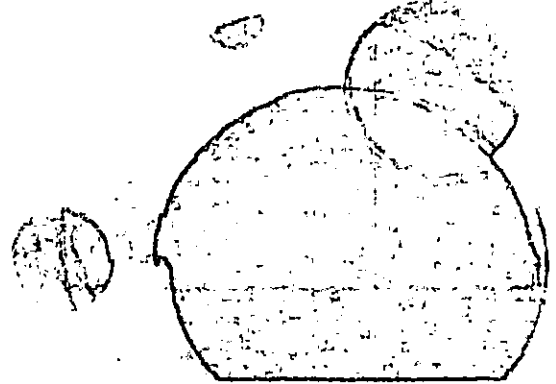
**White Mountains Community College, Berlin NH.**

2011 | Leadership North Country

Coursework: The program selects a diverse group aspiring leaders in northern New Hampshire through a competitive nomination and application process. Candidates participate in a 9-month program focused on education, arts and culture, leadership and civil engagement, travel and tourism, and government and politics.

### References

Available upon request



**Tri-County Community Action Program, Inc.**

**Coordinated Entry Key Personnel**

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Jeanne Robillard	Chief Executive Officer	\$115,000	0%	0%
Randal Pilotte	Chief Financial officer	\$75,000	0%	0%
Regan Pride	Chief Operations Officer	\$70,000	0%	0%
Kristy Letendre	Prevention Division Director	\$44,999.76	20%	\$8,999.95

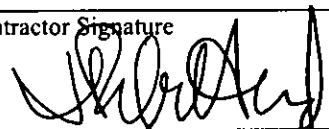
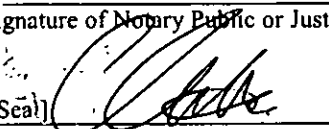
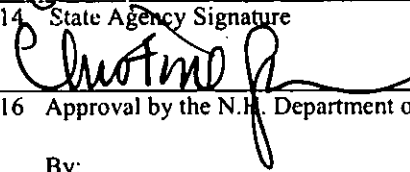
Subject: Continuum of Care, Permanent Supportive Housing I, Expansion Program, SS-2020-BHS-04-PERMA-25

**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

**GENERAL PROVISIONS****1. IDENTIFICATION.**

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Tri-County Community Action Program, Inc		1.4 Contractor Address 30 Exchange Street Berlin, NH 03570	
1.5 Contractor Phone Number 603-752-7001	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date 06/30/2020	1.8 Price Limitation \$88,959
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Jeanne Robillard CEO	
1.13 Acknowledgement: State of <del>New Hampshire</del> , County of <u>COOS</u> On <u>5/22/19</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]		CHRISTINA MORIN, Notary Public State of New Hampshire My Commission Expires December 19, 2023	
1.13.2 Name and Title of Notary or Justice of the Peace Christina Morin Notary Public			
1.14 State Agency Signature  Date: <u>5/29/19</u>		1.15 Name and Title of State Agency Signatory Christine Sanlaniello, DEHS Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: <u>SE A</u> (K. Allen Pracks) On: <u>6/4/19</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders; and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

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**

**Permanent Supportive Housing Program**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provided to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:  
NH DHHS  
Bureau of Housing Supports (BHS)  
129 Pleasant Street  
Concord, NH 03301
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the services described herein, the State, through the Bureau of Housing Supports, has the right to modify service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the Continuum of Care (CoC) Grant. The State, as the Collaborative Applicant for the Balance of State CoC, and/or, the recipient of the CoC funding, has applied for the CoC Grant and will continue to perform due diligence in the application process. However, the State makes no representation that it will receive the funds. In no event shall the State be liable for costs incurred or payment of any services performed by the Contractor prior to the State's receipt of federal funds applied for in the CoC Grant.
- 1.4. For the purposes of this agreement, the Department has identified the Contractor as a subrecipient, in accordance with 2 CFR 200.0. et seq.
- 1.5. Notwithstanding the confidentiality procedures established under 24 CFR Part 578.103(b), US Department of Housing and Urban Development (HUD), the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the Contractor that are pertinent to the CoC grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period, but last as long as the records are retained.
- 1.6. The Contractor shall maintain adherence to federal and state financial and confidentiality laws, and agrees to comply with the program narratives, budget detail and narrative, and amendments thereto, as detailed in the 2017 Notice of Funding Available (NOFA) CoC Project Application approved by HUD.
- 1.7. The Contractor shall provide services according to HUD regulations outlined in Public Law 102-550 and 24 CFR Part 578: CoC Program and other written, appropriate HUD policies/directives.
- 1.8. All programs shall be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
- 1.9. The Contractor shall cooperate fully with and answer all questions, related to this contract, of representatives of the State or Federal agencies who may conduct a periodic review of performance or an inspection of records.

*[Signature]*  
5/22/19



Exhibit A

- 1.10. The Contractor shall support the primary goal of this program which is to facilitate the movement of homeless and chronically homeless individuals and families to permanent housing and maximum self-sufficiency.

**2. Scope of Services**

- 2.1. The Contractor shall implement a Coordinated Entry System (CES) for all projects funded by the CoC Program, Emergency Solutions Grants (ESG) Program, and Housing Opportunities for Persons with AIDS (HOPWA) Program, in accordance with CoC interim rule, 24 CFR Part 578.
- 2.2. The Contractor shall provide a permanent supportive housing program through the expansion project that delivers six (6) scattered site apartments for individuals experiencing chronic homelessness, and which includes, but is not limited to:
- 2.2.1. Utilization of the "Housing First" model, ensuring barriers to entering housing are not imposed beyond those required by regulation or statute, and will only terminate project participation for the most severe reasons, once available options have been exhausted to help a participant maintain housing.
- 2.2.2. The development of a stabilization plan and crisis management plan with the participant, at intake and, at a minimum, annually. An ongoing Assessment of Housing and Supportive Services is required, with the ultimate goal being assistance to the participant in obtaining the skills necessary to live in the community independently.
- 2.3. The Contractor shall establish and maintain standard operating procedures to ensure CoC program funds are used in accordance with 24 CFR 578 and must establish and maintain -- sufficient records to enable HUD and BHS to determine Contractor requirement compliance, including:
- 2.3.1. Continuum of Care Records: The Contractor shall maintain the following documentation related to establishing and operating a CoC:
- 2.3.1.1. Records of Homeless Status. The Contractor shall maintain acceptable evidence of homeless status in accordance with 24 CFR 576.500(b).
- 2.3.1.2. Records of at Risk of Homelessness Status: The Contractor shall maintain records that establish "at risk of homelessness" status of each individual or family who receives CoC homelessness prevention assistance, as identified in 24 CFR 576.500(c).
- 2.3.1.3. Records of Reasonable Belief of Imminent Threat of Harm. The Contractor shall maintain documentation of each program participant who moved to a different CoC due to imminent threat of further domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR 578.51(c)(3). The Contractor shall retain documentation that includes, but is not limited to:
- 2.3.1.3.1 The original incidence of domestic violence, dating violence, sexual assault, or stalking, only if the original violence is not already documented in the program participant's case file. This may be written observation of the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; medical or dental records; court records or law enforcement records; or written certification by the program participant to whom the violence occurred or by the head of household.

*JK*  
5/22/19



Exhibit A

- 2.3.1.3.2 The reasonable belief of imminent threat of further domestic violence, dating violence, or sexual assault or stalking, which would include threats from a third-party, such as a friend or family member of the perpetrator of the violence. This may be written observation by the housing or service provider; a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom the victim has sought assistance; current restraining order; recent court order or other court records; law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts; or a written certification by the program participant to whom the violence occurred or the head of household.
- 2.3.1.4. Records of Annual Income. For each program participant who receives housing assistance where rent or an occupancy charge is paid by the program participant, the Contractor must keep the following documentation of annual income:
- 2.3.1.4.1. Income evaluation form specified by HUD and completed by the Contractor; and
  - 2.3.1.4.2. Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the program participant and income received before the date of the evaluation;
  - 2.3.1.4.3. To the extent that source documents are unobtainable, a written statement by a relevant third party (e.g., employer, government benefits administrator) or the written certification by the Contractor's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period; or
  - 2.3.1.4.4. To the extent that source documents and third-party verification are unobtainable, the written certification by the program participant of the amount of income that the program participant is reasonably expected to receive over the three (3) month period following the evaluation.
- 2.3.1.5. Program Participant Records. In addition to evidence of homelessness status or at-risk-of-homelessness status, as applicable, the Contractor must keep records for each program participant that document:
- 2.3.1.5.1. The services and assistance provided to that program participant, including evidence that the Contractor has conducted an annual assessment of services for those program participants that remain in the program for more than a year and adjusted the service package accordingly, and including case management services as provided in 24 CFR 578.37(a)(1)(ii)(F); and
  - 2.3.1.5.2. Where applicable, compliance with the termination of assistance requirement in 24 CFR 578.91.
- 2.3.1.6. Housing Standards. The Contractor must retain documentation of compliance with the housing standards in 24 CFR 578.75(b), including inspection reports.
- 2.3.1.7. Services Provided. The Contractor must document the types of supportive services provided under the Contractor's program and the amounts spent on those services. The Contractor must keep documentation that these records were reviewed at least annually and that the service package offered to program participants was adjusted as necessary.
- 2.4. The Contractor shall maintain records that document compliance with:
- 2.4.1. The Organizational conflict-of-interest requirements in 24 CFR 578.95(c).

JK  
5/22/19



Exhibit A

- 2.4.2. The Continuum of Care Board conflict-of-interest requirements in 24 CFR 578.95(b).
- 2.4.3. The Other Conflicts requirements in 24 CFR 578.95(d).
- 2.5. The Contractor shall develop, implement and retain a copy of the personal conflict-of-interest policy that complies with the requirements in 24 CFR 578.95, including records supporting any exceptions to the personal conflict-of-interest prohibitions.
- 2.6. The Contractor shall comply and retain documentation of compliance with:
- 2.6.1. The Homeless Participation requirements in accordance with 24 CFR 578.75(g).
- 2.6.2. The Faith-based Activities requirements in accordance with 24 CFR 578.87(b).
- 2.6.3. Affirmatively Furthering Fair Housing by maintaining copies of all marketing, outreach, and other materials used to inform eligible persons of the program in accordance with 24 CFR 578.93(c).
- 2.6.4. Other Federal Requirements in 24 CFR 578.99, as applicable.
- 2.6.5. Other Records Specified by HUD. The Contractor must keep other records as specified by HUD.
- 2.6.6. The Contractor must retain copies of all procurement contracts and documentation of compliance with the Procurement Requirements in 24 CFR 85.36 and 24 CFR part 84.
- 2.7. Confidentiality. In addition to meeting the specific confidentiality and security requirements for HMIS data (76 FR 76917), the Contractor shall develop and implement written procedures to ensure:
- 2.7.1. All records containing protected identifying information of any individual or family who applies for and/or receives Continuum of Care assistance shall be kept secure and confidential as required by this Agreement and state and federal laws and regulations;
- 2.7.2. The address or location of any family violence project assisted with Continuum of Care funds shall not be made public, except with written authorization of the person responsible for the operation of the project; and
- 2.7.3. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality;
- 2.8. Period of Record Retention. The Contractor shall ensure all records, originals or copies made by microfilming, photocopying, or other similar methods, pertaining to Continuum of Care funds are retained for five (5) years following the Contract Completion Date and receipt of final payment by the Contractor unless records are otherwise required to be maintained for a period in excess of the five (5) year period according to state or federal law or regulation.

**3. Program Reporting Requirements**

- 3.1. The Contractor shall submit the following reports:
- 3.1.1. Annual Performance Report (APR): Within thirty (30) days after the Contract Completion Date, an APR shall be submitted to BHS that summarizes the aggregate results of the Project Activities, showing in particular how the Contractor is carrying out the project in the manner proposed in the application submitted to HUD for the relevant fiscal year Notice of Funding Availability (NOFA). The APR shall be in the form required or specified by the State, and submitted to the address listed in section 1.1. Exhibit A; and


  
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Exhibit A

3.1.2. Other Reports as requested by the State in compliance with NH HMIS policy.

**4. Contract Administration**


- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by BHS, including training in data security and confidentiality, according to state and federal laws. To the extent possible, BHS shall notify the Contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Contractor shall inform BHS of any staffing changes within thirty (30) days of the change.

**5. Performance Measures**

- 5.1. The Contractor shall adhere to all terms and conditions as set forth in the HUD New Project Application, federal fiscal year 2018, #SF-424, dated September 07, 2018; and
  - 5.1.1. The Contractor shall abide by the performance measures as detailed in all applicable HUD regulations including, but not limited to, those outlined in 24 CFR Part 578: Continuum of Care Program and Public Law 102-550.
  - 5.1.2. The Contractor shall be accountable to all performance measures as detailed in the Annual Performance Report Section 3.1.1. Exhibit A.
- 5.2. The Bureau Administrator of BHS, or designee, may observe performance, activities and documents under this Agreement.

**6. Deliverables**

- 6.1. The Contractor shall implement a Coordinated Entry System, as detailed in Section 2.1. Exhibit A, in accordance with the CoC Program interim rule, 24 CFR Part 578 and as amended.
- 6.2. The Contractor shall provide a permanent supportive housing program as outlined in Section 2.2. Exhibit A and as outlined in other written HUD policies and directives as appropriate.
  - 6.2.1. Project outcomes shall include, but are not limited to:
    - 6.2.1.1. Participants exit homelessness faster, and once housed, remain stably housed.
    - 6.2.1.2. Participants experience increased connections to:
      - 6.2.1.2.1. Financial resources such as SSI/SSDI, SNAP and cash assistance through applications done with the assistance of the case manager;
      - 6.2.1.2.2. Increased employment through availability of job training/resume writing courses; and
      - 6.2.1.2.3. A decrease in the use of emergency services such as hospitals, jails and shelters.
- 6.3. The Contractor shall provide accurate and timely reporting as detailed in Section 3., Program Reporting Requirements, Exhibit A.

  
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New Hampshire Department of Health and Human Services  
Continuum of Care Program

Exhibit B

**METHOD AND CONDITIONS PRECEDENT TO PAYMENT**

**1. Permanent Supportive Housing Program Funding**

- 1.1. Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement pursuant to Exhibit A, Scope of Services, the State agrees to pay the Contractor an amount not to exceed Form P-37, Block 1.8, Price Limitation and for the time period specified below.
- 1.2. This Agreement is funded by the New Hampshire General Fund and/or by federal funds made available under the Catalog of Federal Domestic Assistance (CFDA), as follows:
  - 1.2.1. NH General Fund: 0%
  - 1.2.2. Federal Funds: 100%
  - 1.2.3. CFDA #: 14.267
  - 1.2.4. Grant Number: NH0020L1T001811
  - 1.2.5. Federal Agency: U.S. Department of Housing & Urban Development (HUD)
  - 1.2.6. Program Title: Continuum of Care, Permanent Supportive Housing
  - 1.2.7. Total Amount Continuum of Care;
    - 1.2.7.1. not to exceed \$88,959
  - 1.2.8. Funds allocation under this agreement for Continuum of Care Program;
    - 1.2.8.1. Rental Assistance: \$55,440
    - 1.2.8.2. Supportive Services: \$29,586
    - 1.2.8.3. Administrative Expenses: \$3,933
    - 1.2.8.4. Total program amount: \$88,959
- 1.3. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the Scope of Services may jeopardize the Contractor's current and/or future funding.

**2. Financial Reports**

- 2.1. As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:
  - 2.1.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200.
  - 2.1.2. One (1) copy of the audited financial report within thirty (30) days of the completion of said report to the State at the following address:  
NH DHHS  
Bureau of Housing Supports  
129 Pleasant Street  
Concord, NH 03301
- 2.2. Conformance to 2 CFR part 200: Grant funds are to be used only in accordance with procedures, requirements, and principles specified in 2 CFR part 200.

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**New Hampshire Department of Health and Human Services  
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- 2.3. If the Contractor is not subject to the requirements of 2 CFR part 200, the Contractor shall submit one (1) copy of an audited financial report to the Department utilizing the guidelines set forth by the Comptroller General of the United States in "Standards for Audit of Governmental Organizations, Program Activities, and Functions," within ninety (90) days after Contract/Grant completion date.

**3. Project Costs: Payment Schedule; Review by the State**

- 3.1. Project Costs: As used in this Agreement, the term "Project Costs" shall mean all expenses directly or indirectly incurred by the Contractor in the performance of the Project Activities, as determined by the State to be eligible and allowable for payment in accordance with Public Law 102-550 as well as allowable cost standards set forth in 2 CFR part 200 as revised from time to time and with the rules, regulations, and guidelines established by the State. Nonprofit subcontractors shall meet the requirements of 2 CFR part 200.
- 3.2. Continuum of Care funds may be used to pay for eligible costs listed in 24 CFR 578.39 through 578.63 when used to establish and operate projects under five program components: permanent housing; transitional housing; supportive services only; HMIS; and, in some cases, homeless prevention. Administrative costs are eligible for all components. All components are subject to the restrictions on combining funds for certain eligible activities in a single project found in 24 CFR 578.87(c).

**3.3. Match Funds:**

- 3.3.1. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73.
- 3.3.2. Match requirements are to be documented with each payment request.
- 3.3.3. The Contractor must match all grant funds, except for leasing funds, with no less than twenty-five (25) percent of funds or in-kind contributions from other sources. Cash match must be used for the cost of activities that are eligible under subpart D of 24 CFR 578. The Contractor shall:
- 3.3.3.1. Maintain records of the source and use of contributions made to satisfy the match requirement in 24 CFR 578.73;
- 3.3.3.2. Ensure records indicate the grant and fiscal year for which each matching contribution is counted;
- 3.3.3.3. Ensure records include methodologies that specify how the values of third party in-kind contributions were derived; and
- 3.3.3.4. Ensure records include, to the extent feasible, volunteer services that are supported by the same methods used to support the allocation of regular personnel costs.

**3.4. Payment of Project Costs:**

- 3.4.1. The State agrees to provide payment on a cost reimbursement basis for actual, eligible expenditures incurred in the fulfillment of this Agreement, subject to the availability of sufficient funds.

JK  
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**New Hampshire Department of Health and Human Services  
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**Exhibit B**

- 3.4.2. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Expense Eligibility, Exhibit B. The Contractor must have written approval from the State prior to billing for any other expenses.
- 3.4.3. Eligible expenditures shall be in accordance with the approved line item not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of Public Law 102-550 and other applicable regulations.
- 3.4.4. Payment of Project Costs shall be made through the utilization of funds as provided through the U.S. Department of Housing and Urban Development Title XIV Housing programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), in an amount and time period not to exceed as specified in Section 1.2. Exhibit B.

3.4.5. Schedule of Payments:

- 3.4.5.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
- 3.4.5.2. In lieu of hard copies submitted to the address listed in Section 2.1.2. Exhibit B., all invoices may be assigned an electronic signature and emailed to:  
[housingupportsinvoices@dhhs.nh.gov](mailto:housingupportsinvoices@dhhs.nh.gov)
- 3.4.5.3. The Contractor shall keep records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses.

3.5. Review of the State Disallowance of Costs:

- 3.5.1. At any time during the performance of the Services, and upon receipt of the Annual Performance Report, Termination Report or Audited Financial Report, the State may review all Project Costs incurred by the Contractor and all payments made to date.
- 3.5.2. Upon such review, the State shall disallow any items or expenses that are not determined to be allowable or are determined to be in excess of actual expenditures, and shall, by written notice specifying the disallowed expenditures, inform the Contractor of any such disallowance.
- 3.5.3. If the State disallows costs for which payment has not yet been made, it shall refuse to pay such costs. Any amounts awarded to the Contractor pursuant to this Agreement are subject to recapture.
- 3.5.4. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services, products, required report submissions, as detailed in Exhibits A and B, or NH-HMIS data entry requirements have not been satisfactorily completed in accordance with the terms and conditions of this Agreement.

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**New Hampshire Department of Health and Human Services  
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**Exhibit B**

**4. Use of Grant Funds**

- 4.1. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made through the Budget Office without obtaining approval of the Governor and Executive Council if needed and justified.

**5. Expense Eligibility**

- 5.1. Based on the continued receipt/availability of federal funds, the Contractor shall utilize Continuum of Care program funds specified in this Exhibit B from the HUD Continuum of Care Program, for contract services.

**5.2. Operating Expenses:**

5.2.1. Eligible operating expenses include:

- 5.2.1.1. Maintenance and repair of housing;
- 5.2.1.2. Property taxes and insurance (including property and car);
- 5.2.1.3. Scheduled payments to reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);
- 5.2.1.4. Building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds;
- 5.2.1.5. Utilities, including electricity, gas and water; and
- 5.2.1.6. Furniture and equipment.

5.2.2. Ineligible costs include:

- 5.2.2.1. Rental assistance and operating costs in the same project;
- 5.2.2.2. Operating costs of emergency shelter and supportive service-only facilities; and
- 5.2.2.3. Maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

**5.3. Supportive Services**

- 5.3.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53, and are available to individuals actively participating in the permanent housing program.

5.3.2. Eligible costs shall include:

- 5.3.2.1. Annual assessment of Service Needs. The costs of assessment required by 578.53(a) (2);
- 5.3.2.2. Assistance with moving costs. Reasonable one-time moving costs are eligible and include truck rental and hiring a moving company;
- 5.3.2.3. Case management. The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant(s) are eligible costs;

*JR*  
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**New Hampshire Department of Health and Human Services  
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**Exhibit B**

- 5.3.2.4. Child Care. The costs of establishing and operating child care, and providing child-care vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities are eligible;
- 5.3.2.5. Education Services. The costs of improving knowledge and basic educational skills are eligible;
- 5.3.2.6. Employment assistance and job training. The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is also an eligible cost;
- 5.3.2.7. Food. The cost of providing meals or groceries to program participants is eligible;
- 5.3.2.8. Housing search and counseling services. Costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible;
- 5.3.2.9. Legal services. Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with homeless individual or family's ability to obtain and retain housing;
- 5.3.2.10. Life Skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training;
- 5.3.2.11. Mental Health Services. Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems;
- 5.3.2.12. Outpatient health services. Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals;
- 5.3.2.13. Outreach Services. The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible;
- 5.3.2.14. Substance abuse treatment services. The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible;
- 5.3.2.15. Transportation Services are described in 24CFR 578(e) (15);

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Date 5/22/19



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- 5.3.2.16. Utility Deposits. This form of assistance consists of paying for utility deposits. Utility deposits must be one-time, paid to utility companies;
- 5.3.2.17. Direct provision of services. If the service described in 24CFR 578.53(e) (1) - (16) of this section is being directly delivered by the recipient or subrecipient, eligible costs for those services are described in 24 CFR 578(e) (17);
- 5.3.2.18. Ineligible costs. Any cost not described as eligible costs under this section is not an eligible cost of providing supportive services using Continuum of Care program funds. Staff training and costs of obtaining professional licensure or certifications needed to provide supportive services are not eligible costs; and
- 5.3.2.19. Special populations. All eligible costs are eligible to the same extent for program participants who are unaccompanied homeless youth; persons living with HIV/AIDS; and victims of domestic violence, dating violence, sexual assault, or stalking.

**5.4. Rental Assistance**

- 5.4.1. Grant funds may be used for rental assistance for homeless individuals and families.
- 5.4.2. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or who is living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
- 5.4.3. Rental assistance must be administered in accordance with the policies and procedures established by the Continuum as set forth in 24 CFR 578.7(a) (9) and 24 CFR 578.51. and may be:
  - 5.4.3.1. Short term, up to 3 months of rent;
  - 5.4.3.2. Medium term, for 3-24 months; or
  - 5.4.3.3. Long-term, for longer than 24 months.
- 5.4.4. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent.
- 5.4.5. An advance payment of the last month's rent may be provided to the landlord, in addition to the security deposit and payment of first month's rent.
- 5.4.6. Rental assistance will only be provided for a unit if the rent is reasonable, as determined by the Contractor, in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.4.7. The Contractor may use grant funds in an amount not to exceed one month's rent to pay for any damage to housing due to the action of a program participant. For Leasing funds only: Property damages may be paid only from funds paid to the landlord from security deposits.
- 5.4.8. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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5.4.9. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described in 24 CFR 578.51.

5.4.9.1. Tenant-based rental assistance is rental assistance in which program participants choose housing of an appropriate size in which to reside. When necessary to facilitate the coordination of supportive services, recipients and subrecipients may require program participants to live in a specific area for their entire period of participation, or in a specific structure for the first year and in a specific area for the remainder of their period of participation. Short and medium term rental assistance provided under the Rapid Re-Housing program component must be tenant based rental assistance.

5.4.9.2. Sponsor-based rental assistance is provided through contracts between the recipient and sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization. Program participants must reside in housing owned or leased by the sponsor.

5.4.9.3. Project-based rental assistance is provided through a contract with the owner of an existing structure, where the owner agrees to lease the subsidized units to program participants. Program participants will not retain rental assistance if they move.

5.4.9.4. For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. The leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.

**5.5. Administrative Costs:**

5.5.1. Eligible administrative costs include:

5.5.1.1. The Contractor may use funding awarded under this part, for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under 24 CFR 578.43 through 578.57, because those costs are eligible as part of those activities; and

5.5.1.2. General management, oversight, and coordination. Costs of overall program management, coordination, monitoring and evaluation. These costs include, but are not limited to, necessary expenditures for the following:

5.5.1.2.1. Salaries, wages, and related costs of the staff of the contractor's, or other staff engage in program administration.

5.5.1.2.1.1. In charging costs to this category, the contractor may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program, involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The Contractor may only use one of these methods for each fiscal year grant. Program administration assignments include the following:

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**New Hampshire Department of Health and Human Services  
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- 5.5.1.2.1.1.1. Preparing program budgets and schedules, and amendments to those budgets and schedules;
- 5.5.1.2.1.1.2. Developing systems for assuring compliance with program requirements;
- 5.5.1.2.1.1.3. Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- 5.5.1.2.1.1.4. Monitoring program activities for progress and compliance with program requirements;
- 5.5.1.2.1.1.5. Preparing reports and other documents related to the program for submission to HUD;
- 5.5.1.2.1.1.6. Coordinating the solution of audit and monitoring findings;
- 5.5.1.2.1.1.7. Preparing reports and other documents directly related to the program submission to HUD;
- 5.5.1.2.1.1.8. Evaluating program results against stated objectives;
- 5.5.1.2.1.1.9. Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in sections 5.5.1.2.1.1.1. through 5.5.1.2.1.1.8. above, Exhibit B.
- 5.5.1.2.1.1.10. Travel costs incurred for official business in carrying out the program;
- 5.5.1.2.1.1.11. Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services;
- 5.5.1.2.1.1.12. Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance, but not purchase, of office space;
- 5.5.1.2.1.1.13. Training on Continuum of Care requirements. Costs of providing training on Continuum of Care requirements and attending HUD-Sponsored Continuum of Care trainings; and
- 5.5.1.2.1.1.14. Environmental review. Costs of carrying out the environmental review responsibilities under 24 CFR 578.31.

**5.6. Leasing:**

When the Contractor is leasing the structure, or portions thereof, grant funds may be used to pay for 100 percent of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons for up to three (3) years. Leasing funds may not be used to lease units or structures owned by the Contractor, their parent organization, any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception for good cause.

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**5.6.1. Requirements:**

- 5.6.1.1. Leasing structures. When grants are used to pay rent for all or part of a structure or structures, the rent paid must be reasonable in relation to rents being charged in the area for comparable space. In addition, the rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- 5.6.1.2. Leasing individual units. When the grants are used to pay rent for individual housing units, the rent paid must be reasonable in relation to rents being charged for comparable units, taking into account the location, size, type, quality, amenities, facilities, and management services. In addition, the rents may not exceed rents currently being charged for comparable units, and the rent paid may not exceed HUD-determined fair market rents.
- 5.6.1.3. Utilities. If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds. If utilities are not provided by landlord, these utility costs are operating costs, except for supportive service facilities. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.
- 5.6.1.4. Security deposits and first and last month's rent. The Contractor may use grant funds to pay security deposits, in an amount not to exceed 2 months of actual rent. An advance payment of last month's rent may be provided to the landlord in addition to security deposit and payment of the first month's rent.
- 5.6.1.5. Occupancy agreements and subleases. Occupancy agreements and subleases are required as specified in 24 CFR 578.77(a).
- 5.6.1.6. Calculation of occupancy charges and rent. Occupancy charges and rent from program participants must be calculated as provided in 24 CFR 578.77.
- 5.6.1.7. Program income. Occupancy charges and rent collected from program participants are program income and may be used as provided under 24 CFR 578.97.
- 5.6.1.8. Transition. Refer to 24CFR 578.49(b)(8).
- 5.6.1.9. Rent paid may only reflect actual costs and must be reasonable in comparison to rents charged in the area for similar housing units. Documentation of rent reasonableness must be kept on file by the Contractor.
- 5.6.1.10. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
- 5.6.1.11. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
- 5.6.1.12. Property damages may only be paid from money paid to the landlord for security deposits.
- 5.6.1.13. The Contractor cannot lease a building that it already owns to itself.
- 5.6.1.14. Housing must be in compliance with all State and local housing codes, licensing requirements, the Lead-Based Paint Poisoning Prevention Act, and any other requirements of the jurisdiction in which the housing is located regarding the condition of the structure and operation of the housing or services.

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- 5.7. The Contractor may charge program participants rent and utilities (heat, hot water); however, the amount charged may not exceed the maximum amounts specified in HUD regulations (24 CFR 578.77). Other services such as cable, air conditioning, telephone, Internet access, cleaning, parking, pool charges, etc. are at the participant's option.
- 5.8. The Contractor shall have any staff charged in full or part to this Contract, or counted as match, complete weekly or bi-weekly timesheets.

**6. Contractor Financial Management System**

- 6.1. Fiscal Control: The Contractor shall establish fiscal control and fund accounting procedures which assure proper disbursement of, and accounting for, grant funds and any required nonfederal expenditures. This responsibility applies to funds disbursed in direct operations of the Contractor.
- 6.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require.

  
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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;

Exhibit C – Special Provisions

Contractor Initials

*JK*

*5/22/19*



- 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.

*[Signature]*  
Date 5/22/19



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
  - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
  - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
  - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or

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5/22/19



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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*5/22/19*



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

**20. Contract Definitions:**

- 20.1. **COSTS:** Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.
- 20.2. **DEPARTMENT:** NH Department of Health and Human Services.
- 20.3. **PROPOSAL:** If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the services and/or goods to be provided by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.
- 20.4. **UNIT:** For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.
- 20.5. **FEDERAL/STATE LAW:** Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from time to time.
- 20.6. **SUPPLANTING OTHER FEDERAL FUNDS:** Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.

*jl*  
Date 6/22/19



## REVISIONS TO STANDARD CONTRACT LANGUAGE

### 1. Revisions to Form P-37, General Provisions

1.1. Section 4, Conditional Nature of Agreement, is replaced as follows:

#### 4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account in the event funds are reduced or unavailable.

1.2. Section 10, Termination, is amended by adding the following language:

- 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State; 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
- 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
- 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
- 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
- 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

### 2. Renewal

- 2.1. The Department reserves the right to extend this agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

*JR*

5/22/19



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**ALTERNATIVE I - FOR GRANTEEES 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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5/22/19

New Hampshire Department of Health and Human Services  
Exhibit D




- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
    - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
  - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Date 5/22/19

Vendor Name: Tri-County Community Action Programs, Inc

  
Name: Jeanne Robillard  
Title: CEO

Vendor Initials JR  
Date 5/22/19





**CERTIFICATION REGARDING LOBBYING**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS  
US DEPARTMENT OF EDUCATION - CONTRACTORS  
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- \*Temporary Assistance to Needy Families under Title IV-A
- \*Child Support Enforcement Program under Title IV-D
- \*Social Services Block Grant Program under Title XX
- \*Medicaid Program under Title XIX
- \*Community Services Block Grant under Title VI
- \*Child Care Development Block Grant under Title IV

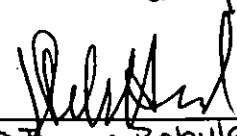
The undersigned certifies, to the best of his or her knowledge and belief, that:


1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-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.

Vendor Name: Tri-County Community Action Programs, INC.

5/22/19  
Date

  
Name: Jeanne Robillard  
Title: CEO

  
5/22/19



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION  
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**INSTRUCTIONS FOR CERTIFICATION**

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



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

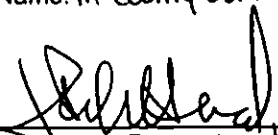
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - 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 (11)(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).

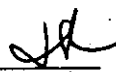
#### LOWER TIER COVERED TRANSACTIONS

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.

Vendor Name: Tri-County Community Action Programs, Inc.

5/22/19  
Date

  
Name: Jeanne Robillard  
Title: CEO

Vendor Initials   
Date 5/22/19



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO  
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND  
WHISTLEBLOWER PROTECTIONS**

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Vendor Initials

*JK*

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

New Hampshire Department of Health and Human Services  
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Vendor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name: Tri-County Community Action Programs, INC.

5/22/19  
Date

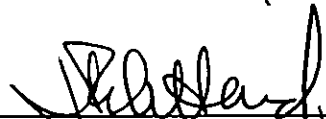
  
Name: Jeanne Robillard  
Title: CEO

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials JR

Date 5/22/19



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Vendor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name: Tri-County Community Action Program, INC.

5/22/19  
Date

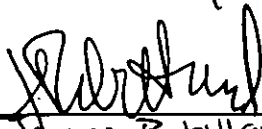
  
Name: Jeanne Robillard  
Title: CEO



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

The Vendor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Vendor and subcontractors and agents of the Vendor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. **"Breach"** shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. **"Business Associate"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. **"Covered Entity"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. **"Designated Record Set"** shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. **"Data Aggregation"** shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. **"Health Care Operations"** shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. **"HITECH Act"** means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. **"HIPAA"** means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. **"Individual"** shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. **"Privacy Rule"** shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. **"Protected Health Information"** shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

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Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Business Associate Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
- I. For the proper management and administration of the Business Associate;
  - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business

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Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

**(3) Obligations and Activities of Business Associate.**

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
  - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
  - o The unauthorized person used the protected health information or to whom the disclosure was made;
  - o Whether the protected health information was actually acquired or viewed
  - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (l). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

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Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

**(4) Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

**(5) Termination for Cause**

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

**(6) Miscellaneous**

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

Christina Samanelli  
Signature of Authorized Representative

Christina Samanelli  
Name of Authorized Representative

Director, D3, HHS  
Title of Authorized Representative

5/29/19  
Date

Tri-County Community Action Programs, INC.  
Name of the Vendor

Jeanne Robillard  
Signature of Authorized Representative

Jeanne Robillard  
Name of Authorized Representative

Chief Executive Officer  
Title of Authorized Representative

5/22/19  
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 Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Vendor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Vendor Name: Tri-County Community Action Programs, INC.

5/22/19  
Date

[Signature]  
Name: Judith Robillard  
Title: CEO

[Signature]  
Date 5/22/19



**FORM A**

As the Vendor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 073975708
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO \_\_\_\_\_ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

\_\_\_\_\_ NO \_\_\_\_\_ YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

JH

5/22/19

# New Hampshire Department of Health and Human Services

## Exhibit K

### DHHS Information Security Requirements



#### A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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5/22/19

**DHHS Information Security Requirements**



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

**I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR**

**A. Business Use and Disclosure of Confidential Information.**

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

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5/22/19



DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

## II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

*JR*

*5/29/19*

**DHHS Information Security Requirements**



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

**III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS**

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

**A. Retention**

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

*JR*

*5/28/19*

DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
  1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

*SR*

*5/22/19*

**New Hampshire Department of Health and Human Services**

**Exhibit K**

**DHHS Information Security Requirements**



3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

*JK*

5/22/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doiit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
  - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
  - b. safeguard this information at all times.
  - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
  - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

*JK*

5/22/19

DHHS Information Security Requirements



- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

**V. LOSS REPORTING**

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

- 1. Identify Incidents;
- 2. Determine if personally identifiable information is involved in Incidents;
- 3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
- 4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

**DHHS Information Security Requirements**

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5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

**VI. PERSONS TO CONTACT**

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

*JR*

*5/22/19*

# State of New Hampshire

## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (TRI-COUNTY CAP) is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 18, 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: 63020

Certificate Number: 0004483439



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 1st day of April A.D. 2019.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State



## CERTIFICATE OF VOTE

I, Gary Coulombe, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Tri-County Community Action Programs, INC.  
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of  
the Agency duly held on 6/26/2018:  
(Date)

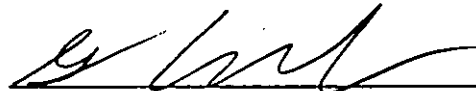
**RESOLVED:** That the Chief Executive Officer  
(Title of Contract Signatory)

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 22 day of May, 2019.  
(Date Contract Signed)

4. Jeanne Robillard is the duly elected Chief Executive Officer  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

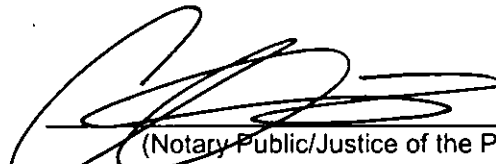
  
(Signature of the Elected Officer)

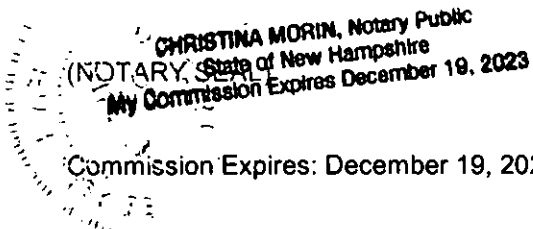
STATE OF NEW HAMPSHIRE

County of Coos

The forgoing instrument was acknowledged before me this 22 day of May, 2019.

By Gary Coulombe  
(Name of Elected Officer of the Agency)

  
(Notary Public/Justice of the Peace)



TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**Board Resolution 19FY18: Resolution of the Corporation**

**Authority to Sign**

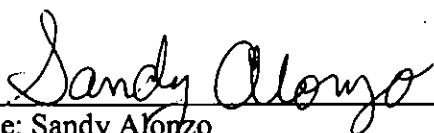
The Board of Directors of Tri-County Community Action Program, Inc. (the "Corporation") takes the following action:

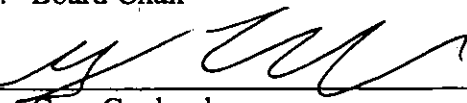
**Resolved,**

That the Tri-County Community Action Program, Inc. Chief Executive Officer (CEO), Jeanne Robillard, Chief Operations Officer Regan L. Pride and Randall Pilotte, Chief Financial Officer (CFO) are hereby authorized on behalf of this Corporation to enter into contracts with the Federal Government, State of New Hampshire, and any other parties as deemed necessary and to execute any and all documents, agreements and other instruments and amendments, revisions or modifications thereto, as may be deemed necessary, desirable or appropriate for the Corporation; this authorization being in force and effective until June 24, 2019.

This resolution is made with the understanding that any new undertakings or commitments have a material impact on the purpose of our organization will be preceded by Board approval.

Approved by the Board of Directors on June 26, 2018

By:   
Name: Sandy Alonzo  
Title: Board Chair

By:   
Name: Gary Coulombe  
Title: Board Secretary



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/22/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must 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> PIAI/Cross Insurance 1100 Elm Street  Manchester NH 03101		<b>CONTACT</b> NAME: Karen Shaughnessy PHONE: (603) 669-3218 FAX: (603) 645-4331 E-MAIL: kshaughnessy@crossagency.com ADDRESS:	
<b>INSURED</b> Tri-County Community Action Program, Inc 30 Exchange Street  Berlin NH 03570		<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A: Technology Ins. Co. NAIC # 42376 INSURER B: Wesco Ins. Co. 25011 INSURER C: Granite State Health Care and Human Ser INSURER D: INSURER E: INSURER F:	

**COVERAGES**

CERTIFICATE NUMBER: 18-19 All lines w/prof

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	ADOL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			TPP1224751	7/1/2018	7/1/2019	EACH OCCURRENCE \$ 1,000,000
			DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000				
			MED EXP (Any one person) \$ 5,000				
			PERSONAL & ADV INJURY \$ 1,000,000				
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:					GENERAL AGGREGATE \$ 3,000,000	
							PRODUCTS - COMP/OP AGG \$ 3,000,000
							Crime/Employee Dishonesty \$ 600,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS			TPP1224751	7/1/2018	7/1/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
			BODILY INJURY (Per person) \$				
			BODILY INJURY (Per accident) \$				
			PROPERTY DAMAGE (Per accident) \$				
							Underinsured motorist combined air \$ 1,000,000
B	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			WUM1565713	7/1/2018	7/1/2019	EACH OCCURRENCE \$ 2,000,000
	<input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$ 2,000,000
	DED <input checked="" type="checkbox"/> RETENTION \$ 10,000						
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> Y	N/A	ECNS20180000045 (3a.) NH: Ruby Urban, Karen Matthews & William Hatch excluded	7/1/2018	7/1/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
							E.L. EACH ACCIDENT \$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liability			TPP1224751	7/1/2018	7/1/2019	Per Occurrence \$1,000,000 Aggregate \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
Confirmation of Coverage.

**CERTIFICATE HOLDER****CANCELLATION**

Bureau of Homless & Housing Services  
Div of Comm Based Care Service  
129 Pleasant St  
Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

T. Frangos/JSC

## **MISSION STATEMENT**

**Tri-County CAP is a group of people and projects dedicated to improving the lives and well-being of New Hampshire's people and communities.**

**We provide opportunities and support for people to learn and grow in self-sufficiency, and to get involved in helping their neighbors and improving the conditions in their communities.**

***Tri-County Community Action Programs...  
Helping people, changing lives.***

**TRI-COUNTY COMMUNITY ACTION PROGRAM, Inc. Is a private, non-profit 501(C) 3 corporation that is dedicated to improving the lives and well being of New Hampshire's people and communities. Formed on May 18, 1965, we provide opportunities and support for people to learn and grow in self-sufficiency and get involved in helping their neighbors and improving the conditions in their communities.**

***TRI-COUNTY COMMUNITY ACTION PRPGRAM, Inc.***

***...Helping people, changing lives.***

*Financial Statements*

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**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.  
AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED  
JUNE 30, 2018 AND 2017  
AND  
INDEPENDENT AUDITORS' REPORT**

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

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To the Board of Directors of  
Tri-County Community Action Program, Inc.  
Berlin, New Hampshire

**Leone,  
McDonnell  
& Roberts**  
PROFESSIONAL ASSOCIATION  
CERTIFIED PUBLIC ACCOUNTANTS  
WOLFEBORO • NORTH CONWAY  
DOVER • CONCORD  
STRATHAM

## **INDEPENDENT AUDITORS' REPORT**

### ***Report on the Financial Statements***

We have audited the accompanying consolidated financial statements of Tri-County Community Action Program, Inc. and Affiliate (a New Hampshire nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2018 and 2017, and the related consolidated statements of cash flows, functional expenses, and the related consolidated statement of activities for the year ended June 30, 2018, for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, 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 consolidated financial position of Tri-County Community Action Program, Inc. and Affiliate as of June 30, 2018 and 2017, and its consolidated cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2018, in accordance with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited Tri-County Community Action Program, Inc. and Affiliate's 2017 consolidated financial statements, and we expressed an unmodified audit opinion on those consolidated financial statements in our report dated November 10, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited consolidated 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*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 October 19, 2018, on our consideration of Tri-County Community Action Program, 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 the effectiveness of Tri-County Community Action Program, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tri-County Community Action Program, Inc.'s internal control over financial reporting and compliance.

*Leone McDonnell & Roberts*  
*Professional Association*

October 19, 2018  
North Conway, New Hampshire



**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2018 AND 2017**

	<b><u>ASSETS</u></b>	
	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,329,038	\$ 505,700
Accounts receivable	1,156,657	1,326,994
Pledges receivable	212,207	205,804
Inventories	87,569	65,641
Prepaid expenses	25,640	45,345
Total current assets	2,811,111	2,149,484
<b>PROPERTY</b>		
Property and equipment	12,812,689	13,544,469
Less accumulated depreciation	(5,203,324)	(5,317,470)
Property, net	7,609,365	8,226,999
<b>OTHER ASSETS</b>		
Restricted cash	706,765	942,687
Building refinance costs, net	12,705	13,591
Total other assets	719,470	956,278
<b>TOTAL ASSETS</b>	<b>\$ 11,139,946</b>	<b>\$ 11,332,761</b>
	<b><u>LIABILITIES AND NET ASSETS</u></b>	
<b>CURRENT LIABILITIES</b>		
Demand note payable	\$ 516,022	\$ 671,434
Current portion of long term debt	142,733	587,809
Current portion of capital lease obligations	4,445	4,057
Accounts payable	237,276	518,447
Accrued compensated absences	203,121	242,545
Accrued salaries	187,508	196,882
Accrued expenses	131,888	107,627
Refundable advances	191,069	197,548
Other liabilities	387,168	645,311
Total current liabilities	2,001,230	3,171,660
<b>LONG TERM DEBT</b>		
Long term debt, net of current portion	5,386,642	5,254,436
Capital lease obligations, net of current portion	8,226	12,670
Total liabilities	7,396,098	8,438,766
<b>NET ASSETS</b>		
Unrestricted	2,926,057	2,191,395
Temporarily restricted	817,791	702,600
Total net assets	3,743,848	2,893,995
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 11,139,946</b>	<b>\$ 11,332,761</b>

See Notes to Consolidated Financial Statements

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**

**CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2018 Total</u>	<u>2017 Total</u>
<b>REVENUES AND OTHER SUPPORT</b>				
Grant and contracts	\$ 14,097,629	\$ 211,457	\$ 14,309,086	\$ 12,644,557
Program funding	1,259,037	-	1,259,037	1,708,487
Utility programs	1,079,361	-	1,079,361	972,359
In-kind contributions	351,187	-	351,187	436,874
Contributions	116,928	278,297	395,225	497,735
Fundraising	59,536	-	59,536	42,421
Rental income	679,112	-	679,112	847,380
Interest income	348	-	348	270
Gain (loss) on disposal of property	48,487	-	48,487	(16,685)
Forgiveness of debt	-	-	-	25,912
Other revenue	81,938	-	81,938	4,461
Total revenues and other support	17,773,563	489,754	18,263,317	17,163,771
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u>374,563</u>	<u>(374,563)</u>	<u>-</u>	<u>-</u>
Total revenues, other support, and net assets released from restrictions	<u>18,148,126</u>	<u>115,191</u>	<u>18,263,317</u>	<u>17,163,771</u>
<b>FUNCTIONAL EXPENSES</b>				
Program Services:				
Agency Fund	922,701	-	922,701	825,517
Head Start	2,481,916	-	2,481,916	2,312,665
Guardianship	760,009	-	760,009	735,925
Transportation	879,729	-	879,729	1,063,996
Volunteer	122,941	-	122,941	121,543
Workforce Development	394,252	-	394,252	402,576
Alcohol and Other Drugs	444,581	-	444,581	1,165,000
Carroll County Dental	642,637	-	642,637	542,920
Support Center	276,172	-	276,172	265,052
Homeless	577,783	-	577,783	554,509
Energy and Community Development	7,480,943	-	7,480,943	6,278,570
Elder	1,142,818	-	1,142,818	1,028,070
Housing Services	176,511	-	176,511	167,528
Total program services	<u>16,302,993</u>	<u>-</u>	<u>16,302,993</u>	<u>15,459,871</u>
Supporting Activities:				
General and administrative	1,102,448	-	1,102,448	1,213,425
Fundraising	8,023	-	8,023	4,873
Total supporting activities	<u>1,110,471</u>	<u>-</u>	<u>1,110,471</u>	<u>1,218,298</u>
Total functional expenses	<u>17,413,464</u>	<u>-</u>	<u>17,413,464</u>	<u>16,678,169</u>
<b>CHANGE IN NET ASSETS</b>	734,662	115,191	849,853	485,602
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>2,191,395</u>	<u>702,600</u>	<u>2,893,995</u>	<u>2,408,393</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 2,926,057</u>	<u>\$ 817,791</u>	<u>\$ 3,743,848</u>	<u>\$ 2,893,995</u>

See Notes to Consolidated Financial Statements

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 849,853	\$ 485,602
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	464,370	492,141
Donation of property and equipment	-	(224,685)
Loss on disposal of property	(48,487)	18,685
Forgiveness of debt	-	(25,912)
(Increase) decrease in assets:		
Accounts receivable	170,337	(78,676)
Pledges receivable	(6,403)	23,615
Inventories	(21,928)	23,239
Prepaid expenses	19,705	(4,353)
Restricted cash	235,922	(154,926)
(Decrease) increase in liabilities:		
Accounts payable	(281,171)	(157,079)
Accrued compensated absences	(39,424)	(51,698)
Accrued salaries	(9,374)	20,697
Accrued expenses	24,261	13,863
Refundable advances	(6,479)	(35,781)
Other liabilities	(258,143)	134,401
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>1,093,039</u>	<u>477,133</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property	278,972	26,750
Purchases of property and equipment	(141,335)	(181,113)
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<u>137,637</u>	<u>(154,363)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net repayment on demand note payable	(90,412)	(192,432)
Repayment of long-term debt	(312,870)	(210,808)
Repayment of capital lease obligations	(4,056)	(3,636)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(407,338)</u>	<u>(406,876)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	823,338	(84,106)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>505,700</u>	<u>589,806</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,329,038</u>	<u>\$ 505,700</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid during the year for:		
Interest	<u>\$ 182,514</u>	<u>\$ 208,781</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:</b>		
Purchase of property and equipment financed by long-term debt	<u>\$ -</u>	<u>\$ 14,867</u>
Purchase of property and equipment financed by capital lease	<u>\$ -</u>	<u>\$ 5,889</u>
Fixed assets donated	<u>\$ 18,830</u>	<u>\$ -</u>

See Notes to Consolidated Financial Statements

**IRIS-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2019**

	Agency Fund	Head Start	Quantitative	Transposition	Volunteer	Workforce Development	Alcohol and Other Drugs	Carroll County Dental	Support Center	Homeless	Energy and Development	Elder	Housing Services	Total	General & Administration	Construction	Total
Direct Expenses																	
Payroll	\$ 99,735	\$ 1,250,882	\$ 511,480	\$ 445,833	\$ 68,707	\$ 217,953	\$ 224,378	\$ 330,478	\$ 161,956	\$ 307,376	\$ 1,123,354	\$ 482,842	\$ 11,487	\$ 5,214,049	\$ 670,592	\$ -	\$ 5,884,841
Payroll taxes and benefits	23,319	339,061	128,443	90,078	17,100	52,347	41,910	62,705	41,608	85,789	298,144	102,104	-	1,200,319	164,414	-	1,424,733
Assurance to clients	74,171	-	-	-	-	9,018	-	-	5,446	67,252	5,380,848	-	-	5,536,546	-	-	5,536,546
Consumable supplies	1,723	240,844	8,954	11,274	590	4,137	-	-	-	-	-	-	-	-	-	-	-
Space costs and rentals	21,013	164,435	36,255	14,558	3,884	90,102	18,410	40,917	5,356	6,344	314,482	292,137	2,662	949,850	11,219	-	961,069
Depreciation and amortization expense	325,510	1,858	-	12,871	-	-	5,830	5,275	4,742	28,411	152,185	54,004	-	578,542	72,383	-	650,927
In-kind expended	12,500	206,005	-	32,001	22,014	-	5,387	38,747	9,863	1,008	3,742	393	67,389	464,370	-	-	464,370
Consultants and contractors	15,619	28,950	3,768	7,531	-	-	101,767	53,254	-	6,018	22,360	50,240	-	351,188	-	-	351,188
Utilities	133,951	32,996	17,418	15,992	1,148	5,465	3,043	10,658	18,783	18,324	17,308	76,837	-	315,942	15,682	-	331,504
Travel and meetings	1,093	50,226	27,257	109,853	4,314	13,628	4,478	2,048	6,181	18,067	13,234	26,854	915	278,787	9,470	-	288,257
Other direct program costs	44,833	9,716	11,418	6,742	4,078	745	31,296	7,421	1,583	1,519	37,943	14,108	21,364	192,849	28,234	8,023	228,106
Fiscal and administrative	243	28,305	7,732	1,955	155	210	756	8,595	1,236	5,509	25,868	16,334	30	94,548	106,339	-	200,808
Building and grounds maintenance	67,872	62,508	1,945	1,940	-	15	587	6,882	6,262	9,380	86	10,326	33,600	198,381	180	-	198,561
Interest expense	178,850	305	946	1,060	3	-	2,039	39,349	172	144	11,478	128	-	182,514	1,241	-	183,755
Vehicle expense	4,262	86	-	107,855	-	-	18	-	93	639	51,043	-	-	164,981	-	-	164,981
Insurance	85,654	14,058	654	21,511	934	-	4,390	2,558	3,909	4,537	20,460	-	15,752	154,315	5,003	-	159,400
Maintenance of equipment and rental	-	57,124	3,700	1,816	30	468	-	36,285	3,058	10,685	6,325	13,541	-	127,333	14,018	-	141,351
Fuel fees	-	85	-	-	-	124	-	1,421	-	-	951	1,721	-	4,312	-	-	4,512
<b>Total Direct Expenses</b>	<b>1,015,074</b>	<b>2,481,916</b>	<b>780,009</b>	<b>879,729</b>	<b>122,941</b>	<b>384,252</b>	<b>444,581</b>	<b>642,637</b>	<b>276,172</b>	<b>577,783</b>	<b>7,480,843</b>	<b>1,142,818</b>	<b>176,511</b>	<b>16,395,366</b>	<b>1,102,448</b>	<b>8,023</b>	<b>17,505,837</b>
Indirect Expenses																	
Indirect costs	86,950	248,060	84,242	97,095	11,821	35,934	49,486	65,364	30,821	54,051	222,084	117,223	-	1,102,448	(1,102,448)	-	-
Capitalized Expenses																	
Less capitalization of assets	(92,373)	-	-	-	-	-	-	-	-	-	-	-	-	(92,373)	-	-	(92,373)
<b>Total Direct &amp; Indirect expenses</b>	<b>\$ 1,009,651</b>	<b>\$ 2,730,006</b>	<b>\$ 864,251</b>	<b>\$ 976,824</b>	<b>\$ 134,762</b>	<b>\$ 420,186</b>	<b>\$ 494,067</b>	<b>\$ 708,001</b>	<b>\$ 306,993</b>	<b>\$ 631,834</b>	<b>\$ 7,702,927</b>	<b>\$ 1,260,041</b>	<b>\$ 176,511</b>	<b>\$ 17,403,441</b>	<b>\$ -</b>	<b>\$ 8,023</b>	<b>\$ 17,411,464</b>

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2017

	Agency Fund	Head Start	Overseas/Abroad	Transportation	Volunteer	Workforce Development	Alcohol and Other Drugs	Carroll County Dental	Support Center	Homeless	Energy & Development	Elder	Housing Services	Total	General & Administrative	Fundraising	Total
Direct Expenses																	
Payroll	\$ 104,098	\$ 1,122,888	\$ 500,276	\$ 459,500	\$ 57,825	\$ 178,248	\$ 748,468	\$ 328,917	\$ 153,094	\$ 225,500	\$ 1,005,420	\$ 427,875	\$ 11,851	\$ 5,389,898	\$ 638,547	\$ -	\$ 6,928,206
Payroll taxes and benefits	10,111	307,007	129,984	97,175	15,155	45,427	180,112	68,553	48,788	72,525	280,298	94,181	-	1,347,802	188,870	-	1,513,672
Assistance to clients	1,079	-	-	-	-	53,724	-	-	1,511	57,838	4,263,487	-	-	4,377,437	-	-	4,377,437
Consumable supplies	14,973	178,087	8,229	8,007	1,182	2,886	73,307	48,430	8,540	6,134	274,747	275,838	13,528	952,886	11,093	-	915,979
Space costs and rentals	1,884	187,618	31,805	13,800	4,774	95,919	30,558	-	-	33,538	151,444	58,434	-	581,000	228,784	-	819,884
Depreciation and amortization expense	178,148	31,368	-	123,747	-	-	24,153	32,547	18,025	1,752	21,485	557	67,389	492,141	-	-	492,141
in-kind expended	12,850	308,258	-	32,670	36,413	-	-	-	7,677	20,589	-	19,017	-	436,874	-	-	436,874
Utilities	128,832	20,725	14,879	15,335	1,277	7,052	33,880	8,953	21,082	21,383	28,825	18,473	21,808	340,520	3,750	-	344,270
Travel and meetings	807	54,129	25,587	97,127	2,856	18,927	12,047	2,721	4,020	14,991	10,889	23,728	805	268,529	7,170	-	275,899
Insurance	90,983	20,185	943	36,222	889	-	18,506	2,472	5,484	6,721	31,083	-	14,551	228,622	4,175	-	232,797
Other direct program costs	45,803	6,379	8,991	21,573	253	1,525	(13,937)	4,857	627	1,838	110,351	8,375	8,787	203,384	22,789	4,873	231,056
Interest expense	144,081	46	1,692	3,820	42	-	6,791	37,145	484	1,022	12,867	543	-	206,781	4,870	-	212,451
Consultants and contractors	3,475	38,756	4,462	12,918	-	-	33,808	3,369	-	10,000	8,886	75,085	-	190,347	11,897	-	202,044
Building and grounds maintenance	81,132	32,150	-	1,935	-	605	7,820	1,420	11,290	7,990	989	12,478	28,802	186,278	1,706	-	175,921
Fiscal and administrative	808	24,572	8,142	3,732	750	192	5,544	3,881	1,435	1,136	38,910	3,297	-	83,207	82,714	-	165,921
Vehicle expenses	7,455	30	-	130,623	-	-	1,384	-	-	321	25,671	-	-	165,983	-	-	165,983
Maintenance of equipment and rental	(10,910)	2,997	1,251	7,404	17	-	4,951	10,850	844	1,435	7,270	10,845	-	37,088	28,150	-	65,153
Post fees	-	-	-	-	-	-	-	-	3	-	-	1,488	-	1,492	-	-	1,492
<b>Total Direct Expenses</b>	<b>829,517</b>	<b>2,312,665</b>	<b>735,925</b>	<b>1,063,898</b>	<b>121,543</b>	<b>402,578</b>	<b>1,165,000</b>	<b>542,920</b>	<b>285,052</b>	<b>554,509</b>	<b>8,278,570</b>	<b>1,025,070</b>	<b>167,528</b>	<b>15,489,871</b>	<b>1,213,425</b>	<b>4,873</b>	<b>16,678,189</b>
Indirect Expenses																	
Indirect costs	79,804	251,442	29,711	112,610	10,786	33,919	142,508	83,886	32,038	57,690	220,962	119,278	-	1,213,425	(1,213,425)	-	-
<b>Total Direct &amp; Indirect expenses</b>	<b>\$ 904,321</b>	<b>\$ 2,564,107</b>	<b>\$ 825,536</b>	<b>\$ 1,176,608</b>	<b>\$ 132,329</b>	<b>\$ 436,496</b>	<b>\$ 1,307,508</b>	<b>\$ 626,806</b>	<b>\$ 297,090</b>	<b>\$ 612,208</b>	<b>\$ 8,497,532</b>	<b>\$ 1,145,348</b>	<b>\$ 187,528</b>	<b>\$ 16,673,296</b>	<b>\$ -</b>	<b>\$ 4,873</b>	<b>\$ 16,678,169</b>

See Notes to Consolidated Financial Statements

## **TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

#### **NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Organization and Principles of Consolidation**

The consolidated financial statements include the accounts of Tri-County Community Action Program, Inc. and its affiliate, Cornerstone Housing North, Inc. The two organizations are consolidated because Tri-County Community Action Program, Inc. controls 100% of the voting power of Cornerstone Housing North, Inc. All significant intercompany items and transactions have been eliminated from the basic financial statements. Tri-County Community Action Program, Inc. (the Organization) is a New Hampshire non-profit corporation that operates a wide variety of community service programs which are funded primarily through grants or contracts from various federal, state, and local agencies. Cornerstone Housing North, Inc. (a New Hampshire nonprofit corporation) was incorporated under the laws of the State of New Hampshire for the acquisition, construction and operation of community based housing for the elderly.

##### **Nature of activities**

The Organization's programs consist of the following:

##### **Agency**

Tri-County CAP Administration provides central program management support and oversight to the Organization's many individual programs. This includes planning and budget development, bookkeeping and accounting, payroll and HR services, legal and audit services, IT support, management support, financial support and central policy development.

Tri-County CAP Administration is the liaison between Tri-County Community Action Program, Inc., Board of Directors and its programs, ensuring that programs comply with agreements made by the Board to funding sources and vendors.

Other responsibilities include the management and allocation of funding received through a Community Services Block Grant, as well as management of the Organization's real estate property.

##### **Head Start**

Head Start provides comprehensive services to low-income children and their families. Head Start supports children's growth and development in a positive learning environment through a variety of activities as well as providing services, which include in addition to early learning, health and family well-being. All children receive health and development screenings, nutritious meals, oral health and mental health support. Parents and families are supported in achieving their own goals, such as housing stability, continued education, and financial stability.

Programs support and strengthen parent-child relationships as their child's primary educator. Head Start staff work as partners with parents to identify and provide individualized activities that support their child's growth and development.

Tri County Community Action Head Start serves 217 children in Carroll, Coos & Grafton counties in 9 locations with 12 center-based classrooms and 1 home based option.

#### **Guardianship**

The Organization's Guardianship program provides advocacy and guardian services for the vulnerable population of New Hampshire residents (developmentally disabled, chronically mentally ill, traumatic brain injury, and the elderly suffering from alzheimer's, dementia, and multiple medical issues) who need a guardian and who have no family member or friend willing, able, or suitable to serve in that capacity. This program serves 406 individuals. Additional services include, conservatorship, representative payee-ship, federal fiduciary services, benefit management services and private probate accounting services.

#### **Transportation**

The Organization's transit program provides various transportation services: public bus routes, door-to-door service by request, long distance medical travel to medical facilities outside our regular service area, and special trips for the elderly to go shopping and enjoy other activities that are located outside the regular service area. The Organization's fleet of 17 wheelchair accessible vehicles offers transportation options to the elderly and disabled, as well as to the general public.

#### **Volunteer**

The Coos County Retired & Senior Volunteers Program (RSVP) maintains a minimum group of 400 volunteers, ages 55 and older, of which 309 actively served during the last reporting period. These volunteers share their skills, life experiences, and time with over 60 local non-profit and public agencies throughout Coos County that depend on volunteer assistance to meet the needs of their constituents. Our volunteers donate over 43,611 hours yearly.

#### **Workforce Development**

The Organization is assisting transitional and displaced workers as they prepare for new jobs, and also assisting currently-employed workers to gain the skills required for better jobs.

The Organization is helping to implement New Hampshire's Unified State Plan for Workforce Development, in line with the federal Workforce Investment Act. Workforce training programs, with training facilities in three towns, provide temporary assistance for needy families (TANF) recipients with 20-30 hours per week of training in the areas of employment skills, computer skills, and business experience, and also place participating TANF recipients in community-based work experience sites.

#### **Alcohol & Other Drugs (AOD)**

Services provided through the AOD program include assisting the alcoholic/addicted person on the road to recovery, through three phases: Crisis Intervention, Sobriety Maintenance, and Assessment and Referral to appropriate treatment facilities.

The Residential Treatment Programs (Friendship House) provide chemically dependent individuals with the fundamental tools of recovery, including educational classes, group and individual counseling, work and recreational therapy, and attendance at in-house and community-based alcoholics anonymous and narcotics anonymous meetings. The AOD program also offers assistance with its impaired driver programs.

The Friendship House, in December of 2014, had approximately \$130,000 worth of investments and improvements due to assistance from Public Services of New Hampshire. There was a total of \$111,595 of pre-development capitalized expenses at June 30, 2017.

Effective October 1, 2017, the Organization is no longer responsible for the Alcohol & Other Drugs (AOD) program. The grants for the program have been transferred to North Country Health Consortium (NCHC), as they are taking over the program. The Friendship House was sold to Affordable Housing Education and Development (AHEAD).

#### **Carroll County Dental**

The Tamworth Dental Center (the Center) offers high quality oral health care to children with NH Medicaid coverage. The Organization also serves uninsured and underinsured children and adults using a sliding fee scale that offers income-based discounts for care. The Center accepts most common dental insurances for those who have commercial dental insurance coverage. A school-based project of the Dental Center, School Smiles, offers oral health education, screening, treatment and referrals for treatment to over 1,000 children in 9 schools in the vicinity of the Center.

#### **Support Center**

The Organization's Support Center at Burch House provides direct service and shelter to victims and survivors of domestic and sexual violence and stalking in Northern Grafton County. Support Center services are accessible 24 hours a day, 365 days a year. They include: crisis intervention; supportive counseling; court, hospital and policy advocacy and accompaniment; emergency shelter; support groups; community



education and outreach; violence prevention programs for students; information, referrals and assistance accessing other community resources.

### **Homeless**

Homeless services include an outreach intervention and prevention project that strives to prevent individuals and families from becoming homeless, and assists the already homeless in securing safe, affordable housing. The Organization provides temporary shelter space for homeless clients.

The Organization also provides some housing rehabilitation services to help preserve older housing stock.

### **Energy Assistance and Outreach**

Energy Assistance Services provide fuel and electric assistance through direct pay to vendors or a discount on the client's bill. Community Contact sites allow local participants access to energy assistance programs and other emergency services. The offices provide information to the Organization's clients about other programs offered, as well as other programs available through other organizations in the community.

### **Low-Income Weatherization**

The NH weatherization program helps low-income families, elderly, disabled, small children and individuals lower their home energy costs; increase their health, safety, and comfort; and improve the quality of living while improving housing stock in communities around the state utilizing energy cost saving, health and safety and carbon lowering measures. The NH Weatherization Assistance Program also creates local NH jobs.

### **Elder**

The Organization's elder program provides senior meals in 15 community dining sites, home-delivered meals (Meals on Wheels) to the frail and homebound elderly, and senior nutrition education and related programming. The Coos County ServiceLink Aging & Disability Resource Center assists with person-centered counseling, Medicare counseling, Medicaid assistance, long-term care counseling services, and caregiver supports.

### **Housing Services**

Cornerstone Housing North, Inc. is subject to a Project Rental Assistance Contract (PRAC) with the United States Department of Housing and Urban Development (HUD), and a significant portion of their rental income is received from HUD.

The Organization includes a 12 unit apartment complex in Berlin, New Hampshire for the elderly. This operates under Section 202 of the National Housing Act and is regulated by HUD with respect to the rental charges and operating methods.

The above Organization has a Section 202 Capital Advance. Under guidelines established by the U.S. Office of Management and Budget *Uniform Guidance, Title 2 U.S. Code of Federal Regulations (CFR) part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, the Section 202 Capital Advance is considered to be a major program.

#### **Method of accounting**

The consolidated financial statements of Tri-County Community Action Program, Inc. have been prepared utilizing the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under this basis, revenue, other than contributions, and expenses are reported when incurred without regard to the date of receipt or payment of cash.

#### **Basis of presentation**

Financial statement presentation follows the recommendations of the FASB in its Accounting Standard Codification No. 958 *Financial Statements of Not-For-Profit Organizations*. Under FASB ASC No. 958, 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.

The Organization had no permanently restricted net assets at June 30, 2018 and 2017. The Organization had temporarily restricted net assets of \$817,791 and \$702,600 at June 30, 2018 and 2017, respectively.

#### **Restricted and unrestricted support**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Unrestricted net assets** include revenues and expenses and contributions which are not subject to any donor imposed restrictions. Unrestricted net assets can be board designated by the Board of Directors for special projects and expenditures.

**Temporarily restricted net assets** include contributions for which time restrictions or donor-imposed restrictions have not yet been met. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction (Note 12).

**Permanently restricted net assets** include gifts which require, by donor restriction, that the corpus be invested in perpetuity and only the income or a portion thereof (excluding capital gains restricted by State statute) be made available for program operations in accordance with donor restrictions. The Organization had no permanently restricted net assets at June 30, 2018 and 2017.

#### **Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date. The accounting standards for fair values establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Organization. Unobservable inputs are inputs that reflect the Organization's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The hierarchy is classified into three levels based on the reliability of inputs as follows:

**Level 1:** Valuations based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

**Level 2:** Valuation is determined from quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in markets that are not active or by model-based techniques in which all significant inputs are observable in the market.

**Level 3:** Valuations based on inputs that are unobservable and significant to the overall fair value measurement. The degree of judgment exercised in determining fair value is greatest for instruments categorized as Level 3.

The availability of observable inputs can vary and is affected by a wide variety of factors, including, the type of asset/liability, whether the asset/liability is established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, assumptions are required to reflect those that market participants would use in pricing the asset or liability at the measurement date.

#### **Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Most of the receivables are amounts due from federal and state awarding agencies and are based on reimbursement for expenditures made under specific grants or contracts. A portion of the accounts receivable balance represents amounts due from patients at Carroll County Dental program. Past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United State because the effects of the direct write method approximate those of the allowance method. Management selects accounts to be written off after analyzing past payment history, the age of the accounts receivable, and collection rates for receivables with similar characteristics, such as length of time outstanding. The Organization does not charge interest on outstanding accounts receivable.

#### **Property and Depreciation**

Acquisitions of buildings, equipment, and improvements in excess of \$5,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Buildings, equipment, and improvements are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets.

Depreciation expense related to assets used solely by an individual program is charged directly to the related program. Depreciation expense for assets used by more than one program is charged to the program based upon a square footage or other similar allocation.

Depreciation expense related to administrative assets is included in the indirect cost pool and charged to the programs in accordance with the indirect cost plan. Maintenance and repairs that do not materially prolong the useful lives of assets are charged to expense as incurred.

Estimated useful lives are as follows:

Buildings and improvements	20 to 40 years
Vehicles	5 to 8.5 years
Furniture and equipment	5 to 15 years

#### **Client Rents and HUD Rent Subsidy**

Cornerstone Housing North, Inc.'s rents are approved on an annual basis by the Department of Housing and Urban Development. Rental increases are prohibited without such approval. The clients are charged rent equal to 30% of their income less adjustments allowed by the Department of Housing and Urban Development.

Rent subsidies are received from the Department of Housing and Urban Development for the difference between the allowed rents and the amounts received from the clients.

#### **Refundable Advances**

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or incurred. Funds received in advance of grantor conditions being met aggregated \$191,069 and \$197,548 as of June 30, 2018 and 2017, respectively.

#### **Nonprofit tax status**

The Organization is a *not-for-profit* Section 501(c)(3) organization in accordance with the Internal Revenue Code. It has been classified as an Organization that is not a private foundation under the Internal Revenue Code and qualifies for a charitable contribution deduction for individual donors. The Organization files information returns in the United States. The Organization's Federal Form 990 (Return of Organization Exempt from Income Tax), is subject to examination by the IRS, generally for three years after it is filed. The Organization is no longer subject to examinations by tax authorities for years prior to 2014.

The Organization follows FASB ASC, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Organization does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized.

Cornerstone Housing North, Inc. is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Organization to be other than a private foundation within the meaning of Section 509(a).

#### **Retirement plan**

The Organization maintains a tax-sheltered annuity plan under the provisions of Section 403(b) of the Internal Revenue Code. All employees are eligible to contribute to the plan beginning on the date they are employed. Each employee may elect salary reduction agreement contributions in accordance with limits allowed in the Internal Revenue Code. Employer contributions are at the Organization's annual discretion. In January 2013, employer contribution payments ceased, therefore as of June 30, 2018 and 2017, there were no discretionary contributions recorded. Further information can be obtained from the Organization's 403(b) audited financial statements.

#### **Donated services and goods**

Contributions of donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

Contributed noncash assets are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of noncash assets are recorded as unrestricted support.

#### **Donated property and equipment**

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

#### **Promises to Give**

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at the net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

As of June 30, 2018 and 2017, there were promises to give that were absent of donor stipulations, but restricted in regards to timing, and therefore classified as temporarily restricted in the amount of \$212,207 and \$205,804, respectively. This amount was included in grants and contracts on the Consolidated Statement of Activities.

#### **Use of estimates**

The presentation of financial statements in conformity accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

#### **Fair Value of Financial Instruments**

Accounting Standards Codification No. 825 (ASC 825), *Disclosures of Fair Value of Financial Instruments*, requires the Organization to disclose fair values of its

financial instruments. The carrying amount of the Organization's financial instruments which consists of cash, accounts receivable, deposits and accounts payable, approximate fair value because of the short-term 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 in the statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

**Program salaries and related expenses** are allocated to the various programs and supporting services based on actual or estimated time employees spend on each function as reported on a timesheet.

**Workers Compensation expenses** are charged to each program based upon the classification of each employee and allocated to the various program based upon the time employees spend on each function as noted above.

**Paid Leave** is charged to a leave pool and is allocated to each program as a percentage of total salaries.

**Fringe Benefits** are charged to a Fringe Benefit Pool. These expenses include employer payroll taxes, pension expenses, health and dental insurance and unemployment compensation. The pool is allocated to each program based upon a percentage of salaries.

**Depreciation expense** is allocated to each program based upon specific assets used by the program and is reported as depreciation expense on the statements of functional expenses.

**Other occupancy expenses** are applicable to assets which are used by multiple programs. Buildings are primarily charged to the benefiting program based upon an analysis of square footage. Costs related to a building include depreciation, insurance, utilities, building maintenance, etc. These costs are reported as space costs on the statements of functional expenses.

**Insurance:** automobile insurance is allocated to programs based on vehicle usage; building liability insurance is allocated to programs based on square footage of the buildings; and insurance for furniture and equipment is allocated to programs using the book basis of the insured assets.

**The remaining shared expenses** are charged to an Indirect Cost Pool and are allocated to each program based upon a percentage of program expenses. The expenses include items such as administrative salaries, general liability insurance, administrative travel, professional fees and other expenses which cannot be specifically identified and charged to a program.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human Services. The proposal effective for the fiscal year beginning July 1, 2017 received provisional approval and is effective until amended at a rate of 13%. Per the agreement with the U.S. Department of Health and Human Services, the Organization's final rate for the year ended June 30, 2017 was 12.5%. The Organization carefully calculates the allocation to agree exactly with the expenses in the indirect pool. The actual rate for the year ended June 30, 2018 was approximately 11.454%, which is allowable because it is less than the provisional rate.

#### **Advertising policy**

The Organization uses advertising to inform the community about the programs it offers and the availability of services. Advertising is expensed as incurred. The total cost of advertising for the years ended June 30, 2018 and 2017 was \$18,616 and \$26,456, respectively.

#### **NOTE 2. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of cash on hand, funds on deposit with financial institutions, and investments with original maturities of three months or less. At year end and throughout the year, the Organization's cash balances were deposited with multiple financial institutions. At June 30, 2018 and 2017, the balances in interest and non-interest-bearing accounts were insured by the FDIC up to \$250,000. At June 30, 2018 and 2017, there was approximately \$1,200,000 and \$665,000, of deposits held in excess of the FDIC limit, respectively. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents and considers this a normal business risk.

#### **Cash Restrictions**

The Organization is required to maintain a deposit account with a bank as part of the loan security agreement disclosed at **Note 6**. The required balance in the account is \$19,968 and is restricted from withdrawal except to make payments of debt service or as approved by the US Department of Agriculture. The Organization is compliant with this requirement as of October 2017.

Amounts withdrawn to make payments of debt service must be replenished with monthly deposits until the maximum required deposit balance is achieved. The balance as of June 30, 2018 and 2017 was \$19,980 and \$19,611, respectively. The Organization has made all of their scheduled deposits for the years ended June 30, 2018 and 2017. These amounts are included in restricted cash on the Statements of Financial Position.

The Organization is required to maintain a deposit account with another bank as part of a bond issue (see bond payable in **Note 6**). The required balance in the account is \$173,817 and is equal to 12 monthly payments. The balance as of June 30, 2018 and 2017 was \$174,273 and \$187,095, respectively, and the Organization was in compliance with this requirement. These amounts are included in restricted cash on the Statements of Financial Position.



The Organization maintains a deposit account on behalf of clients who participate in the Guardianship Services Program. The balance in the account is restricted for use on behalf of these clients and an offsetting liability is reported on the financial statements as other current liabilities. The total current liability related to this restriction at June 30, 2018 and 2017 was \$378,605 and \$642,308, respectively. These amounts are included in other liabilities on the Statements of Financial Position. The total restricted cash within this account at June 30, 2018 and 2017 was \$378,605 and \$642,308, respectively, and is included in the restricted cash balance on the Statements of Financial Position.

Certain cash accounts related to Cornerstone Housing North, Inc. are restricted for certain uses in the Organization under rules and regulations prescribed by the Department of Housing and Urban Development. The total amount restricted at June 30, 2018 and 2017 was \$131,610 and \$93,673, respectively.

**NOTE 3. INVENTORY**

In 2018 and 2017, inventory included weatherization materials which had been purchased in bulk. These items are valued at the most recent cost. A physical inventory is taken annually. Cost is determined using the first-in, first-out (FIFO) method. Inventory at June 30, 2018 and 2017, consists of weatherization materials totaling \$87,569 and \$65,641, respectively.

During the year ended June 30, 2018, the Organization adopted the provisions of the FASB Accounting Standard Update (ASU) 2015-11, *Inventory, (Topic 330): Simplifying the Measurement of Inventory*, which simplifies the subsequent measurement of inventory by requiring inventory to be measured at the lower of cost net realizable value. Net realizable value is the estimated selling price of inventory in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. The Organization has evaluated ASU 2015-11 and has determined that is no material impact to the financial statements.

**NOTE 4. ACCRUED EARNED TIME**

For the years ending June 30, 2018 and 2017, employees of the Organization were eligible to accrue vacation for a maximum of 160 hours. At June 30, 2018 and 2017, the Organization had accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$203,121 and \$242,545, respectively.

**NOTE 5. PROPERTY**

Property consists of the following at June 30, 2018:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$10,003,944	\$ 3,448,411	\$ 6,555,533
Equipment	2,384,905	1,754,913	629,992
Land	<u>423,840</u>	<u>-</u>	<u>423,840</u>
	<u>\$12,812,689</u>	<u>\$ 5,203,324</u>	<u>\$ 7,609,365</u>

Property consists of the following at June 30, 2017:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$10,679,707	\$ 3,428,094	\$ 7,251,613
Equipment	2,400,922	1,889,376	511,546
Land	<u>463,840</u>	<u>-</u>	<u>463,840</u>
	<u>\$13,544,469</u>	<u>\$ 5,317,470</u>	<u>\$ 8,226,999</u>

The Organization has use of computers and equipment which are the property of state and federal agencies under grant agreements. The equipment, whose book value is immaterial to the financial statements, is not included in the Organization's property and equipment totals.

Depreciation expense for the years ended June 30, 2018 and 2017 totaled \$463,483 and \$491,254, respectively.

The Organization also had building refinancing costs of \$17,730 during the year ended June 30, 2014. Amortization expense and accumulated amortization for the year ended June 30, 2018 totaled \$887 and \$5,025, respectively. Amortization expense and accumulated amortization for the year ended June 30, 2017 totaled \$887 and \$4,138, respectively.

**NOTE 6. LONG TERM DEBT**

The long term debt of the Organization as of June 30, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Note payable with the USDA requiring 360 monthly installments of \$1,496, including interest at 4.5% per annum. The property was sold and the loan was paid in full during 2018.	\$ -	\$ 108,127

Note payable with the USDA requiring 360 monthly installments of \$1,664, including interest at 5% per annum. Secured by general business assets. Final installment due January 2027.	138,225	150,935
Note payable with the USDA requiring 360 monthly installments of \$292, including interest at 4.75% per annum. The property was sold and loan was paid in full during 2018.	-	29,633
Note payable with the USDA requiring 360 monthly installments of \$74, including interest at 4.75% per annum. The property was sold and loan was paid in full during 2018.	-	8,103
Note payable with a bank requiring 120 monthly installments of \$3,033, including interest at 4.69% per annum. Secured by first mortgages on two commercial properties. Final installment due April 2021.	349,131	368,428
Note payable with a bank requiring 60 monthly installments of \$459, including interest at 5% per annum. This note was an unsecured line of credit that was converted to a term loan during the year ended June 30, 2016. Final installment due April 2021. See Note 8.	14,500	19,144
Note payable to a non-profit organization (related party), monthly principal payments of \$1,533. Final installment due October 2018. A portion of the note payable was forgiven by the non-profit organization during the year ended June 30, 2017. See Note 16.	-	24,533
Note payable to a financing company requiring 72 monthly installments of \$312, including interest at 5.49% per annum. Secured by the Organization's vehicle. Final installment due August 2021.	10,874	13,934
Note payable to a financing company requiring 72 monthly installments of \$313, including interest at 5.54% per annum. Secured by the Organization's vehicle. Final installment due July 2021.	10,637	13,715
Note payable to a financing company requiring 60 monthly installments of \$143, including interest at 5.99% per annum. Secured by the Organization's vehicle. Final installment due November 2020.	3,863	5,306

Note payable to a financing company requiring 72 monthly installments of \$248, including interest at 6.10% per annum. Secured by the Organization's vehicle. Final installment due February 2023.

12,041 14,207

Note payable with a bank requiring 60 monthly installments of \$4,518, including interest at 4.16% per annum. Secured by second mortgage on commercial property. Final balloon payment was due December 2017. The loan was refinanced in March 2018. It requires 60 monthly installments of \$2,512, including interest at 5.51% per annum. Final balloon payment is due in March 2023.

403,244 417,421

Bond payable with a bank requiring monthly installments of \$14,485, including interest of 2.75% plus the bank's internal cost of funds multiplied by 67% with an indicative rate as of March 2017 of 3.28%. Secured by first commercial real estate mortgage on various properties and assignments of rents at various properties. Final installment due August 2040.

2,719,260 2,801,159

Cornerstone Housing North, Inc. capital advance due to the Department of Housing and Urban Development. This capital advance is not subject to interest or principal amortization and will be forgiven after 40 years, or in August 2047.

1,617,600 1,617,600

Cornerstone Housing North, Inc. mortgage payable due to New Hampshire Housing Finance Authority. The mortgage is not subject to interest or principal amortization. Payments are deferred for 40 years, final payment due in August 2047.

250,000 250,000

5,529,375 5,842,245

Less current portion due within one year

(142,733) (587,809)

\$ 5,386,642 \$ 5,254,436

The scheduled maturities of long term debt as of June 30, 2018 were as follows:

<u>Years ending</u> <u>June 30</u>	<u>Amount</u>
2019	\$ 142,733
2020	148,501
2021	437,412
2022	123,200
2023	485,560
Thereafter	<u>4,191,969</u>
	<u>\$ 5,529,375</u>

As described at **Note 2**, the Organization is required to maintain a reserve account with a bank for the first four notes payable listed above. In May 2013, the Organization began making monthly deposits to the reserve account, but had not yet accumulated the required balance. Failure to meet this requirement may be construed by the Government to constitute default; however, the awarding agency is aware of this issue and has not made a request for advanced payment.

**NOTE 7. CAPITAL LEASE OBLIGATIONS**

During the year ended June 30, 2016, the Organization leased a phone system and copier under the terms of capital leases, expiring in November 2020 and March 2021, respectively. During the year ended June 30, 2017, the Company leased an additional copier under the terms of a capital lease, expiring in May 2021. The assets and liabilities under the capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the assets. The assets are depreciated over their estimated lives.

The obligations included in capital leases at June 30, 2018 and 2017, consisted of the following:

	<u>2018</u>	<u>2017</u>
Lease payable to a financing company with monthly installments of \$208 for principal and interest at 9.5% per annum. The lease is secured by the phone system and will mature in November 2020.	\$ 5,362	\$ 7,246
Lease payable to a financing company with monthly installments of \$122 for principal and interest at 8.841% per annum. The lease is secured by a copier and will mature in March 2021.	3,467	4,570

Lease payable to a financing company with monthly installments of \$122 for principal and interest at 8.918% per annum. The lease is secured by a copier and will mature in May 2021.

	3,842	4,911
	12,671	16,727
Less current portion	(4,445)	(4,057)
	<u>\$ 8,226</u>	<u>\$ 12,670</u>

The scheduled maturities of capital lease obligations as of June 30, 2018 were as follows:

Years ending June 30	Amount
2019	\$ 4,445
2020	4,870
2021	<u>3,356</u>
	<u>\$ 12,671</u>

**NOTE 8. DEMAND NOTE PAYABLE**

The Organization has available a \$750,000 line of credit with TD Bank which is secured by real estate mortgages and assignments of leases and rents on various properties as disclosed in the line of credit agreement. Borrowings under the line bear interest at 5.00% per annum, and totaled \$316,000 and \$400,000 at June 30, 2018 and 2017, respectively. The line is subject to renewal each January.

The Organization was issued an unsecured revolving line of credit in 2014 with the New Hampshire Department of Administration Services. On June 30, 2018 and 2017, the outstanding debt totaled \$200,022 and \$271,434, respectively, which included accrued interest of \$22 and \$21,434, respectively. During the year ended June 30, 2017 there was an amendment to the original agreement. The Organization is not required to make payments of interest or principal prior to maturity. The unsecured revolving line of credit matures in November 2019.

**NOTE 9. OPERATING LEASES**

The Organization has entered into numerous lease commitments for space. Leases under non-cancelable lease agreements have various starting dates, lengths, and terms of payment and renewal. Additionally, the Organization has several facilities which are leased on a month to month basis. For the years ended June 30, 2018 and 2017, the annual rent expense for leased facilities totaled \$165,227 and \$163,025, respectively.

Minimum future rental payments under non-cancelable operating leases having initial terms in excess of one year as of June 30, 2018, are as follows:

<u>Years ending</u> <u>June 30</u>	<u>Amount</u>
2019	\$ 157,610
2020	43,441
2021	39,611
2022	<u>3,301</u>
	<u>\$ 243,963</u>

**NOTE 10. IN-KIND CONTRIBUTIONS**

The Organization records the value of in-kind contributions according to the accounting policy described in **Note 1**. The Head Start, transportation and elder programs rely heavily on volunteers who donate their services to the Organization. These services are valued based upon the comparative market wage for similar paid positions.

The Organization is also the beneficiary of a donation of in kind in the form of below market rent for some of the facilities utilized by the Head Start and elder programs. The value of the in-kind rent is recorded at the difference between the rental payment and the market rate for the property based upon a recent appraisal.

Many other individuals have donated significant amounts of time to the activities of the Organization. The financial statements do not reflect any value for these donated services since there is no reliable basis for making a reasonable determination.

**NOTE 11. CONCENTRATION OF RISK**

Tri-County Community Action Program, Inc. receives a majority of its support from federal and state governments. For the years ended June 30, 2018 and 2017, approximately \$13,773,803 (75%) and \$12,128,016 (71%), respectively, of the Organization's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant effect on the Organization's programs and activities.

Cornerstone Housing North, Inc. receives a large majority of its support from the U.S. Department of Housing and Urban Development. For the years ended June 30, 2018 and 2017 approximately 69% for each year, respectively, of the Organizations total revenue was derived from the U.S. Department of Housing and Urban Development. In the absence of additional revenue sources, the future existence of Cornerstone Housing North, Inc. is dependent upon the funding policies of the U.S. Department of Housing and Urban Development.

The majority of Cornerstone Housing North, Inc.'s assets are apartment projects, for which operations are concentrated in the elderly person's real estate market. In

addition, the Organization operates in a regulated environment. The operation of the Organization is subject to administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the administrative burden, to comply with the change.

**NOTE 12. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following specific program services as of June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Temporary Municipal Funding	\$ 212,207	\$ 205,804
Restricted Buildings	190,049	94,239
10 Bricks Shelter Funds	142,190	141,190
FAP	136,614	87,991
IDN Capacity Fund	32,194	15,066
Homeless Programs	27,680	36,856
FAP/EAP	23,249	11,735
Loans - HSGP	21,454	24,261
USDA	10,332	7,252
Loans - HHARLF	6,967	10,884
RSVP Program Funds	5,021	3,675
Head Start	4,172	973
Community Needs Assessment	4,076	-
Donations to Maple Fund	1,586	1,246
NH Charitable Foundation Grant, Mt. Jasper	-	32,653
Service Link	-	12,123
L. CHIP - Brown Co. House	-	8,236
Donations to Mahoosuc Trail	-	6,842
Julien Fund (AOD)	-	1,175
Angelias Fund (AOD)	-	235
EAP	-	164
	<hr/>	<hr/>
Total temporarily restricted net assets	<u>\$ 817,791</u>	<u>\$ 702,600</u>

**NOTE 13. COMMITMENTS AND CONTINGENCIES**

**Grant Compliance**

The Organization receives funds under several federal and state grants. Under the terms of the grants the Organization is required to comply with various stipulations including use and time restrictions. If the Organization was found to be noncompliant with the provisions of the grant agreements, the Organization could be liable to the grantor or face discontinuation of funding.



### **Environmental Contingencies**

On March 30, 2009, the Organization's Board of Directors agreed to secure ownership of a 1.2-acre site located in Berlin, New Hampshire. There are 2 buildings on this site designated as the East Wing and West Wing Buildings which were formerly used as a research and development facility for the Berlin Mills Company.

The exterior soil and interior parts of the East Wing Building contained contaminants which required environmental remediation. In a letter dated May 2, 2012, the State of New Hampshire Department of Environment Services (the Department) noted that the remedial actions for the exterior soils and parts of the East Wing Building had been completed to the Department's satisfaction.

In addition, the Department noted that the contaminants related to the West Wing Building did not pose an exposure hazard to site occupants, area residents, and the environment provided the West Wing Building is maintained to prevent further structural deterioration. If further deterioration occurs and contaminants are released into the environment, the Organization could be required to take additional action including containment and remediation.

### **Loss Contingencies**

During the year ended June 30, 2018, legal actions were brought against the Organization. Due to the uncertainty of the outcome of such cases as of June 30, 2018, as well as the uncertainty of the Organization's potential liability, no amount has been accrued by the Organization at this time.

## **NOTE 14. RELATED PARTY TRANSACTIONS**

As disclosed in Note 6, the Organization has a loan payable to a non-profit organization which also provides pass-through state and federal funding for some of the Organization's programs. See Note 6 and Note 16 for terms of the note payables and related forgiveness of debt. The Organization had a note payable to a related party in the amount of \$24,533 at June 30, 2017. The note payable was paid in full during 2018.

## **NOTE 15. RESIDUAL RECEIPTS ACCOUNT**

Cornerstone Housing North, Inc.'s use of the residual receipts account is contingent upon HUD's prior written approval. During the year ended June 30, 2017, HUD approved a withdrawal from the residual receipt account in the amount of \$13,205 for an energy efficiency project. There were no withdrawals from the residual receipts account for the year ended June 30, 2018. Residual receipts of \$21,326 and \$1,847 were held in a segregated account for the years ended June 30, 2018 and 2017, respectively.

**NOTE 16. FORGIVENESS OF DEBT**

During the year ended June 30, 2017, the Organization realized forgiveness of debt income in connection with a note payable to a non-profit organization. Forgiveness of debt income totaled \$25,912 for the year ended June 30, 2017.

**NOTE 17. 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. Non-recognized 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 October 19, 2018, the date the financial statements were available to be issued.

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S IDENTIFYING NUMBER	FEDERAL EXPENDITURES
<b>U.S. Department of Health and Human Services</b>				
Head Start	93.600		61CH10000-03-00	\$ 1,404,182
Head Start	93.600		61CH10000-04-00	893,408
			TOTAL	2,297,590
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1881NH-LEA	294,014
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1781NH-LEA	5,279,727
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1581NH-LEA	4,102
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1701NH-LEA	183,613
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1801NH-LEA	37,808
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1781NH-LEA 1058420	231,155
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1891NH-LEA 1058420	420,828
			TOTAL	6,451,350
<b>AGING CLUSTER</b>				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (SEAS)	93.044	State of New Hampshire Office of Energy and Planning	17AAHH-T3SP	8,111
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (Sr Wheels)	93.044	State of New Hampshire Department of Health and Human Services	512-500352	191,620
			TOTAL	199,731
Special Programs for the Aging - Title III, Part C - Nutrition Services (Congregate & HO Meals)	93.045	State of New Hampshire Department of Health and Human Services	541-500383	272,085
Nutrition Services Incentive Program (NSIP)	93.053	State of New Hampshire Department of Health and Human Services	NONE	94,578
			CLUSTER TOTAL	478,805
Community Services Block Grant	93.969	State of New Hampshire Department of Health and Human Services	102-500731	537,911
<b>TANF CLUSTER</b>				
Temporary Assistance for Needy Families (NHFP Workplace Success)	93.558	Southern New Hampshire Services, Inc.	13-DHHS-BWW-CSP-05	300,103
Temporary Assistance for Needy Families (JARC)	93.558	State of New Hampshire Department of Health and Human Services	102-500731	24,800
			CLUSTER TOTAL	324,903
Preventative Health & Human Services Block Grant - Oral Health	93.758	State of New Hampshire Department of Health and Human Services	80072003	14,434
HIV Care Formula Grants (Ryan White Care Program)	93.917	State of New Hampshire Department of Health and Human Services	530-500371	8,455
National Family Caregiver Support, Title III, Part E (Family Caregiver)	93.052	State of New Hampshire Department of Health and Human Services	570-500928	24,030
<b>MEDICAID CLUSTER</b>				
Medical Assistance Program (Options Counseling and ISR #7)	93.778	State of New Hampshire Department of Health and Human Services	550-500734	70,784
Social Services Block Grant (Title XX ISR)	93.667	State of New Hampshire Department of Health and Human Services	545-500387	6,244
Social Services Block Grant (Guardianship)	93.667	State of New Hampshire Department of Health and Human Services	544-500386	83,719
Social Services Block Grant (Title XX HO miles)	93.667	State of New Hampshire Department of Health and Human Services	102-500731	79,399
			TOTAL	179,362
State Health Insurance Assistance Program	93.324	State of New Hampshire Department of Health and Human Services	102-500734	6,983
Special Programs for the Aging - Title IV and Title II - Discretionary Projects (SMPP)	93.048	State of New Hampshire Department of Health and Human Services	102-500734	8,009
Medicare Enrollment Assistance Program (MEPPA)	93.071	State of New Hampshire Department of Health and Human Services	102-500734	2,847
Promoting Safe and Stable Families/Family Violence Prevention and Services/Discretionary	93.556 & 93.562	State of New Hampshire Coalition against Domestic and Sexual Violence	SPRDOV	53,041
Preventative HHS Block Grant & Injury Prevention and Control Research	93.136 & 93.758	State of New Hampshire Coalition against Domestic and Sexual Violence	NONE	8,900
Block Grants for Prevention and Treatment of Substance Abuse	93.959	State of New Hampshire Division of Public Health Services	05-95-49-491510	82,358
Projects for Assistance in Transition from Homelessness (PATH)	93.150	State of New Hampshire Bureau of Homelessness and Housing	500731-102	79,874
Total U.S. Department of Health and Human Services				\$ 10,688,433

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<u>U.S. Department of Energy</u>				
Weatherization Assistance for Low-Income Persons	81.042	State of New Hampshire Governor's Office of Energy & Community Service	EE0006188	\$ 253,133
Total U.S. Department of Energy				\$ 253,133
<u>U.S. Corporation for National and Community Service</u>				
Retired and Senior Volunteer Program	94.002		16SRAM001	\$ 83,512
Total U.S. Corporation for National and Community Service				\$ 83,512
<u>U.S. Department of Agriculture</u>				
<u>FOOD DISTRIBUTION CLUSTER</u>				
Emergency Food Assistance Program (Administration Costs)	10.558	BMCAP	81750000	\$ 2,360
Child and Adult Care Food Programs	10.558	State of New Hampshire Department of Education	NONE	134,780
Total U.S. Department of Agriculture				\$ 137,120
<u>U.S. Department of Homeland Security</u>				
Emergency Management Performance Grants (FEMA)	97.042			\$ 20,754
Total U.S. Department of Homeland Security				\$ 20,754
<u>U.S. Department of Justice</u>				
Grants to Encourage Arrest Program (GTEAP)	16.590	State of New Hampshire Coalition against Domestic and Sexual Violence	2014-VIE-AX-0038	\$ 1,274
Crime Victim Assistance (VOCA)	16.575	State of New Hampshire Coalition against Domestic and Sexual Violence	NONE	119,085
Sexual Assault Services Formula Program (SASP)	16.017	State of New Hampshire Coalition against Domestic and Sexual Violence	2017-KF-AX-0019	15,851
Total U.S. Department of Justice				\$ 136,210
<u>U.S. Department of Transportation</u>				
Formula Grants for Rural Areas (Section 5311)	20.509	State of New Hampshire Department of Transportation	NH-18-X046	\$ 277,148
<u>TRANSIT SERVICES PROGRAMS CLUSTER</u>				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of New Hampshire Department of Transportation	NH-65-X004	31,528
Enhanced Mobility of Seniors and Individuals with Disabilities (5310 POS, NCC)	20.513	State of New Hampshire Department of Transportation	NH-18-X043	40,059
Total U.S. Department of Transportation			CLUSTER TOTAL	71,587
				\$ 348,735
<u>U.S. Department of Housing and Urban Development</u>				
Emergency Solutions Grant Program	14.231	State of New Hampshire Department of Health and Human Services	102-500731	\$ 31,317
Continuum of Care Program (HOEP)	14.267	State of New Hampshire Department of Health and Human Services	NH0006L17001600	130,821
Total U.S. Department of Housing and Urban Development				\$ 162,138

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b>U.S. Department of Labor</b>				
<b>WIA/WIOA CLUSTER</b>				
WIA/WIOA Adult Program	17.258	Southern New Hampshire Services, Inc.	2015-0004	\$ 52,339
WIA/WIOA Dislocated Worker Formula Grants	17.278	Southern New Hampshire Services, Inc.	2015-0004	48,495
Total U.S. Department of Labor			CLUSTER TOTAL	\$ 100,834
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<u>\$ 11,927,889</u>
<b>NON-FEDERAL</b>				
NH Public Utilities Commission - Electrical Assistance Program		BMCAP	TOTAL NON-FEDERAL	\$ 273,132

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal grant activity of Tri-County Community Action Program, Inc. under programs of the federal government for the year ended June 30, 2018. 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 Tri-County Community Action Program, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**NOTE B - 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 Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE C - INDIRECT RATE**

Tri-County Community Action Program Inc. has elected to not use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**

**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  
Tri-County Community Action Program, Inc.  
Berlin, 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 financial statements of Tri-County Community Action Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 19, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered Tri-County Community Action Program 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 Tri-County Community Action Program Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tri-County Community Action Program Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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*

October 19, 2018  
North Conway, New Hampshire

**Leone,  
McDonnell  
& Roberts**

PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

WOLFEBORO • NORTH CONWAY  
DOVER • CONCORD  
STRATHAM

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**

**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  
Tri-County Community Action Program, Inc.  
Berlin, New Hampshire

**Report on Compliance for Each Major Federal Program**

We have audited Tri-County Community Action Program Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Tri-County Community Action Program Inc.'s major federal programs for the year ended June 30, 2018. Tri-County Community Action Program 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 Tri-County Community Action Program 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 the audit 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). Those standards and 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 Tri-County Community Action Program 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 Tri-County Community Action Program Inc.'s compliance.



### ***Opinion on Each Major Federal Program***

In our opinion, Tri-County Community Action Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

### **Report on Internal Control over Compliance**

Management of Tri-County Community Action Program, 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 Tri-County Community Action Program 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 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 Tri-County Community Action Program, 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Leone McDonnell & Probits*  
*Professional Association*

October 19, 2018  
North Conway, New Hampshire

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

1. The auditors' report expresses an unmodified opinion on the financial statements of Tri-County Community Action Program, Inc.
2. No significant deficiencies relating to the audit of the 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 financial statements of Tri-County Community Action Program, Inc. which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs during the audit are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance in Accordance with the Uniform Guidance*.
5. The auditors' report on compliance for the major federal award programs for Tri-County Community Action Program, Inc. expresses an unmodified opinion on all major programs.
6. No audit findings that are required to be reported in accordance with 2 CFR 200.516(a) are reported in this Schedule.
7. The programs tested as major programs included:
  - U.S. Dept. of Health & Human Services, LIHEAP – CFDA #93.568
  - U.S. Dept. of Health & Human Services, TANF Cluster – CFDA #93.558
  - Electrical Assistance Program (Non-Federal) – NH Public Utilities Company
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Tri-County Community Action Program, Inc. was determined to be a low-risk auditee.

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None



**BOARD OF DIRECTORS  
FY2019**

**COÖS COUNTY**

**Board Chair**  
Sandy Alonzo

**Treasurer**  
Cathy Conway

**Secretary**  
Gary Coulombe

**CARROLL COUNTY**

Anne Barber

Michael Dewar

**Vice Chair**  
Dino Scala

Karolina Brzozowska

**GRAFTON COUNTY**

Linda Massimilla

Tricia Garisson

Richard McLeod

Serving Coös, Carroll & Grafton Counties



# **Jeanne L. Robillard**

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## **CORE STRENGTHS**

Program development, management and administration ♦ Community collaborations  
Development of policy, protocol, and service delivery to meet funder standards  
Grant writing and management ♦ Budget performance and financial reporting  
Innovative solutions & problem solving ♦ Capacity building  
Professional presentations ♦ Public speaking  
Dedication ♦ Imagination ♦ Determination ♦ Fortitude

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## **PROFESSIONAL EXPERIENCE**

### **Tri-County Community Action Programs, Inc.**

#### **Chief Executive Officer**

**Berlin, NH 2018 - current FT employment**

### **Tri-County Community Action Programs, Inc.**

#### **Chief Operating Officer**

**Berlin, NH 2016 - 2018**

Responsible for the operations of six agency Divisions with 15 individual programs that provide over 60 consumer services across three counties of Northern New Hampshire. Essential duties include; supervision of Division Directors, oversee and monitor program resources, revenues, expenditures and budget performance; tactical oversight of programs to meet or exceed agency defined strategic goals; develop and implement strategies to improve individual programs and overall agency program and fiscal performance; oversee and lead special projects such as the Annual Report, Strategic Plan, Community Needs Assessment process, and work with Senior Management Team to develop new service initiatives. Provide tactical guidance to Division Directors to trouble shoot issues and problems in the daily operations of programs.

### **Tri-County Community Action Programs, Inc.**

#### **Division Director: TCCAP Prevention Services**

**Berlin, NH 2015- 2016**

Responsible for four agency programs under the umbrella of TCCAP Prevention Services; oversee division resources, revenues, and expenditures and monitor budget performance; general oversight of programs to meet or exceed agency defined strategic goals; supervise program directors; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and agency; develop fundraising and marketing strategies for programs; represent program through participation in state and local initiatives relative to program/division goals and service delivery; collaborate with stakeholders and elected officials, including presenting legislative testimony.

### **Tri-County Community Action Programs, Inc.**

#### **Program/Division Director: Support Center at Burch House**

**Littleton, New Hampshire 2007- 2015**

Oversee daily operation and supervision of domestic and sexual violence crisis center and residential shelter; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and parent agency; oversee program resources, revenues and expenditures, and monitor budget performance and progress toward strategic goals; create and direct victim advocacy programs to ensure compliance with grant deliverables and applicable state and federal law; develop fundraising and marketing strategies; participate in state and local collaborations to enhance victim services; represent program in state and federal victim service initiatives, including presentation of legislative testimony; create and present trainings for medical and legal professionals on legal standards and best practices for victim services.

**Bookkeeper: Women's Rural Entrepreneurial Network (WREN)**

**Bethlehem, NH current PT employment**

Responsible for grant fiscal tracking, reporting, funds release and account transfers, bi-weekly payroll and 941 payments, accounts payable and receivable, month end reconciliations for bank accounts, credit cards, petty cash, retail and market sales; monthly POS/QB reconciliation for three retail locations, preparing monthly cash flow, forecasts, and standard fiscal reports for Board of Directors.

**Tri-County Community Action Programs, Inc.**

**Direct Services/Volunteer Coordinator: Support Center at Burch House**

**Littleton, New Hampshire 1997 to 2007**

Provide advocacy and direct service to victims of domestic and sexual violence; supervise court advocacy programs; recruit, train and supervise staff, volunteers, and interns; develop agency systems, policies and protocols; create and present community outreach presentations and campaigns; present school-based violence prevention classes for grades K-12 ; provide on-call coverage of crisis line

**Director: Haverhill Area Juvenile Diversion Program**

**Woodsville, New Hampshire 1999-2001**

Recruit, train, and supervise volunteer diversion committees; establish community programming for diverted youth; supportive counseling of youth; maintain collaborative relationships between the court system, juvenile service officers, local police departments, and diversion program; prepare and file court reports on diverted youth; community outreach and education

**Counselor/Title I Teacher: Northern Family Institute-Jefferson Shelter**

**Jefferson, New Hampshire 1996-1999**

Provide individual supportive counseling to adjudicated youth, facilitate peer support groups, develop and implement treatment plans and case management services to clients, supervise and tutor youth in classroom setting, supervise youth in daily living skills

**Education**

**BS in Human Services, Springfield College School of Human Services, Boston, MA**

Criminal Justice Concentration, *Graduated with 4.0 GPA*

**AS in Drug and Alcohol Rehabilitation Counseling (DARC Program)**

**Southern Connecticut Community College, New Haven, CT**

**Additional Skills, Professional Leadership and Civic Affiliations**

- ◆ Chairman, Bethlehem Board of Selectmen, Town of Bethlehem Twice Elected 2006-2010
- ◆ Chairman, Arts Alliance of Northern New Hampshire 2000-2003, *Treasurer 1996-1998*
- ◆ Chairman, Haverhill Area Family Violence Council 1998-2003
- ◆ Certified PRIME FOR LIFE Impaired Driver Intervention Program Instructor #NH16199
- ◆ Registered Sexual Harassment Prevention Trainer in the State of New Hampshire
- ◆ Board Member, Women's Rural Entrepreneurial Network 2014; *Individual Member 2008-2017*
- ◆ Bethlehem Planning Board 2010 - 2015
- ◆ Bethlehem Conservation Commission 2006 - *current*
- ◆ Granite United Way, North Country Cabinet Member 2011-2012
- ◆ TCCAP: Commendation- Division Director Award, 2011
- ◆ Bethlehem Citizen's Advisory Committee on Recycling 2007-2010
- ◆ Licensed Foster Parent, State of NH 2000-2006
- ◆ Small Business Owner : Aurora Energies 2015- *current*
- ◆ Speakeasy Trio Jazz Vocalist/ Sweet Jamm Swing Band Jazz Vocalist 1997- *current*
- ◆ Member, United States Figure Skating Association/International Skating Institute *current since 1993*

# RANDALL S. PILOTTE

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## SUMMARY

Accounting professional with over 29 years of experience, of which 21 years were with a single private manufacturer. 16 years of experience managing accounting professionals. Key competencies include:

Financial Statements	Accounts Payables	Inventory	Fixed Assets
Payroll	Bank Reconciliations	Accounts Receivables	Sales/Use Tax
Budgeting	Cash Flow Management	Audits	Forecasting

## EXPERIENCE

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC., Berlin, NH

06/2013-Present

### **CFO (2017 – Present)**

Work closely with the CEO, Treasurer and Finance Committee to identify performance goals for the Agency and to maintain systems to monitor performance against those goals. Plan, direct, coordinate, implement and evaluate the financial management systems and activities of the Agency with a budget of \$18M.

- Prepare/provides complete and accurate financial, statistical, and accounting records for the Agency and outside regulatory agencies.
- As a member of the senior management team, assists in the formulation and execution of corporate finance policies, objectives and programs.
- Prepares program and agency budgets in conjunction with the CEO and Program Directors. Plan, direct, coordinate, implement and evaluate fiscal performance reviews of Tri-County CAPs divisions.
- Hire, train, direct and evaluate employee performance within the department; recommend promotions and salary adjustments.
- Provides supervision and direction for the Facilities Management Team, ensuring that all mortgages, leases and covenants are maintained for Tri-County CAP's facilities. Creation of five-year capital plan.
- Reviews cash flows for each division, monitor cash management practices, and monitor investments associated with each property.
- Prepared five-year debt reduction plan.

### **Fiscal Director/Interim CFO (2016 – 2017)**

- Direct and manage a fiscal staff of 5 and processes associated with the general ledger, payroll, and accounts payable, accounts receivable, cash receipts and fixed assets.
- Prepare and supervise the production of financial statements including Balance Sheet, Revenue and Expense Reports, and Cost Summaries on a monthly and annual basis.
- Maintain proper accounting controls on grants and contributions to ensure accurate revenue reporting and expense tracking to support periodic monitoring's by funders and auditors.
- Ensure all balance sheet, revenue and expense accounts are analyzed and reconciled periodically.
- Collaborate with Division Directors to monitor departmental revenue and expenses versus budget.
- Worked with the CFO to develop real time monthly and annual financial reporting; and implementing departmental goals.
- Prepare audit schedules for external auditors.
- Collaborate with external auditors in completing annual audit in a timely manner.

### **Accounting Manager (2015-2016)**

### **Sr. Accountant (2013-2014)**

**RANDALL PILOTTE RESUME:**

**KENT NUTRITION GROUP, INC. (f/k/a Blue Seal Feeds, Inc.), Londonderry, NH**

**03/1989-09/2010**

**Assistant Controller (2005-2010)**

- Ensured an accurate and timely monthly and year end close, consisting of the preparation of a consolidated and individual financial statement in accordance with GAAP for nine manufacturing plants and 11 retail stores with gross revenues in excess of \$200M. Additional responsibilities included preparing journal entries, account analysis, inventory review and observation, fixed assets, and depreciation.
- Managed, trained, and supervised a staff accountant responsible for ensuring accurate journal entries, inventory reconciliation, tonnage tax returns, bank reconciliations, and assignment of special projects.
- Oversaw all aspects of proprietary software, multi-state payroll system for 500 employees. Prepared all federal and state payroll tax reports, including quarterly and year-end returns, processing of W2s, and supervision of payroll clerk.
- Interfaced with 18 various banks throughout New England and Mid-Atlantic area used as depositories.
- Prepared multi-state sales/use tax returns and acted as point of contact for audits.
- Pro-actively coached and consulted plant and store management on the annual budget development process.
- Oversaw month-end accruals.
- Assisted and responded to auditors' requests on annual audit.
- Filed annual franchise and abandoned property reports with appropriate states.

**Accounting Manager (1999-2005)**

Supported the Corporate Controller's initiatives by providing supervision and oversight to the Accounting function. Supervised and trained two accounts payable clerks on Chart of Accounts, Accounts Payable, timely and accurate processing and payment of vendor's invoices, employee travel reimbursements, and standard accounting practices.

**Accountant/Payroll Supervisor (1994-1999)**

**Accountant (1989-1994)**

**NORTHERN TELECOM, INC., Concord, NH**

**05/1987-03/1989**

**Associate Results Accountant (1988-1989)**

**Accounts Payable (1987-1988)**

**E D U C A T I O N**

**Bachelor of Science, Accounting, FRANKLIN PIERCE COLLEGE, Concord, NH**

# REGAN L. PRIDE

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## SUMMARY

My experience spans the fields of engineering, computer technology, education, and public administration. This unique combination brings a wide array of knowledge and skills to the table for your organization. I am a team player, a patient trainer, and adept at interpersonal relations.

## RELEVANT KNOWLEDGE AND SKILL AREAS

- Confidence in public speaking for business and technical applications, and instructional settings
- Strong writing skills and interpersonal communication skills, ability to teach others, and build consensus
- Approachable, warm and personable style in teaching classes and interacting with colleagues
- Robust education in mathematics, engineering and general science topics
- Fluency with entire Microsoft Office application suite.
- Fluency with AutoCAD computer-aided drafting software
- Familiarity with ArcView GIS software.
- Familiar with Avante Enterprise Resource Planning software
- Familiar with BMSI fund accounting and Avitar assessing/tax billing software
- Adept at Macromedia/Adobe Dreamweaver MX web site design software

## WORK EXPERIENCE

NORTH COUNTRY COUNCIL REGIONAL PLANNING COMMISSION, Littleton, NH

TITLE: Planner, 2012-2013 + 2015-2018

Managed solid waste technical assistance program funded by USDA Rural Development. Conducted "Full Cost Accounting" studies of municipal solid waste department operations. Reviewed and updated operating plans for municipal solid waste facilities. Organized household hazardous waste collection events. Created and delivered training programs for solid waste operator certification. Created pilot programs to reduce & divert food waste from landfills in 4 communities.

2013-2014

INNOVATIVE STRUCTURAL BUILDING PRODUCTS

TITLE: Project Manager

Performed a variety of functions including business plan preparation and product development associated with a start-up company in the engineered wood sheathing industry. I created engineering drawings, built and tested prototypes, and assisted in marketing activities.

2000 – Present

ICANTOO ENTERPRISES, Lisbon, NH

TITLE: Owner, Computer Applications Consulting

Assistance and training with business and technical applications. Created customized solutions involving AutoCAD, MS Word, MS Excel, MS Access software applications. I also perform web site HTML and CGI development, hardware setup, upgrades, and troubleshooting.

Recent clients/projects include:

- New England Electric Wire Corp – Implementation of Avante MRP & APS scheduling software, computerized WIP labeling system, computer workstation installations, user/operator training.
- Littleton, NH Senior Softball League – custom programming and support of statistical software
- Louisiana Corporate Credit Union – Web site design and maintenance.
- Brammer Creek – Web site design for wholesale food distributor.



2006 – 2012

TOWN OF LISBON, NH, Lisbon, NH

TITLE: Town Administrator, CPM

Prepared annual town budgets and performed presentations at budget hearings and town meeting. Prepared annual financial reports (MS-2, MS-4, MS-6) for the town. Generated tax warrants, and water/sewer warrants. Analyzed water/sewer revenues and developed rate structure to balance department's budget. Performed the functions of financial administration, personnel management, grant administration, welfare administration, emergency management, and project management.

1990-2000 & 2004 – 2006

NEW ENGLAND CATHETER CORPORATION, Lisbon, NH

(Subsidiary of New England Wire Technologies)

TITLE: Engineer, Medical Products

Performed process engineering support in the manufacture of wire-reinforced medical tubing including; equipment specification, process/procedure development, tooling design, and statistical data analysis. Developed customized spreadsheets for product design, and manufacturing process control.

I was also employed with the parent company as an engineer/CAD operator from 1990 to 2000. While in this capacity, I led personal computer users groups, installed the first Ethernet network in the company engineering department, and developed computer file management systems and backup routines.

2002 – 2004

SCHOOL ADMINISTRATIVE UNIT 35, Littleton, NH

TITLE: Distance Learning Coordinator

This position involved collaboration with teachers and staff to develop interactive educational programs utilizing distance learning/videoconferencing technology. Programs were distributed between three high school campuses. Duties included setup, configuration, operation and maintenance of videoconferencing endpoints, and operation of bridge/gateway at central office. I served as webmaster for SAU website. I also performed various computer support duties.

#### EDUCATION/CERTIFICATIONS

NH Bureau of Education and Training  
CPM Certificate (Certified Public Manager)

University of California at Berkeley, Engineering Department  
92 semester credits in Mechanical Engineering Major

#### CONTINUING EDUCATION

- NH Certified Public Supervisor program
- Radvision H.232 technician course
- Six Sigma process control course by Boston Scientific Corp.
- Extrusion Theory course at University of Massachusetts, Lowell

#### PROFESSIONAL & CIVIC ASSOCIATIONS

- Board of Directors, North Country Council Regional Planning Commission, Bethlehem, NH; 2007-2012. Served as chairman in 2011.
- Grafton-Coos Regional Coordinating Council (for public transit); Littleton, NH; 2009-2012
- Member of NHMMA, NHGFOA, NHLWAA – 2006-2012
- Board of Selectman, Lisbon, NH March 2000-2006. Served as chairman from 2002 to 2006.
- Board of Directors, Lisbon Main Street, Inc., Lisbon, NH; 2008-2012;
- Economic Restructuring Committee of Lisbon Main Street, Inc., 2002-present
- Member of Granite State Distance Learning Network, 2002-2004

#### REFERENCES

Professional references shall be produced upon request and presented at time of interview.



## Kristy Letendre

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"If human beings are perceived as potentials rather than problems, as possessing strengths instead of weaknesses, as unlimited rather than dull and unresponsive, then they thrive and grow to their capabilities."

~Barbara Bush

### Experience

May 2019–Present

**Division Director • TCCAP, Inc- Prevention**

Responsible to provide Sr. Leadership and oversight to the development, design, daily operation, compliance, and financial solvency of the programs and facilities under Prevention Services which include Guardianship Services; Homeless Programs, including Tyler Blain Homeless Shelter, and Advocacy and Support Services for Victims of Domestic Violence and Sexual Assault, including Emergency Shelter Services at the Support Center at Burch House

Sept 2018–Present

**Division Operations Coordinator • TCCAP, Inc- Prevention**

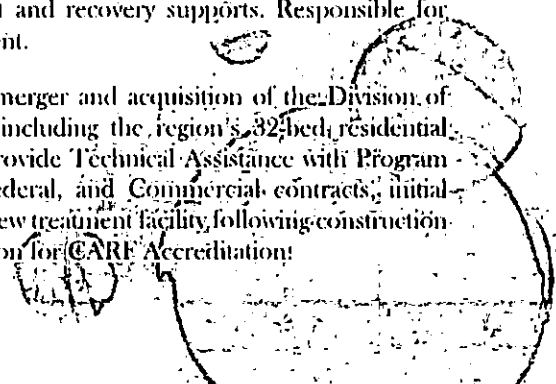
Responsible for monitoring compliance of grant deliverables and legal / ethical integrity of programs and services offered throughout the Division. Responsible to compile and analyze division data; reporting trends and outcomes to Sr. management and local stakeholders. Responsible to develop, review, and update program written policy, procedures, and work flows. Responsible for program development and oversight.

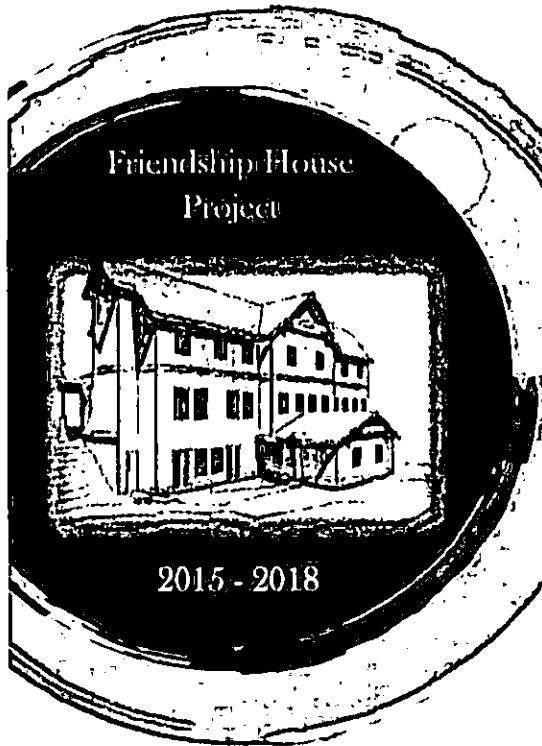
May 2017–August 2018

**North Country SUD Continuum of Care Facilitator / Lead Transition Coordinator • North Country Health Consortium**

**COCF:** The North Country Region's designated state liaison responsible to work with regional key stakeholders to conduct a comprehensive assets and gaps analysis; reporting back findings to NH DHHS and facilitate the development of a comprehensive plan aimed to create a robust, effective, and well-coordinated Continuum of Care (CoC) in the North Country for addressing substance use disorders (SUD) that include health, prevention, early identification/intervention, treatment and recovery supports. Responsible for community education and engagement.

**LTC:** Responsible to oversee the merger and acquisition of the Division of Alcohol and other Drug Services, including the region's 32-bed residential treatment facility. Responsible to provide Technical Assistance with Program Development, transfer of State, Federal, and Commercial contracts, initial Credentialing and Licensure of the new treatment facility following construction completion, and managing preparation for CARE Accreditation.





April 2014–May 2017

Division Director • TCCAP, Inc- Clinical Services

Responsible to provide Sr. Leadership and oversight to the development, design, daily operation, compliance, and financial solvency of the programs and facilities under Clinical Services including the Division of Alcohol and other Drug Services, Friendship House; the region's 32- bed Residential Treatment facility, and the Tamworth Dental Center Practice.

May 2004–April 2014

Associate Division Director • TCCAP, Inc- Division of Alcohol and Drugs

In conjunction with the Division Director, responsible to provide joint Sr. Leadership and oversight to the development, design, daily operation, compliance, and financial solvency of the programs and facilities under the Division of Alcohol and other Drug Services, including Friendship House, the region's 32- bed Residential Treatment facility, the out-patient SUD treatment practice with 6 satellite sites throughout the 3 counties in the North Country and the Impaired Driver Care Management Program.

### Accomplishments

Friendship House New Construction-Bethlehem, NH-\$5.2 MIL - 2015-2018

17,588-sq ft, 32-Bed Residential Substance Use Disorder Treatment Facility

- Submission of state and federal grant applications resulting in \$2.7 MIL in awards & executed a grass roots advocacy campaign securing the remaining \$2.5 MIL in anonymous donations
- Issued all final project approvals on the design, project development, construction, submission of permit applications and town zoning requirements, and licensure and compliance standards.

Implemented New Reimbursement System, 2015

- Eliminated the Division's dependence on grant funding by successfully procuring contracts and credentialing with NH Medicaid, MCO's, and Commercial insurance companies creating eligibility to submit claims on a fee-for-service basis stabilizing revenue and enhancing rates for service.
- Successfully negotiated a contract amendment with DHHS to expand billable services to include Outpatient and Intensive Outpatient services resulting in an increase to from \$1.8 MIL to \$2.5MIL.

Expert Panelist - Guidance Document on Best Practices: Community-Based MAT for Opioid Use Disorders in New Hampshire, First Edition, 2016

### Civic Involvement

2019 - Present	MWV Supports Recovery Advisory Board	- Member
2017 - Present	North Country Serenity Center BOD	- Officer
2016 - Present	Stand-Up Androscoggin Valley Coalition	- Member
2016 - 2018	Project Aware, BHS, Advisory Board	- Member
2017 - Present	Littleton ATOD Coalition	- Member
2018 - Present	Lancaster Area Coalition	- Member
2016 - 2017	NCHC Board of Directors	- Member



### Skills

Creative flair	Good sense of humor	Excellent written and oral communication skills
Engaging Community Presenter	Cultural intelligence	Well-informed in policy and procedure development
Proficient in Office Survey	Versatile and adaptable	Proficient in budget development and management
Solution focused problem resolution	Computer and technology adept	Lateral thinking and logical reasoning
Unique leadership through empowerment	Knowledgeable grant writer	Innovative
Detail oriented	Creative strategic planner	Experienced non-profit management
Excellent Community and political relations	Advocacy	Approachable, relatable, and relevant

### Education

**Plymouth State University, Plymouth NH.**

2017-In Progress | Business Administration

Coursework: accounting, economics, finance, management, marketing theories and practices of business ethics and social responsibility, quantitative skills to analyze.

**White Mountains Community College, Berlin NH.**

2015-2017 | Business Administration

Coursework: management, accounting, finance, strategy, economics, statistics, marketing, operations/project management, entrepreneurship, and computer applications. Completed requirements of the first two years of a four-year business administration degree, AS-equivalent, 4.0 GPA

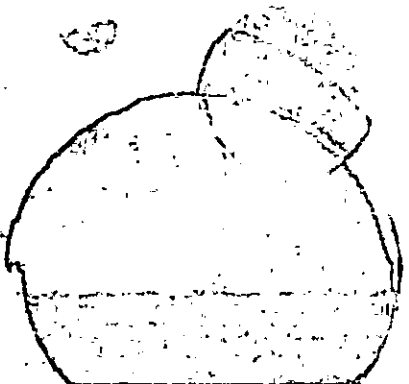

**White Mountains Community College, Berlin NH.**

2011 | Leadership North Country

Coursework: The program selects a diverse group aspiring leaders in northern New Hampshire through a competitive nomination and application process. Candidates participate in a 9-month program focused on education, arts and culture, leadership and civil engagement, travel and tourism, and government and politics.

### References

Available upon request



**Tri-County Community Action Program, Inc.**

**Permanent supportive Housing I, Key Personnel**

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Jeanne Robillard	Chief Executive Officer	\$115,000	0%	0%
Randal Pilotte	Chief Financial officer	\$75,000	0%	0%
Regan Pride	Chief Operations Officer	\$70,000	0%	0%
Kristy Letendre	Prevention Division Director	\$44,999.76	0%	0%