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DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF HUMAN SERVICES

BUREAU OF HOMELESS AND HOUSING SERVICES

Jeffrey A. Meyers
Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
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Maureen U. Ryan
Director of Human
Services

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October 11, 2016

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Human Services, Bureau of Homeless and Housing Services to enter into **sole source** agreements with the vendors listed in the table below to provide permanent supportive housing and transitional housing programs to homeless individuals with disabilities and their families through the Federal Continuum of Care program in an amount not to exceed \$134,241, effective December 1, 2016, or upon Governor and Executive Council approval, whichever is later, through November 30, 2017. 100% Federal Funding.

Vendor	Project Name	Vendor #	Grant #	Location	Amount
Center For Life Management	Permanent Supportive Housing	174116-R001	NH0001L1T001503	Derry NH & Grafton County	\$69,001
Community Action Program Belknap-Merrimack Counties, Inc.	Bow Glen Transitional Housing	177203-B003	NH0004L1T001508	Franklin, NH	\$65,240
				Total	\$134,241

Funds are available in the following account in State Fiscal Year 2017 and are anticipated to be available in State Fiscal Year 2018 upon availability and continued appropriation of funds in the future operating budget, with the ability to adjust encumbrances between State Fiscal Years through the Budget Office, without further Governor and Executive Council approval, 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	Title	Amount
2017	102-500731	Contracts for Program Services	\$78,307
2018	102-500731	Contracts for Program Services	\$55,934
		Total	\$134,241

EXPLANATION

These requests are considered **sole source** because federal regulations require the Department to specify each vender's name during the federal Continuum of Care program renewal application process, completed annually, prior to the grant award being issued. The U.S. Department of Housing and Urban Development scores the applications and awards funding based on their 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 occurring in various months throughout the year.

New Hampshire's Continuum of Care Program delivers statewide housing services through a total of twenty-nine (29) agreements with varying expiration dates. Continuum of Care vendors are located throughout the state to ensure statewide delivery of services. This package contains two (2) agreements that expire on November 30, 2017 which serve the geographic areas listed in this document.

The U.S. Department of Housing and Urban Development has a two-step process for awarding Continuum of Care funding, often resulting in delayed delivery of the final grant agreement to the Department. The first step is an award announcement and a letter sent to the Department listing each Continuum of Care program awarded funding and the funding amount. The Bureau of Homeless and Housing Services received this letter on May 6, 2016 confirming that the aforementioned programs were awarded funding. The second step is the issuance of the signed grant agreement, which is frequently received close to the grant start date. The U.S. Department of Housing and Urban Development's Boston field office has confirmed a grant agreement is in process.

When the Department receives final award notification too near to, or after, the grant start date, the agreements are issued as retroactive items. Retroactive awards result in the community-based programs receiving funds after the time when they are actually needed to support program operations. Funds awarded retroactively may result in the unavailability of assistance to New Hampshire citizens who are homeless, or at risk of becoming homeless.

Based on the State's receipt of the award announcement letter confirming the intention and funding level of the proposed agreements, the Department is operating with a very high level of confidence that funding is secure and we will receive the grant agreement, though not in time to prevent retroactive contracts. Therefore, these grant awards are being contracted prospectively such that executed contracts will be in place to provide vendor access to the anticipated funds when they do become available, thus ensuring continuation of services to homeless individuals without interruption.

The vendor will utilize Continuum of Care funds to provide supportive and administrative services and rental/leasing assistance for permanent housing programs for homeless individuals and/or families with disabilities. These funds will be used to support and assist participants to live more independently based on the continued receipt and availability of federal funds. The U.S. Department of Housing and Urban Development 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:

- 1) A strategic planning process for addressing homelessness in the community.
- 2) A process to engage broad-based, community-wide involvement in addressing homelessness on a year-round basis.
- 3) 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 Bureau assures contract compliance and vendor performance in the following ways:

- 1) Annual compliance reviews shall be performed that include the collection of data relating to compliance with administrative rules and contractual agreements.
- 2) 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.
- 3) All vendors funded for transitional, permanent or coordinated entry housing, or outreach services will be required to maintain timely and accurate data entry on the New Hampshire Homeless Management Information System, unless they are required by law to use an alternate 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 these contracts.

Should Governor and Executive Council not authorize these requests, rental assistance and supportive services for homeless individuals with disabilities and their 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 many individuals and/or families to become homeless.

Area served: Derry, Franklin and Grafton County.

Source of funds: 100% Federal Funds from the U.S. Department of Housing and Urban Development, grant numbers as listed on page 1 of 3 of this document, Office of Community Planning and Development, Catalog of Federal Domestic Assistance Number (CFDA) #14.267.

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

Respectfully submitted,



Maureen U. Ryan
Director of Human Services

Approved by 
Jeffrey A. Meyers
Commissioner

Subject: Continuum of Care, Permanent Supportive Housing Program (SPC II)

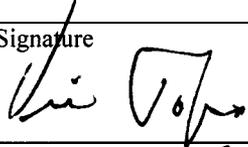
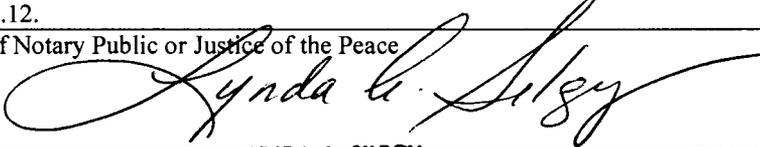
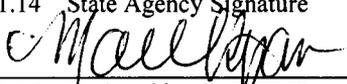
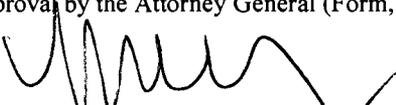
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

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 Office of Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
1.3 Contractor Name 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 November 30, 2017	1.8 Price Limitation \$69,001
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Vic Topo, President/CEO	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Rockingham</u> On <u>September 28, 2016</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace LYNDA A. SILEGY Notary Public - New Hampshire My Commission Expires August 5, 2019			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Maureen Ryan Director, Office of Human Services	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Date: <u>10/12/16</u> Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>Megan A. Yarbrough - Attorney</u> <u>10/26/16</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

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

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

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

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

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

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

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

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

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

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

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

Contractor Initials 
Date 9/28/16

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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

Contractor Initials JS

Date 9/28/16



SCOPE OF SERVICES

CONTINUUM OF CARE

Permanent Supportive Housing Program

1. Conditional Nature Of Agreement

- 1.1. 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 Grant. The State has applied for the Continuum of Care 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 Continuum of Care Grant.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date; submitted to:
NH DHHS
Bureau of Homeless & Housing Services (BHHS)
129 Pleasant Street
Concord, NH 03301

2. Services

- 2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide permanent housing to seven (7) chronically homeless individuals with disabilities.
- 2.2. The goal of this program is to facilitate the movement of chronically homeless disabled individuals to permanent housing and maximum self-sufficiency.
- 2.3. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.
- 2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.
- 2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. Program Reporting Requirements

- 3.1. The Contractor shall submit the following reports:
 - 3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be



Exhibit A

in the form required or specified by the State, and submitted to the address listed in section 1.3 Exhibit A.

3.1.2. Other Reports as requested by the State.

3.2. All programs under this contract are required to be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs under this contract must be familiar with and follow NH HMIS policy, including specific information that is required for data entry, accuracy of data entered, and time required for data entry. Current NH HMIS policy can be accessed electronically through the following website: <http://www.nh-hmis.org>.

3.3. Failure to submit the above 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 the BHHS.

4. Contract Administration

4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by the BHHS. To the extent possible, BHHS shall notify the contractor of the need to attend such meetings five (5) working days in advance of each meeting.

4.2. The Bureau Administrator of BHHS or designee may observe performance, activities and documents under this Agreement; however, these personnel may not unreasonably interfere with contractor performance.

4.3. The Contractor shall inform BHHS of any staffing changes within thirty (30) days of the change.

4.4. Contract records shall be retained for a period of five (5) years 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.

4.5. Changes to the contract services that do not affect its scope, duration, or financial limitations may be made upon mutual agreement between the Contractor and the BHHS.

5. Financial

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

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), 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), building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

5.1.1.2. Ineligible costs include rental assistance and operating costs in the same project, operating costs of emergency shelter and supportive service-only facilities, maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.1.2. Supportive Services



Exhibit A

- 5.1.2.1. Eligible supportive services costs must comply with all HUD regulations in 24 CFR 578.53. Eligible services are available to those individuals actively participating in the permanent housing program.
- 5.1.2.2. Eligible costs include:
 - 5.1.2.3. mental health services;
 - 5.1.2.4. case management services;
 - 5.1.2.5. salaries of Contractor staff providing supportive services;
 - 5.1.2.6. reasonable one-time moving costs (truck rental and hiring a moving company);
 - 5.1.2.7. child-care costs for establishing and operating child care;
 - 5.1.2.8. providing child-care vouchers for children from families experiencing homelessness (including providing meals, snacks and comprehensive and coordinated developmental activities);
 - 5.1.2.9. education services;
 - 5.1.2.10. employment assistance and job training skills;
 - 5.1.2.11. housing search and counseling services;
 - 5.1.2.12. legal services (fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing);
 - 5.1.2.13. outpatient health services and;
 - 5.1.2.14. transportation services and utility deposits.
 - 5.1.2.15. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.
- 5.1.3. Rental Assistance
 - 5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
 - 5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and 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.
 - 5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. 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.
 - 5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the


Date 9/28/16



Exhibit A

- location, size, type, quality, amenities, facilities, and management and maintenance of each unit.
- 5.1.3.5. 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.
 - 5.1.3.6. 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.
 - 5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.
 - 5.1.3.8. 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 sub recipients 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.
 - 5.1.3.9. 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.
 - 5.1.3.10. 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.
 - 5.1.3.11. 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.
- 5.1.4. Administrative Costs
- 5.1.4.1. Administrative costs include:
 - 5.1.4.2. preparing program budgets;
 - 5.1.4.3. schedules and amendments;
 - 5.1.4.4. developing systems for assuring compliance with program requirements;
 - 5.1.4.5. developing interagency agreements and agreements with sub recipients and contractors to carry out program activities;
 - 5.1.4.6. preparing reports and other documents related to the program for submission to HUD;



Exhibit A

- 5.1.4.7. evaluating program results against stated objectives;
 - 5.1.4.8. travel costs incurred for official business in carrying out the program;
 - 5.1.4.9. administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services) and;
 - 5.1.4.10. 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).
- 5.1.5. Leasing: Leasing may include leasing one structure or leasing units scattered throughout a community.
- 5.1.5.1. 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.
 - 5.1.5.2. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
 - 5.1.5.3. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
 - 5.1.5.4. Property damages may only be paid from money paid to the landlord for security deposits.
 - 5.1.5.5. The Contractor cannot lease a building that it already owns to itself.
 - 5.1.5.6. 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.
- 5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).
- 5.2.1. 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.
 - 5.2.2. Match requirements are to be documented with each payment request.
- 5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Financial, Exhibit A. The Contractor must have written approval from the State prior to billing for any other expenses.
- 5.4. 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.
- 5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

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Exhibit B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

CONTINUUM OF CARE

1. Permanent Supportive Housing Program

The following financial conditions apply to the scope of services as detailed in Exhibit A – Continuum of Care, Permanent Supportive Housing Program.

This contract 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:

NH General Fund: 0%
Federal Funds: 100%
CFDA #: 14.267
Grant Number: NH0001L1T001503
Federal Agency: U.S. Department of Housing & Urban Development
Program Title: Continuum of Care, Permanent Supportive Housing Program

Total Amount Continuum of Care;

December 1, 2016 – November 30, 2017: not to exceed \$69,001

Funds allocation under this agreement for Continuum of Care Program;

Administrative costs: \$3,397
Rental Assistance: \$65,604
Total program amount: \$69,001

- 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, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. Reports

As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:

- 2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State at the following address:

NH DHHS
Bureau of Homeless & Housing Services
129 Pleasant Street
Concord, NH 03301

- 2.2. Where the Contractor is not subject to the requirements of 2 CFR part 200, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

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9/28/16



Exhibit B

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. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds 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 not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.
- 3.3. Review of the State Disallowance of Costs: 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. Upon such review the State shall disallow any items of 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. 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. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part 578.

4. Use Of Grant Funds

- 4.1. The State agrees to provide payment for actual costs, not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of P.L. 102-550 and other applicable regulations.
- 4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.
- 4.3. 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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Exhibit B

5. Contractor Financial Management System

- 5.1. 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.
- 5.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2, Payment of Project Costs, of this Agreement.

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SPECIAL PROVISIONS

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

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



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

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

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



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

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



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

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

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

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

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

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

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

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

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



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

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

DEFINITIONS

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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


9/28/16



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 4. **CONDITIONAL NATURE OF AGREEMENT.**
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language:
 - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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


9/28/16



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

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

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

Contractor Name:

September 28, 2016
Date

Vic Topo
Name: Vic Topo
Title: President / CEO



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

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

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

September 28, 2016
Date

Contractor Name:

Vic Topo
Name: Vic Topo
Title: PRESIDENT/CEO



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

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

INSTRUCTIONS FOR CERTIFICATION

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



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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

September 28, 2016
Date

Contractor Name:

[Signature]

Name: *Vic Topo*
Title: *President/CEO*

Contractor Initials *[Signature]*
Date *9/28/16*



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

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

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

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

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

Exhibit G

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

Contractor Initials

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9/28/16

New Hampshire Department of Health and Human Services
Exhibit G



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

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

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

September 28, 2016
Date

Contractor Name:

Vic Topo

Name:
Title:

Vic Topo
President/CEO

Exhibit G

Contractor Initials

VT

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

Date

9/28/16



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name:

September 28, 2016
Date

Vic Popo
Name: Vic Popo
Title: President / CEO



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) **Definitions.**

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

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9/29/14



Exhibit I

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

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

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

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9/28/16



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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



Exhibit I

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

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

3/2014

Contractor Initials

Date 9/28/16



Exhibit I

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

(4) Obligations of Covered Entity

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

(5) Termination for Cause

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

(6) Miscellaneous

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



Exhibit I

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

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

The State

Maura Ryan

Signature of Authorized Representative

Mauriceen Ryan

Name of Authorized Representative

*Director
Office of Human Services*

Title of Authorized Representative

10/12/16

Date

Center for Life Management

Name of the Contractor

Vic Topo

Signature of Authorized Representative

Vic Topo

Name of Authorized Representative

President / CEO

Title of Authorized Representative

September 28, 2016

Date



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

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

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

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

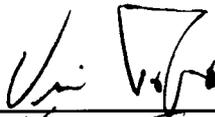
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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

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

Contractor Name:

September 28, 2016
Date



Name: Vic Topo
Title: President / CEO



FORM A

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

1. The DUNS number for your entity is: 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:

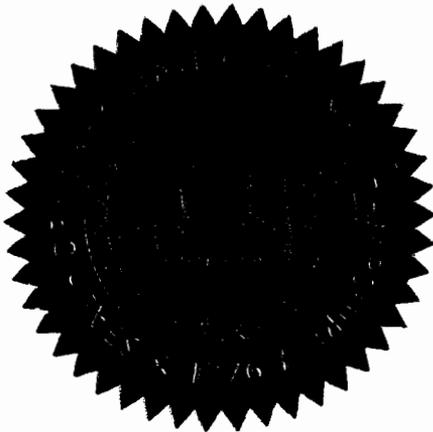
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____

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 on June 30, 2003 and that The Mental Health Center for Southern New Hampshire presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April, A.D. 2016

A handwritten signature in cursive script that reads "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Judith Ryan, do hereby certify that:

1. I am a duly elected Officer of Center for Life Management.

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 September 28, 2016
(Date)

RESOLVED: That the President 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 September, 2016.
(Date Contract Signed)

4. Vic Topo is the duly elected President/CEO 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 September, 2016.

By Judith Ryan.

Lynda A. Silegy
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

LYNDA A. SILEGY
Notary Public - New Hampshire
My Commission Expires August 5, 2019

Commission Expires: _____



MISSION STATEMENT

To promote behavioral health and emotional 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, 2015 and 2014

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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, 2015 and 2014, 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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, 2015 and 2014, 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 September 30, 2015, 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 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 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
September 30, 2015

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, 2015 and 2014

<u>ASSETS</u>		
	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ 647,881	\$ 684,160
Restricted cash	130,727	126,842
Accounts receivable, net	958,828	1,174,229
Other receivables	175,301	161,077
Prepaid expenses	<u>30,705</u>	<u>94,950</u>
Total current assets	1,943,442	2,241,258
Property and equipment, net	4,471,171	4,169,523
Finance costs, net	<u>326,872</u>	<u>344,696</u>
Total assets	<u>\$ 6,741,485</u>	<u>\$ 6,755,477</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Line of credit	\$ 50,000	\$ 125,000
Current portion of long-term debt	359,690	80,000
Accounts payable	115,373	58,476
Accrued payroll and payroll liabilities	225,530	184,022
Accrued vacation	253,277	272,871
Accrued interest	45,710	46,830
Accrued expenses	12,500	44,317
Deferred revenue	<u>7,580</u>	<u>12,000</u>
Total current liabilities	1,069,660	823,516
Long-term-debt less current portion	<u>3,172,543</u>	<u>3,265,000</u>
Total liabilities	4,242,203	4,088,516
Net assets - unrestricted	<u>2,499,282</u>	<u>2,666,961</u>
Total liabilities and unrestricted net assets	<u>\$ 6,741,485</u>	<u>\$ 6,755,477</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, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<u>Public support and revenues:</u>		
Public support:		
Federal	\$ 878,824	\$ 1,065,327
State of New Hampshire - BBH	348,616	222,954
State and local funding	44,901	48,295
Other public support	79,421	31,262
Total public support	1,351,762	1,367,838
Revenues:		
Program service fees, net	10,817,333	10,429,373
Other service income	442,695	464,564
Rental income	32,832	81,374
Other	17,932	51,237
Gain on sale of building	-	80,182
Total revenues	11,310,792	11,106,730
Total public support and revenues	12,662,554	12,474,568
<u>Expenses:</u>		
BBH funded programs:		
Children	3,621,735	3,361,775
Elders	309,461	272,311
Vocational	266,418	234,468
Beaver Lake Lodge	609,790	874,974
Multi-Service	1,574,885	1,550,062
Acute Care	738,219	708,911
Independent Living	1,821,653	1,747,909
Assertive Community Treatment	539,551	459,474
Non-Specialized Outpatient	1,765,576	1,353,207
Non-BBH funded program services	552,935	595,134
Total program expenses	11,800,223	11,158,225
Administrative expenses	1,030,010	1,001,062
Total expenses	12,830,233	12,159,287
Change in net assets	(167,679)	315,281
Net assets, beginning of year	2,666,961	2,351,680
Net assets, end of year	\$ 2,499,282	\$ 2,666,961

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, 2015 and 2014

	2015		2014			
	Program Services	Administrative	Total	Program Services	Administrative	Total
Personnel costs:						
Salaries and wages	\$ 7,383,172	\$ 644,287	\$ 8,027,459	\$ 6,994,837	\$ 644,395	\$ 7,639,232
Employee benefits	1,476,883	118,181	1,595,064	1,299,328	98,688	1,398,016
Payroll taxes	534,363	44,585	578,948	510,573	46,574	557,147
Accounting/audit fees	53,527	5,031	58,558	48,292	4,087	52,379
Advertising	11,917	783	12,700	11,521	1,359	12,880
Conferences, conventions and meetings	19,988	17,598	37,586	23,008	13,290	36,298
Depreciation/amortization	210,673	17,822	228,495	214,599	17,433	232,032
Equipment maintenance	16,930	1,181	18,111	21,042	1,441	22,483
Equipment rental	31,633	4,976	36,609	23,209	2,978	26,187
Insurance	77,358	9,510	86,868	72,097	6,366	78,463
Interest expense	110,523	16,805	127,328	111,920	16,349	128,269
Legal fees	54,954	4,041	58,995	63,172	5,344	68,516
Membership dues	60,345	7,673	68,018	54,898	7,181	62,079
Occupancy expenses	803,104	23,196	826,300	748,987	25,811	774,798
Office expenses	210,736	40,425	251,161	182,965	34,102	217,067
Other expenses	15,390	11,974	27,364	41,427	21,771	63,198
Other professional fees	363,492	46,799	410,291	394,431	44,813	439,244
Program supplies	167,173	12,730	179,903	157,842	7,205	165,047
Travel	198,062	2,413	200,475	184,077	1,875	185,952
	11,800,223	1,030,010	12,830,233	11,158,225	1,001,062	12,159,287
Administrative allocation	1,030,010	(1,030,010)	-	1,001,062	(1,001,062)	-
Total expenses	\$ 12,830,233	\$ -	\$ 12,830,233	\$ 12,159,287	\$ -	\$ 12,159,287

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, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ (167,679)	\$ 303,281
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation and amortization	228,495	232,032
Gain on sale of building	-	(80,182)
(Increase) decrease in:		
Restricted cash	(3,885)	(2,403)
Accounts receivable, net	215,401	(266,336)
Other receivables	(14,224)	(19,117)
Prepaid expenses	64,245	(32,064)
Increase (decrease) in:		
Accounts payable and accrued expenses	45,874	13,391
Deferred revenue	(4,420)	-
Net cash provided by operating activities	<u>363,807</u>	<u>148,602</u>
Cash flows from investing activities:		
Proceeds from sale of property	-	200,335
Purchases of property and equipment	(212,319)	(80,833)
Finance costs	-	(5,954)
Net cash provided (used) by investing activities	<u>(212,319)</u>	<u>113,548</u>
Cash flows from financing activities:		
Net borrowing (payments) on line of credit	(75,000)	125,000
Principal payments on long term debt	<u>(112,767)</u>	<u>(132,189)</u>
Net cash used in financing activities	<u>(187,767)</u>	<u>(7,189)</u>
Net increase (decrease) in cash and cash equivalents	(36,279)	254,961
Cash and cash equivalents, beginning of year	<u>684,160</u>	<u>429,199</u>
Cash and cash equivalents, end of year	<u>\$ 647,881</u>	<u>\$ 684,160</u>
<u>Supplemental cash flow disclosures:</u>		
Cash paid during the year for interest	<u>\$ 128,448</u>	<u>\$ 130,439</u>
Cash flows from investing and financing activities:		
Purchases of property and equipment with debt	<u>\$ 300,000</u>	<u>\$ -</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, 2015 and 2014

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.

West Rock Endowment Association, Inc. (the "Association") was a title holding company as defined by the Internal Revenue Service, whose sole purpose was to lease its real estate holdings to qualifying exempt organizations. It is affiliated with The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management through common board members. The Association was dissolved in June 2014. Refer to Note 12 for additional information related to the dissolution.

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, West Rock Endowment Association, Inc., 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 its Affiliates, West Rock Endowment Association, Inc. 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.

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, 2015 and 2014

Note 2. Basis of accounting and summary of significant accounting policies (continued)

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.

At June 30, 2015 and 2014, 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 \$328,278 and \$371,644 as of June 30, 2015 and 2014, respectively. Refer to Note 4 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

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, 2015 and 2014

Note 2. Basis of accounting and summary of significant accounting policies (continued)

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 \$210,671 and \$207,809 for the years ended June 30, 2015 and 2014, respectively.

Finance costs

Financing costs are recorded on the statement of position net of accumulated amortization. The costs are amortized over the term of the respective financing arrangement. Amortization expense was \$17,824 and \$24,223 for the years ended June 30, 2015 and 2014, respectively.

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 MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATES
Notes to Consolidated Financial Statements
June 30, 2015 and 2014

Note 2. Basis of accounting and summary of significant accounting policies (continued)

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.

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.

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 Association was a 501(c)(2) title holding company whose sole purpose is to lease its real estate holdings to qualifying organizations. The Association was dissolved in June 2014.

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.

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, 2015 and 2014

Note 2. Basis of accounting and summary of significant accounting policies (continued)

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. *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 2012, 2013 and 2014 are subject to examination by the IRS, generally for three years after filing.

Subsequent events

The Organization has evaluated all subsequent events through September 30, 2015, the date the financial statements were available to be issued.

Note 3. Restricted cash

As of June 30, 2015 and 2014, the Organization had restricted cash of \$130,727 and \$126,842, respectively. The amounts represent cash which is restricted for debt service requirements, as designated by the Series 2006 bonds.

Note 4. Accounts receivable, net

Accounts receivable consist of the following at June 30,:

	2015			2014		
<u>Accounts receivable</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Clients	\$ 459,570	\$ (259,617)	\$ 199,953	\$ 534,588	\$ (313,184)	\$ 221,404
Insurance companies	156,913	(11,147)	145,766	131,465	(4,734)	126,731
Medicaid	439,326	(28,380)	410,946	602,084	(17,788)	584,296
Medicare	231,297	(29,134)	202,163	277,736	(35,938)	241,798
	<u>\$1,287,106</u>	<u>\$ (328,278)</u>	<u>\$ 958,828</u>	<u>\$1,545,873</u>	<u>\$ (371,644)</u>	<u>\$ 1,174,229</u>

Other receivables

	2015	2014
Towns	\$ 22,000	\$ 19,500
NH Division of Mental Health	42,802	68,582
Workers comp refund	18,545	-
Miscellaneous	91,954	72,995
	<u>\$ 175,301</u>	<u>\$ 161,077</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, 2015 and 2014

Note 5. Concentrations of credit risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of the following:

	<u>2015</u>	<u>2014</u>
Receivables primarily for services provided to individuals and entities located in southern New Hampshire	\$ <u>958,828</u>	\$ <u>1,174,299</u>
Other receivables due from entities located in New Hampshire	\$ <u>175,301</u>	\$ <u>161,077</u>

Bank balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to the prevailing FDIC limit. At June 30, 2015 and 2014, the Organization had approximately \$129,900 and \$96,000 in uninsured cash balances.

Note 6. Property

Property and equipment consists of the following at June 30:

	<u>2015</u>	<u>2014</u>
Land	\$ 632,418	\$ 632,418
Buildings and improvements	4,588,596	4,175,624
Automobiles	93,388	93,388
Equipment	<u>1,521,166</u>	<u>1,401,055</u>
	6,835,568	6,302,485
Less: accumulated depreciation	<u>(2,375,076)</u>	<u>(2,169,493)</u>
	4,460,492	4,132,992
Construction in progress	<u>10,680</u>	<u>36,531</u>
Property and equipment, net	\$ <u>4,471,172</u>	\$ <u>4,169,523</u>

Note 7. Line of credit

As of June 30, 2015, the Organization has a demand line of credit with People's United Bank with a borrowing capacity of \$1,500,000, which is available through December 31, 2015, the annual review date. Interest accrued on the outstanding principal balance is payable monthly at prime plus 0.25%; provided, however, at no time shall the interest rate be less than 4.00%. The outstanding balance on the line at June 30, 2015 was \$50,000. The line of credit is secured by all business assets and real estate.

As of June 30, 2014, the Organization has a demand line of credit with People's United Bank with a borrowing capacity of \$1,500,000, which is available through December 31, 2014, the annual review date. Interest accrued on the outstanding principal balance is payable monthly at prime plus 0.25%; provided, however, at no time shall the interest rate be less than 4.00%. The outstanding balance on the line at June 30, 2014 was \$125,000. The line of credit is secured by all business assets and real estate.

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, 2015 and 2014

Note 8. Long term debt

Long term debt consists of the following as of June 30,:

	<u>2015</u>	<u>2014</u>
People's United Bank - Promissory note payable in monthly principal and interest installments of \$5,406, with interest fixed at 3.09225%, secured by certain real estate. Matures November 2019.	\$ 267,233	\$ -
Series 2006 New Hampshire Health and Education Facilities Bond- Payable through 2036, original principal of \$3,700,000, remarketed and sold to Centrix Bank December 2011 at 2.80% per annum. Refinanced July 2015, refer to Note 13.	<u>3,265,000</u>	<u>3,345,000</u>
Total long term debt	3,532,233	3,345,000
Less: current portion of long term debt	<u>(359,690)</u>	<u>(80,000)</u>
Long term debt, less current portion	<u>\$ 3,172,543</u>	<u>\$ 3,265,000</u>

Refer to Note 13 for discussion regarding the future maturities of long term debt.

In accordance with the Series 2006 bond issuance, there is a ten-year letter of credit commitment (currently with People's United Bank) to support the tax-exempt bonds issue. An 0.85% fee on the outstanding letter of credit balance is required. During the years ending June 30, 2015 and 2014, fees were incurred on the outstanding letter of credit, which are included in interest expense.

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 \$93,560 and \$61,383 for the years ending June 30, 2015 and 2014, 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, effective June 1, 2013. The contract was temporarily extended through May 31, 2015 and subsequently renewed effective June 1, 2015 for a one year term expiring May 31, 2016, with two one-year automatic renewal options. The contract 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.

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, 2015 and 2014

Note 10. Commitments and contingencies (continued)

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.

For the years ending June 30, 2015 and 2014, the Agency received approximately 60% and 58%, 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 that can be taken as a grant or pledged in full or in part for leveraging matching federal Medicaid dollars.

Note 11. Lease commitments

The Agency leases facilities under various operating leases. Rent expense recorded under these arrangements was approximately \$106,000 and \$63,000 for the years ended June 30, 2015 and 2014, 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, 2015:

<u>Year ending June 30,</u>	
2016	\$ 137,830
2017	135,184
2018	135,184
2019	135,184
2020	<u>135,184</u>
Total	<u>\$ 678,566</u>

Note 12. Dissolution

The Board of Directors of West Rock Endowment Association, Inc. executed a Statement of Dissolution effective June 25, 2014. The Statement of Dissolution included a provision that all remaining assets be distributed to the related 501(c)(3) organization, The Mental Health Center for Southern New Hampshire, d/b/a/ CLM Center for Life Management.

In accordance with FASB Accounting Standards Codification section 860, the distribution of the remaining assets is accounted for as a sale of financial assets in which a gain or loss is recognized in an amount equal to the assets transferred, net of any liabilities assumed.

The resulting transfer resulted in cash of \$205,123 being transferred from the Association to CLM. For the year ending June 30, 2014, the transfer is reported as part of other revenue for CLM and non-BBH funded program services expense for the Association. The amounts are appropriately eliminated in consolidation.

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, 2015 and 2014

Note 13. Subsequent event - bond refinancing

During July 2015, the Organization refinanced the Series 2006 Bonds through the issuance of Series 2015 New Hampshire Health and Education Facilities Bonds in the amount of \$3,042,730. The Series 2015 bonds are payable in monthly principal and interest installments, and mature August 2036.

The bonds are secured by land, building, equipment, and certain revenues. The Organization is subject to certain financial covenants required by the bonds.

As part of the refinancing, the Organization entered into an interest rate swap agreement effective July 23, 2015 with People's United Bank (the "Bank") that effectively fixes the interest rate on the outstanding principal of the Series 2015 Bonds at 3.045%. The arrangement matures August 1, 2025.

Future maturities to long term debt, based on the refinanced bonds, are as follows:

<u>Year ending June 30,</u>	
2016	\$ 359,690
2017	161,721
2018	166,078
2019	170,494
2020	129,437
Thereafter	<u>2,544,813</u>
Total	<u>\$ 3,532,233</u>

The payments for 2016 include the following bond paydowns associated with the bond refinancing in July 2015:

- \$85,000 - Scheduled principal payment on Series 2006 Bonds
- \$137,270 - Additional paydown of bond principal as part of refinancing

Note 14. Prior period adjustment

During the year ending June 30, 2015, the Organization noted remaining funds on a grant had not been accounted for correctly.

The following summarizes the changes for the year ended June 30, 2014:

Statement of financial position:

Increase in deferred revenue	\$ 12,000
Decrease in net assets	\$ (24,000)

Statement of activities and changes in net assets:

Increase in public support - Federal	\$ 12,000
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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, 2015

Center for Life Management West Rock CLM

	<u>Management</u>	<u>Endowment</u>	<u>Foundation</u>	<u>Total</u>	<u>Eliminations</u>	<u>Consolidated</u>
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 514,619	\$ -	\$ 133,262	\$ 647,881	\$ -	\$ 647,881
Restricted cash	130,727	-	-	130,727	-	130,727
Accounts receivable, net	958,828	-	-	958,828	-	958,828
Other receivables	175,301	-	-	175,301	-	175,301
Prepaid expenses	30,705	-	-	30,705	-	30,705
Total current assets	1,810,180	-	133,262	1,943,442	-	1,943,442
Property and equipment, net	4,471,171	-	-	4,471,171	-	4,471,171
Finance costs, net	326,872	-	-	326,872	-	326,872
Total assets	\$ 6,608,223	\$ -	\$ 133,262	\$ 6,741,485	\$ -	\$ 6,741,485

LIABILITIES AND NET ASSETS

Current liabilities:						
Line of credit	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000
Current portion of long-term debt	359,690	-	-	359,690	-	359,690
Accounts payable	115,373	-	-	115,373	-	115,373
Accrued payroll and payroll liabilities	225,530	-	-	225,530	-	225,530
Accrued vacation	253,277	-	-	253,277	-	253,277
Accrued interest	45,710	-	-	45,710	-	45,710
Accrued expenses	12,500	-	-	12,500	-	12,500
Deferred revenue	7,580	-	-	7,580	-	7,580
Total current liabilities	1,069,660	-	-	1,069,660	-	1,069,660
Long-term-debt less current portion	3,172,543	-	-	3,172,543	-	3,172,543
Total liabilities	4,242,203	-	-	4,242,203	-	4,242,203
Net assets - unrestricted	2,366,020	-	133,262	2,499,282	-	2,499,282
Total liabilities and unrestricted net assets	\$ 6,608,223	\$ -	\$ 133,262	\$ 6,741,485	\$ -	\$ 6,741,485

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, 2014

Center for Life West Rock CLM

	<u>Management</u>	<u>Endowment</u>	<u>Foundation</u>	<u>Total</u>	<u>Eliminations</u>	<u>Consolidated</u>
Current assets:						
Cash and cash equivalents	\$ 559,850	\$ -	\$ 124,310	\$ 684,160	\$ -	\$ 684,160
Restricted cash	126,842	-	-	126,842	-	126,842
Accounts receivable, net	1,174,229	-	-	1,174,229	-	1,174,229
Other receivables	161,077	-	-	161,077	-	161,077
Prepaid expenses	94,950	-	-	94,950	-	94,950
Total current assets	2,116,948	-	124,310	2,241,258	-	2,241,258
Property and equipment, net	4,169,523	-	-	4,169,523	-	4,169,523
Finance costs, net	344,696	-	-	344,696	-	344,696
Total assets	\$ 6,631,167	\$ -	\$ 124,310	\$ 6,755,477	\$ -	\$ 6,755,477

LIABILITIES AND NET ASSETS

Current liabilities:						
Line of credit	\$ 125,000	\$ -	\$ -	\$ 125,000	\$ -	\$ 125,000
Current portion of long-term debt	80,000	-	-	80,000	-	80,000
Accounts payable	58,476	-	-	58,476	-	58,476
Accrued payroll and payroll liabilities	184,022	-	-	184,022	-	184,022
Accrued vacation	272,871	-	-	272,871	-	272,871
Accrued interest	46,830	-	-	46,830	-	46,830
Accrued expenses	44,317	-	-	44,317	-	44,317
Deferred revenue	12,000	-	-	12,000	-	12,000
Total current liabilities	823,516	-	-	823,516	-	823,516
Long-term-debt less current portion	3,265,000	-	-	3,265,000	-	3,265,000
Total liabilities	4,088,516	-	-	4,088,516	-	4,088,516
Net assets - unrestricted	2,542,651	-	124,310	2,666,961	-	2,666,961
Total liabilities and unrestricted net assets	\$ 6,631,167	\$ -	\$ 124,310	\$ 6,755,477	\$ -	\$ 6,755,477

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, 2015

	<u>Center for Life Management</u>	<u>West Rock Endowment</u>	<u>CLM Foundation</u>	<u>Total</u>	<u>Eliminations</u>	<u>Consolidated</u>
<u>Public support and revenues:</u>						
Public support:						
Federal	\$ 878,824	\$ -	\$ -	\$ 878,824	\$ -	\$ 878,824
State of New Hampshire - BBH	348,616	-	-	348,616	-	348,616
State and local funding	44,901	-	-	44,901	-	44,901
Other public support	67,551	-	11,870	79,421	-	79,421
Total public support	1,339,892	-	11,870	1,351,762	-	1,351,762
Revenues:						
Program service fees, net	10,817,333	-	-	10,817,333	-	10,817,333
Other service income	442,695	-	-	442,695	-	442,695
Rental income	32,832	-	-	32,832	-	32,832
Other	17,932	-	-	17,932	-	17,932
Total revenues	11,310,792	-	-	11,310,792	-	11,310,792
Total public support and revenues	12,650,684	-	11,870	12,662,554	-	12,662,554
<u>Expenses:</u>						
BBH funded programs:						
Children	3,621,735	-	-	3,621,735	-	3,621,735
Elders	309,461	-	-	309,461	-	309,461
Vocational	266,418	-	-	266,418	-	266,418
Beaver Lake Lodge	609,790	-	-	609,790	-	609,790
Multi-Service	1,574,885	-	-	1,574,885	-	1,574,885
Acute Care	738,219	-	-	738,219	-	738,219
Independent Living	1,821,653	-	-	1,821,653	-	1,821,653
Assertive Community Treatment	539,551	-	-	539,551	-	539,551
Non-Specialized Outpatient	1,765,576	-	-	1,765,576	-	1,765,576
Non-BBH funded program services	550,017	-	2,918	552,935	-	552,935
Total program expenses	11,797,305	-	2,918	11,800,223	-	11,800,223
Administrative expenses	1,030,010	-	-	1,030,010	-	1,030,010
Total expenses	12,827,315	-	2,918	12,830,233	-	12,830,233
Loss from transfer of assets	-	-	-	-	-	-
Total expenses and losses	12,827,315	-	2,918	12,830,233	-	12,830,233
Change in net assets	(176,631)	-	8,952	(167,679)	-	(167,679)
Net assets, beginning of year	2,542,651	-	124,310	2,666,961	-	2,666,961
Net assets, end of year	\$ 2,366,020	\$ -	\$ 133,262	\$ 2,499,282	\$ -	\$ 2,499,282

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, 2014

	Center for Life Management	West Rock Endowment	CLM Foundation	Total	Eliminations	Consolidated
Public support and revenues:						
Public support:						
Federal	\$ 1,065,327	\$ -	\$ -	\$ 1,065,327	\$ -	\$ 1,065,327
State of New Hampshire - BBH	222,954	-	-	222,954	-	222,954
State and local funding	48,295	-	-	48,295	-	48,295
Other public support	31,262	-	-	31,262	-	31,262
Total public support	1,367,838	-	-	1,367,838	-	1,367,838
Revenues:						
Program service fees, net	10,429,373	-	-	10,429,373	-	10,429,373
Other service income	464,564	-	-	464,564	-	464,564
Rental income	81,374	22,500	-	103,874	(22,500)	81,374
Other	16,268	83	34,886	51,237	-	51,237
Gain on sale of building	-	80,182	-	80,182	-	80,182
Gain from transfer of assets	237,150	-	-	237,150	(237,150)	-
Total revenues	11,228,729	102,765	34,886	11,366,380	(259,650)	11,106,730
Total public support and revenues	12,596,567	102,765	34,886	12,734,218	(259,650)	12,474,568
Expenses:						
BBH funded programs:						
Children	3,361,775	-	-	3,361,775	-	3,361,775
Elders	272,311	-	-	272,311	-	272,311
Vocational	234,468	-	-	234,468	-	234,468
Beaver Lake Lodge	874,974	-	-	874,974	-	874,974
Multi-Service	1,550,062	-	-	1,550,062	-	1,550,062
Acute Care	708,911	-	-	708,911	-	708,911
Independent Living	1,747,909	-	-	1,747,909	-	1,747,909
Assertive Community Treatment	459,474	-	-	459,474	-	459,474
Non-Specialized Outpatient	1,353,207	-	-	1,353,207	-	1,353,207
Non-BBH funded program services	569,745	11,556	36,333	617,634	(22,500)	595,134
Total program expenses	11,132,836	11,556	36,333	11,180,725	(22,500)	11,158,225
Administrative expenses	1,001,062	-	-	1,001,062	-	1,001,062
Total expenses	12,133,898	11,556	36,333	12,181,787	(22,500)	12,159,287
Loss from transfer of assets	-	237,150	-	237,150	(237,150)	-
Total expenses and losses	12,133,898	248,706	36,333	12,418,937	(259,650)	12,159,287
Change in net assets	462,669	(145,941)	(1,447)	315,281	-	315,281
Net assets, beginning of year	2,079,982	145,941	125,757	2,351,680	-	2,351,680
Net assets, end of year	\$ 2,542,651	\$ -	\$ 124,310	\$ 2,666,961	\$ -	\$ 2,666,961

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, 2015

	Accounts Receivable Beginning of Year	Gross Fees	Contractual Allowances and Other Discounts Given	Cash Receipts	Change in Allowance	Accounts Receivable End of Year
Clients	\$ 534,588	\$ 1,482,635	\$ (387,577)	\$ (1,170,076)	\$ -	\$ 459,570
Insurance companies	131,465	2,031,513	(539,471)	(1,466,594)	-	156,913
Medicaid	602,084	8,990,465	(1,411,009)	(7,742,214)	-	439,326
Medicare	277,736	788,145	(307,368)	(527,216)	-	231,297
Allowance	(371,644)	-	-	-	43,366	(328,278)
Total	\$ 1,174,229	\$ 13,292,758	\$ (2,645,425)	\$ (10,906,100)	\$ 43,366	\$ 958,828

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, 2015

	Children	Elders	Vocational	Beaver Lake Lodge	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	non-Specialized Outpatient	Other Non-BBH	Total Program Services	Administrative	Total Agency
Public support and revenues:													
Public support:													
Federal	\$ 6,105	\$ -	\$ -	\$ 163,480	\$ 30,605	\$ -	\$ 677,529	\$ 1,105	\$ -	\$ -	\$ 878,824	\$ -	\$ 878,824
State of New Hampshire - BBH	1,770	-	-	-	-	121,846	-	225,000	-	-	348,616	-	348,616
State and local funding	14,970	-	-	-	-	-	-	-	14,983	14,948	44,901	-	44,901
Other public support	9,892	-	-	-	14,921	-	23,620	8,598	-	10,520	67,551	-	67,551
Total public support	32,737	-	-	163,480	45,526	121,846	701,149	234,703	14,983	25,468	1,339,892	-	1,339,892
Revenues:													
Program service fees, net	4,306,076	379,336	227,872	339,042	2,089,244	304,979	1,135,615	437,093	1,246,063	352,013	10,817,333	-	10,817,333
Other service income	75,183	10,422	-	-	-	278,040	-	-	28,002	51,048	442,695	-	442,695
Rental income	824	-	-	29,197	1,006	798	208	-	798	1	32,832	-	32,832
Other	1,754	522	19	90	1,496	9	3,344	1,086	7,021	214	15,555	2,377	17,932
Total revenues	4,383,837	390,280	227,891	368,329	2,091,746	583,826	1,139,167	438,179	1,281,884	403,276	11,308,415	2,377	11,310,792
Total public support and revenues	4,416,574	390,280	227,891	531,809	2,137,272	705,672	1,840,316	672,882	1,296,867	428,744	12,648,307	2,377	12,650,684
Total program expenses	3,937,929	336,480	289,679	663,031	1,712,390	802,674	1,980,704	586,659	1,919,730	598,039	12,827,315	-	12,827,315
Net	\$ 478,645	\$ 53,800	\$ (61,788)	\$ (131,222)	\$ 424,882	\$ (97,002)	\$ (140,388)	\$ 86,223	\$ (622,863)	\$ (169,295)	\$ (179,008)	\$ 2,377	\$ (176,631)

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, 2015

	Children	Elders	Vocational	Beaver Lake Lodge	Multi-Service	Acute Care	Independent Living	Assertive Community Treatment	non-Specialized Outpatient	Other Non-BBH	Total Program Services	Admin-istrative	Total Agency
Personnel costs:													
Salaries and wages	\$ 2,344,831	\$ 214,577	\$ 170,604	\$ 352,877	\$ 1,015,318	\$ 544,047	\$ 816,087	\$ 331,167	\$ 1,257,285	\$ 336,379	\$ 7,383,172	\$ 644,287	\$ 8,027,459
Employee benefits	504,184	41,851	47,017	64,135	239,588	49,493	205,473	81,285	192,994	50,863	1,476,883	118,181	1,595,064
Payroll taxes	170,722	15,671	11,742	26,028	72,791	40,379	58,407	23,478	91,896	23,249	534,363	44,585	578,948
Accounting/audit fees	16,318	1,516	1,474	3,285	8,257	3,287	8,255	3,179	7,304	406	53,281	5,031	58,312
Advertising	3,571	181	285	343	1,368	1,402	1,362	423	2,855	127	11,917	783	12,700
Conferences, conventions and meetings	4,189	502	496	850	3,021	668	3,803	3,122	2,332	1,005	19,988	17,598	37,586
Depreciation/amortization	64,527	5,986	5,826	10,476	33,897	13,002	33,888	12,567	28,905	1,599	210,673	17,822	228,495
Equipment maintenance	4,275	397	386	2,669	2,745	861	2,744	833	1,915	105	16,930	1,181	18,111
Equipment rental	13,063	498	-	1,008	4,580	4,282	1,568	-	5,676	958	31,633	4,976	36,609
Insurance	22,608	2,097	2,041	5,169	14,083	4,555	11,716	4,403	10,127	559	77,358	9,510	86,868
Interest expense	33,824	3,138	3,054	6,033	17,497	6,815	17,584	6,588	15,152	838	110,523	16,805	127,328
Legal fees	14,610	1,355	1,318	3,107	9,301	2,948	7,285	8,095	6,556	379	54,954	4,041	58,995
Membership dues	9,854	1,076	902	1,850	5,864	3,278	18,914	1,910	3,989	12,708	60,345	7,673	68,018
Occupancy expenses	134,580	5,125	545	50,838	38,443	13,229	484,992	3,174	47,411	24,095	802,432	23,196	825,628
Office expenses	66,313	3,789	2,777	11,773	31,078	17,119	26,958	9,579	32,429	8,921	210,736	40,425	251,161
Other expenses	4,071	221	182	668	2,232	1,030	1,609	1,813	2,118	1,196	15,140	11,974	27,114
Other professional fees	108,410	9,100	8,819	28,873	55,650	20,357	55,943	18,988	47,556	8,046	361,742	46,799	408,541
Program supplies	21,878	1,641	794	32,071	11,819	2,819	8,580	2,500	6,706	78,365	167,173	12,730	179,903
Travel	79,907	740	8,156	7,737	7,353	8,648	56,485	26,447	2,370	219	198,062	2,413	200,475
	3,621,735	309,461	266,418	609,790	1,574,885	738,219	1,821,653	539,551	1,765,576	550,017	11,797,305	1,030,010	12,827,315
Administrative allocation	316,194	27,019	23,261	53,241	137,505	64,455	159,051	47,108	154,154	48,022	1,030,010	(1,030,010)	-
Total program expenses	\$ 3,937,929	\$ 336,480	\$ 289,679	\$ 663,031	\$ 1,712,390	\$ 802,674	\$ 1,980,704	\$ 586,659	\$ 1,919,730	\$ 598,039	\$ 12,827,315	\$ -	\$ 12,827,315

BOARD OF DIRECTORS* FY2017
July 1, 2016 to June 30, 2017

Ron Lague
Chairperson

Elizabeth Roth
Vice Chair

Judi Ryan
Secretary

Philip Plante

Jeffrey Rind, MD

Gail Corcoran

Vic Topo
President & CEO

Vernon Thomas

Susan Davis

Kurt Simione

Roger Konstant

Adam Mead

Catherine Foy

VICTOR TOPO

President/Chief Executive Officer

Successful 32-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
- Collaboration
- Strategic partnerships
- Strong relationship with funders
- Community building
- Innovation

Professional Experience

Center for Life Management – Derry, NH
President/Chief Executive Officer

1999 – Present

Recruited to manage 501(c) 3 comprehensive community mental health center and its title holding 501(c) 2 corporation, entitled West Rock Endowment Association including two residential facilities.

Key results:

- Restructured senior management increasing direct reports from three to six.
- Revenues increased from 6.5 million to 13 million.
- Established closer connection with surrounding community utilizing aggressive public relations strategy while also rebranding CLM in 2004.
- Guided Board of Directors towards more accountability including higher expectation from management and individual board members.
- Initiated and implemented Corporate Compliance Program, including selection of corporate compliance officer
- Increased year after year number of persons served starting with 3,400 to nearly 6,000.
- Created and implemented strategy to integrate behavioral health care with physician healthcare. Integrated behavioral health services into two Primary Care/Pediatric Practices and two Specialty Practices in Southern New Hampshire.
- Consolidated outpatient offices toward design and construction of new state of the art 26,000 square foot facility. Received national awards for design and use of new facility.
- Provided leadership and vision to oversee the development and implementation of an Electronic Health Record (EHR) called webAISCE. Software now includes e-prescribing and has begun acquiring Meaningful Use dollars with regular upgrades over course of fifteen years.
- Adopted Neurostar Transcranial Magnetic Stimulation (TMS) in 2010 as newest neuro tech treatment for treatment resistant Major Depressive Disorder. First free standing community mental health center in the U.S. to offer it.

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.

VICTOR TOPO

-Page 2-

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 community.
- 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

Behavioral Health Network – 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

ISABEL NORIAN, MD

CENTER FOR LIFE MANAGEMENT
10 TSIENNETO ROAD, DERRY, NH 03038
603.434.1577

EDUCATION

- 7/01-6/05 University of Connecticut Farmington, CT
Psychiatry Resident. Outpatient Chief Resident. President, Resident's Council. Residency Training Committee. Psychotherapy Training Committee. Presenter, Grand Rounds.
- 9/99-5/01 University of St. Eustatius St. Eustatius, Netherlands-Antilles
Doctor of Medicine. All clinical rotations completed in the United States.
- 9/97-8/99 Saba University School of Medicine Saba, Netherlands-Antilles
Candidate for Doctor of Medicine. Completed the basic sciences.
- 9/93-6/97 Harvard/Radcliffe College Cambridge, MA
Bachelor of Arts, Cum Laude. Germanic Languages and Literature, pre-medicine studies.
- 9/96-12/96 Uppsala University Uppsala, Sweden
Undergraduate student. Swedish Language and Literature.
- 9/89-6/93 Quabbin Regional High School Barre, MA
Valedictorian. National Honor Society.

WORK EXPERIENCE

- 7/13-present Center for Life Management Derry, NH
Medical Director. Clinical responsibilities primarily in providing medication management services in the outpatient clinic setting. Administrative responsibilities as medical director, including supervision of medical staff. Certified in Transcranial Magnetic Stimulation. Clinical preceptorship of APRN student from Rivier University.
- 7/09-6/13 UVM College of Medicine/Fletcher Allen Health Care Burlington, VT
7/09-6/13 *Assistant Professor of Psychiatry. Full-time faculty and medical staff.*
7/09-6/13 *Attending psychiatrist, inpatient psychiatry service. Most work done on the secure, high-acuity inpatient psychiatry unit. Starting 12/12, providing part-time coverage (coupled with coverage at the Seneca Center).*

- 12/12-6/13 *Attending psychiatrist*, partial hospitalization program and intensive outpatient program (Seneca Center). Providing part-time coverage (coupled with coverage on the inpatient service).
- 4/12-6/13 *Director of Medical Student Education*, Department of Psychiatry. *Psychiatry Clerkship Director*, UVM College of Medicine. Chair of the Medical Student Education Committee (Dept of Psychiatry). Member of the: Education Policy Committee (Dept of Psychiatry), Residency Training Committee (Dept of Psychiatry), Clerkship Directors' Committee (UVM College of Medicine).
- 6/08-6/09 Danbury Hospital Danbury, CT
Attending psychiatrist. Adult inpatient unit. Clinical instruction of New York Medical College residents and medical students, St. George's University medical students, and Quinnipiac University physician assistant students. Member, Pharmacy and Therapeutics Committee.
- 10/06-6/08 Hall-Brooke Behavioral Health Services Westport, CT
Attending Psychiatrist. Adult inpatient unit. Pharmacy and Therapeutics Committee. Staff privileges at St Vincent's Medical Center in Bridgeport, CT.
- 10/05-10/06 Arbour Hospital Boston, MA
Attending Psychiatrist. Adult inpatient units and Crisis Intervention Services.

MEDICAL LICENSURE

Current licensure: New Hampshire

Past licensure: Connecticut, Maine, Vermont, Massachusetts, New York

BOARD CERTIFICATION

9/9/11 American Board of Psychiatry and Neurology (Certificate No. 63019)

PROFESSIONAL MEMBERSHIP

- 2003-present American Psychiatric Association
- 2003-2005 Connecticut Psychiatric Society
- 2003-2004 Area 1 MIT Deputy Representative, Assembly of the APA
- 2004-2005 Area 1 MIT Representative, Assembly of the APA
- 2005-2006 Massachusetts Psychiatric Society
- 2005-2011 Committee on Bylaws, Assembly of the APA
- 2006-2009 Connecticut Psychiatric Society
- 2009-2013 Vermont Medical Society
- 2012-present Association of Directors of Medical Student Education in Psychiatry (ADMSEP)
- 2013-present New Hampshire Deputy Rep for Area 1, Assembly of the APA
- 2013-present New Hampshire Psychiatric Society (Board Member)
- 2014-present American Association of Community Psychiatrists
- 2015-present Chairperson, Assembly Committee on Public & Community Psychiatry, APA
- 2015 House Bill 564 Work Group (addressing Prior Authorizations for Managed Medicaid)

2015-present NH Drug Utilization Review Board (for Medicaid)
2015-present NH Medical Society
2015-present Task Force of the NH Medical Society addressing Prior Authorizations
2016-present Member, Nominating Committee, Assembly of the APA

PUBLICATIONS

Brief Review, *Envy* (Harrison, K). *Psychiatric Services*, Volume 56: p1641, December 2005.
"You Are Here: Putting Psychiatry Residency Training in Context." *Administration and Policy in Mental Health*, Volume 32, No. 5, May 2005.

RESEARCH

10/12-6/13 Faculty Sponsor for IRB-approved research study, "Patient Perspectives on Depression in the Hospital Setting: A Qualitative Study." Principal Investigator is Shala Erlich, MD, chief resident of the UVM Psychiatry Residency training program.
Fall 2013 Participating clinician in IRB-approved research study led by Isabelle Desjardins MD, Sanchit Maruti MD and others at UVM/Fletcher Allen Health Care focusing on developing a tool for assessing suicide risk in the hospital setting. Conducted interviews in the Emergency Room with focus on assessing suicide risk.

HONORS

2010 Psychiatry Residents' Award of Excellence, for Excellence in Clinical Teaching, UVM College of Medicine, Department of Psychiatry
2006 Outstanding Performance Award, Arbour Hospital
2005 Award for Excellence in Residency Training, Outpatient Chief Resident, University of Connecticut School of Medicine, Department of Psychiatry
2004 APA Advocacy/Leadership Fellow, Institute on Psychiatric Services
2003 APA/Janssen Institute on Psychiatric Services Travel Scholarship
1996 Swedish Women's Educational Association Scholarship
1995 Harvard College Scholarship

FOREIGN LANGUAGE

Swedish

INTERESTS

Music, dance, drawing

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 |
| | <u>Healthcare Systems Align.com</u> | |
| | <ul style="list-style-type: none">▪ 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
<u>www.centerforlifemanagement.org</u> | 1/2009 - Present |
| | <ul style="list-style-type: none">▪ 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 |
| | <ul style="list-style-type: none">▪ 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

Assistant Director of Behavioral Health Services **Portsmouth Regional Hospital**
Portsmouth, NH 4/2005 – 1/2006

- Responsible for the clinical and administrative functioning of the Psychiatric assessment and Referral Service (PARS). Manage annual budget of 600K.
- Supervision of 22 clinicians who provide psychiatric crisis assessments, admissions, intake and referral 24 hours a day.
- Supervision, oversight and development of the Interdepartmental Service: 3 clinicians who provide psychiatric assessment, consultation and therapy to patients admitted medically to the hospital.

Director of Adult Services **Community Partners; Dover, NH** 11/2001 – 4/2005

- Responsible for the clinical, administrative and financial operations of the Adult Outpatient Therapy, EAP, Admissions, Emergency Services, Geriatric and Acute Service programs (PHP/IOP) serving Strafford County. Supervised 4 managers responsible for 26 staff. Manage annual budget of 3 million dollars.

Clinical Director of Community Support Prog. **Riverbend Community Mental Health Ctr**
Concord, NH 9/2000 – 11/2001

- Responsible for the clinical, administrative and fiscal operations of programs serving 554 consumers with severe and persistent mental illness. Directly supervise 5 managers responsible for 60 staff. Development and oversight of annual budget of 4 million dollars.

Treatment Team Coordinator **Riverbend Community Mental Health Ctr**
Concord, NH 8/1996 – 9/2000

- Clinical and administrative supervision of a multidisciplinary team of 12 direct care staff. Serving an average of 100 individuals with severe and persistent mental illness.

Team Leader **Strafford Guidance Center; Dover, NH** 1/1993 – 8/1996

- Clinical and administrative supervision of 8 direct care staff. Serving an average of 80 individuals with severe and persistent mental illness.
- Developed the first interagency treatment team to serve individuals with severe and persistent mental illness and developmental disabilities in NH.

Clinical Case Manager **Strafford Guidance Center; Dover, NH** 1/1992 – 12/1993

- Provided psychotherapy and case management services to individuals with severe and persistent mental illness and substance abuse issues as part of The Continuous Treatment Team study through Dartmouth College.

Steve Arnault

Teaching & Educational Experience

Assistant Director / Behavioral Specialist **Residential Resources; Keene, NH** 1/1989 – 1/1992

- 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 / Clinical Supervisor **The Center for Humanistic Change Manchester, NH** 8/1986 – 1/1989

- 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 Lawrence, MA** 6/1984 – 8/1986

- 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

- Teach graduate and undergraduate courses in psychology, counseling., program development and evaluation

Director of Masters Degree Program in Mental Health Counseling **New England College; Henniker, NH** 1/1998 – 3/2002

- 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 – Spring 2010
www.bmaleadership.com
- 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 BuisnessNH 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

Community Service

Board **SeaCare Health Services** 8/2012- Present
July 2008-November 2009 WWW.Seacarehealthservices.org

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

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.

KEY ADMINISTRATIVE PERSONNEL - SFY 2017

HUD SHELTER PLUS CARE II

Contractor Name:

The Mental Health Center for Southern New Hampshire dba CLM Center for Life Management

NAME	JOB TITLE	FTEs	SALARY	PERCENT PAID FROM THIS CONTRACT	AMOUNT PAID FROM THIS CONTRACT
Vic Topo	President/Chief Executive Officer	1	\$152,000	2.50%	\$3,800.00
Michael J. Bergeron	Vice President/Chief Financial Officer	1	\$126,000	2.50%	\$3,150.00
Isabel Norian, MD	Medical Director	0.75	\$146,492	5.00%	\$7,324.60
Steve Arnault	Vice President of Clinical Service & QA	1	\$107,000	3.50%	\$3,745.00
Barry Quimby	Homeless and Housing Manager	1	\$52,000	10.00%	\$5,200.00
			\$0	0.00%	\$0.00
TOTAL SALARIES					\$23,219.60

Subject: Continuum of Care, Bow-Glen Transitional Housing

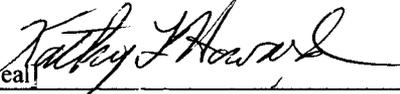
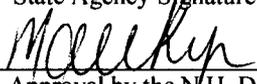
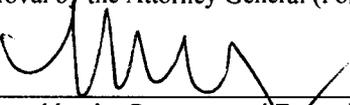
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

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 Office of Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301	
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 November 30, 2017	1.8 Price Limitation \$65,240
1.9 Contracting Officer for State Agency Eric D. Borrin		1.10 State Agency Telephone Number (603) 271-9558	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Ralph Littlefield, Executive Director	
1.13 Acknowledgement: State of New Hampshire County of Merrimack On 9/28/2016, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  <div style="float: right; text-align: right;"> KATHY L. HOWARD Notary Public, New Hampshire My Commission Expires October 16, 2018 </div>			
1.13.2 Name and Title of Notary or Justice of the Peace Kathy L. Howard, Notary Public			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Maureen Ryan Director, Office of Human Services	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Date: 9/30/16 Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: _____ Attorney 10/26/16			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

Handwritten initials and date: RL 9/28/16

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Contractor Initials

Date

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9/28/16

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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

Contractor Initials R-R
Date 9/28/16



SCOPE OF SERVICES

CONTINUUM OF CARE

Transitional Housing Program

1. Conditional Nature Of Agreement

- 1.1. 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 Grant. The State has applied for the Continuum of Care 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 Continuum of Care Grant.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. The Contractor will 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 Homeless & Housing Services (BHHS)
129 Pleasant Street
Concord, NH 03301

2. Services

- 2.1. Based on the continued receipt/availability of federal funds from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, the Contractor shall provide transitional housing to twenty (20) homeless individuals and families.
- 2.2. The goal of this program is to facilitate the movement of homeless individuals and families to permanent housing and maximum self-sufficiency.
- 2.3. To be eligible for contract services, individuals and families must be homeless as defined in HUD regulations. The Contractor must obtain and retain appropriate documentation.
- 2.4. The Contractor shall provide these services according to HUD regulations as outlined in Public Law 102-550, 24 CFR Part 578 Homeless Emergency Assistance and Rapid Transition to Housing: Continuum of Care Program interim rule, and other written HUD policies and directives.
- 2.5. Each program participant shall have an employment assessment and employment goals included in the individual service plan, as appropriate.

3. Program Reporting Requirements

- 3.1. The Contractor shall submit the following reports:
 - 3.1.1. Annual Performance Report: Within thirty (30) days after the Completion Date, an Annual Performance Report (APR) shall be submitted to the BHHS that summarizes the results of the Project Activities, showing in particular how the Project Activities have been performed. The Annual Performance Report shall be in the form required or specified by the State, and submitted to the address listed in section 1.3 Exhibit A.



Exhibit A

3.1.2. Other Reports as requested by the State.

- 3.2. All programs under this contract are required to be licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS). Programs under this contract must be familiar with and follow NH HMIS policy, including specific information that is required for data entry, accuracy of data entered, and time required for data entry. Current NH HMIS policy can be accessed electronically through the following website: <http://www.nh-hmis.org>.
- 3.3. Failure to submit the above 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 the BHHS.

4. Contract Administration

- 4.1. The Contractor shall have appropriate levels of staff to attend all meetings or trainings requested by the BHHS. To the extent possible, BHHS shall notify the contractor of the need to attend such meetings five (5) working days in advance of each meeting.
- 4.2. The Bureau Administrator of BHHS or designee may observe performance, activities and documents under this Agreement; however, these personnel may not unreasonably interfere with contractor performance.
- 4.3. The Contractor shall inform BHHS of any staffing changes within thirty (30) days of the change.
- 4.4. Contract records shall be retained for a period of five (5) years 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.
- 4.5. Changes to the contract services that do not affect its scope, duration, or financial limitations may be made upon mutual agreement between the Contractor and the BHHS.

5. Financial

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

5.1.1. Operating Expenses

5.1.1.1. Eligible operating expenses include maintenance and repair of housing, property taxes and insurance (including property and car), 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), building security for a structure where more than fifty (50) percent of the units or area is paid for with grant funds, utilities (including electricity, gas and water), furniture and equipment.

5.1.1.2. Ineligible costs include rental assistance and operating costs in the same project, operating costs of emergency shelter and supportive service-only facilities, maintenance and repair of housing where the costs of maintaining and repairing the housing are included in the lease.

5.1.2. Supportive Services

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

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Exhibit A

- 5.1.2.2. Eligible costs include:
 - 5.1.2.3. mental health services;
 - 5.1.2.4. case management services;
 - 5.1.2.5. salaries of Contractor staff providing supportive services;
 - 5.1.2.6. reasonable one-time moving costs (truck rental and hiring a moving company);
 - 5.1.2.7. child-care costs for establishing and operating child care;
 - 5.1.2.8. providing child-care vouchers for children from families experiencing homelessness (including providing meals, snacks and comprehensive and coordinated developmental activities);
 - 5.1.2.9. education services;
 - 5.1.2.10. employment assistance and job training skills;
 - 5.1.2.11. housing search and counseling services;
 - 5.1.2.12. legal services (fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing);
 - 5.1.2.13. outpatient health services and;
 - 5.1.2.14. transportation services and utility deposits.
 - 5.1.2.15. Ineligible costs include staff training, fundraising, conference attendance, and court fines incurred by participants.
- 5.1.3. Rental Assistance
- 5.1.3.1. Grant funds may be used for rental assistance for homeless individuals and families. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources.
 - 5.1.3.2. The rental assistance may be short term, up to 3 months of rent; medium term, for 3-24 months; or long-term, for longer than 24 months of rent and 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.
 - 5.1.3.3. Grant funds may be used for security deposits in an amount not to exceed 2 months of rent. 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.
 - 5.1.3.4. Rental assistance will only be provided for a unit if the rent is reasonable. The contractor must determine whether the rent charged for the unit receiving rental assistance is reasonable 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.

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9/28/16



Exhibit A

- 5.1.3.5. 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.
 - 5.1.3.6. 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.
 - 5.1.3.7. The Contractor must provide one of the following types of rental assistance: Tenant-based, Project-based, or Sponsor-based rental assistance as described by HUD in 24 CFR 578.51.
 - 5.1.3.8. 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 sub recipients 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.
 - 5.1.3.9. 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.
 - 5.1.3.10. 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.
 - 5.1.3.11. 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.
- 5.1.4. Administrative Costs
- 5.1.4.1. Administrative costs include:
 - 5.1.4.2. preparing program budgets;
 - 5.1.4.3. schedules and amendments;
 - 5.1.4.4. developing systems for assuring compliance with program requirements;
 - 5.1.4.5. developing interagency agreements and agreements with sub recipients and contractors to carry out program activities;
 - 5.1.4.6. preparing reports and other documents related to the program for submission to HUD;
 - 5.1.4.7. evaluating program results against stated objectives;

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9/28/16



Exhibit A

- 5.1.4.8. travel costs incurred for official business in carrying out the program;
 - 5.1.4.9. administrative services performed under third party contracts or agreements (including such services as general legal services, accounting services, and audit services) and;
 - 5.1.4.10. 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).
- 5.1.5. Leasing: Leasing may include leasing one structure or leasing units scattered throughout a community.
- 5.1.5.1. 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.
 - 5.1.5.2. The portion of rent paid with grant funds may not exceed HUD-determined fair market rents.
 - 5.1.5.3. The Contractor shall pay individual landlords directly; funds may not be given directly to participants to pay leasing costs.
 - 5.1.5.4. Property damages may only be paid from money paid to the landlord for security deposits.
 - 5.1.5.5. The Contractor cannot lease a building that it already owns to itself.
 - 5.1.5.6. 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.
- 5.2. The Contractor shall provide sufficient matching funds, as required by HUD regulations and policies described in 24 CFR 578.73 (a) (b) (c).
- 5.2.1. 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.
 - 5.2.2. Match requirements are to be documented with each payment request.
- 5.3. The Contractor shall only be reimbursed for those costs designated as eligible and allowable costs as stated in Section 5. Financial, Exhibit A. The Contractor must have written approval from the State prior to billing for any other expenses.
- 5.4. 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.
- 5.5. The contractor shall have any staff charged in full or part to this contract or counted as match complete weekly or bi-weekly timesheets.

[Handwritten Signature]
9/28/16



METHOD AND CONDITIONS PRECEDENT TO PAYMENT

CONTINUUM OF CARE

1. Transitional Housing Program

The following financial conditions apply to the scope of services as detailed in Exhibit A – Continuum of Care, Transitional Housing Program.

This contract 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:

NH General Fund: 0%
Federal Funds: 100%
CFDA #: 14.267
Grant Number: NH0004L1T001508
Federal Agency: U.S. Department of Housing & Urban Development
Program Title: Continuum of Care, Transitional Housing Program
Total Amount Continuum of Care;
December 1, 2016 – November 30, 2017: not to exceed \$65,240
Funds allocation under this agreement for Continuum of Care Program;
Supportive Services: \$1,955
Leasing or Rental Assistance: \$61,612
Administrative Costs: \$1,673
Total program amount: \$65,240

- 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, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds provided through the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Program, in an amount not to exceed and for the time period specified above.

2. Reports

As part of the performance of the Project Activities, the Contractor covenants and agrees to submit the following:

- 2.1. Audited Financial Report: The Audited Financial Report shall be prepared in accordance with 2 CFR part 200. Three (3) copies of the audited financial report shall be submitted within thirty (30) days of the completion of said report to the State at the following address:

NH DHHS
Bureau of Homeless & Housing Services
129 Pleasant Street
Concord, NH 03301

- 2.2. Where the Contractor is not subject to the requirements of 2 CFR part 200, within ninety (90) days after the Completion or Termination Date, one copy of an audited financial report shall be submitted to the State. Said audit shall be conducted utilizing the guidelines set forth in "Standards for Audit of Governmental Organizations, Program Activities, and Functions" by the Comptroller General of the United States.

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9/28/16



Exhibit B

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. Payment of Project Costs: Subject to the General Provisions of this Agreement and in consideration of the satisfactory completion of the services to be performed under this Agreement, the State agrees to fund the Contractor for operations, supportive services, leasing, rental assistance and administration utilizing funds 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 not to exceed as specified above. Reimbursement requests for all Project Costs shall be submitted on a monthly basis and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form as designated by the State, which shall be completed and signed by the Contractor. The Contractor shall provide additional financial information if requested by the State to verify expenses.
- 3.3. Review of the State Disallowance of Costs: 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. Upon such review the State shall disallow any items of 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. 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. The funds authorized to be expended under this Agreement shall be used only for operations, supportive services, leasing, rental assistance and administration or reimbursement for expenditures for operations, supportive services, leasing, and rental assistance and administration, provided by the Contractor for the project period and operating years of the Continuum of Care Program as approved by HUD and in accordance with the Continuum of Care Program Regulations, published at 24 CFR Part 578.

4. Use Of Grant Funds

- 4.1. The State agrees to provide payment for actual costs, not to exceed an amount as specified in this Exhibit, and defined by HUD under the provisions of P.L. 102-550 and other applicable regulations.
- 4.2. The Contractor may amend the contract budget through line item increases, decreases or the creation of new line items provided these amendments do not exceed the contract price. Such amendments shall only be made upon written request to and written approval from the State.
- 4.3. 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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Exhibit B

5. Contractor Financial Management System

- 5.1. 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.
- 5.2. The Contractor shall maintain a financial management system that complies with 2 CFR part 200 or such equivalent system as the State may require. Requests for payment shall be made according to EXHIBIT B, Section 3.2, Payment of Project Costs, of this Agreement.

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9/25/16



SPECIAL PROVISIONS

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

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



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

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

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



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

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

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

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

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

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

16. **Equal Employment Opportunity Plan (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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Date *09/28/14*



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

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

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

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

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

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

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

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

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

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

[Handwritten Signature]
Date 9/25/16



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

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

DEFINITIONS

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

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

DEPARTMENT: NH Department of Health and Human Services.

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

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

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

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

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

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

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9/25/16



REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
 4. **CONDITIONAL NATURE OF AGREEMENT.**
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language:
 - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

[Handwritten Signature]
Date 9/28/16



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

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

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

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

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

9/28/2016
Date


Name: Ralph Littlefield
Title: Executive Director



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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

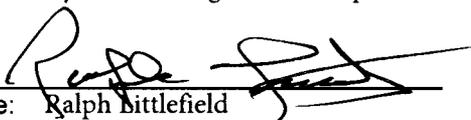
The undersigned certifies, to the best of his or her knowledge and belief, that:

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

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

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

9/28/2016
Date


Name: Ralph Bittlefield
Title: Executive Director



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

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

INSTRUCTIONS FOR CERTIFICATION

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

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

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

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

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

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

9/28/2016
Date


Name: Ralph Littlefield
Title: Executive Director



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

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

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

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

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

Exhibit G

Contractor Initials

RA

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

Date

9/28/16

New Hampshire Department of Health and Human Services
Exhibit G



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

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

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

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

9/28/2016
Date

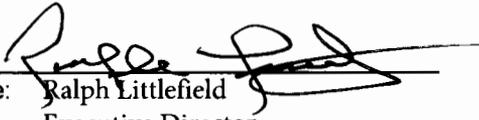

Name: Ralph Littlefield
Title: Executive Director

Exhibit G

Contractor Initials RL

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

Date 9/28/16



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

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

9/28/2016
Date

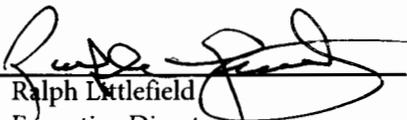

Name: Ralph Littlefield
Title: Executive Director



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1) **Definitions.**

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

R-F

9/28/16



Exhibit I

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

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

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

[Handwritten Signature]

9/23/16



Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

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

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

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

R-Q

9/28/16



Exhibit I

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

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

RR

9/28/10



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

Contractor Initials

Handwritten initials, possibly "RCP", in black ink.

Date

Handwritten date "9/28/16" in black ink.



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.

 The State
Maureen Ryan
 Signature of Authorized Representative
Maureen Ryan
 Name of Authorized Representative
Director, Office of Human Services
 Title of Authorized Representative
9/30/16
 Date

Community Action Program
 Belknap-Merrimack Counties, Inc.
 Name of the Contractor
Ralph Littlefield
 Signature of Authorized Representative
Ralph Littlefield
 Name of Authorized Representative
Executive Director
 Title of Authorized Representative
9/28/2016
 Date



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

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

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

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

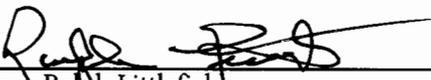
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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

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

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

9/28/2016
Date


Name: Ralph Littlefield
Title: Executive Director



FORM A

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

1. The DUNS number for your entity is: 07-399-7504
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO YES

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

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

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

NO YES

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

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

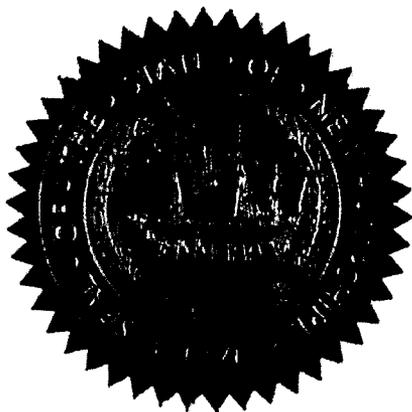
4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____

State of New Hampshire Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Community Action Program Belknap and Merrimack Counties, Inc. is a New Hampshire nonprofit corporation formed May 28, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 5th day of April A.D. 2016

A handwritten signature in cursive script, appearing to read "William M. 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 01/14/2016, such authority to be in force and effect until 11/30/2017 (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:

Ralph Littlefield, Executive Director

(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 28th day of September, 20 16.


Secretary-Clerk

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

On this 28th day of September, 20 16, 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, New Hampshire
My Commission Expires October 16, 2018

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, 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:*

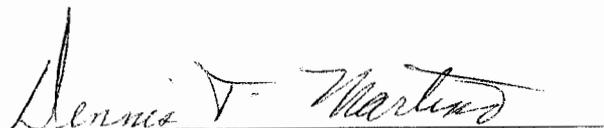
- Department of Administrative Services for food distribution programs
- Department of Education for nutrition programs
- Department of Health and Human Services
 - Bureau of Elderly and Adult Services for elderly programs
 - Bureau of Homeless and Housing Services for homeless/housing programs
 - Division 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 Resources and Economic Development
- Governor's Office of Energy and Planning for Head Start, Low Income Energy Assistance, Weatherization and Block Grant programs
- New Hampshire Community Development Finance Authority
- New Hampshire Housing Finance Authority
- New Hampshire Secretary of State
- 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 14, 2016, and has not been amended or revoked and remains in effect as of the date listed below.

9/28/2016

Date



Dennis T. Martino
Secretary/Clerk

SEAL



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/30/2016

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

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

PRODUCER FIAI/Cross Insurance 1100 Elm Street Manchester NH 03101	CONTACT NAME: Karen Shaughnessy PHONE (A/C, No, Ext): (603) 669-3218 FAX (A/C, No): (603) 645-4331 E-MAIL ADDRESS: kshaughnessy@crossagency.com													
	<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: National Union Fire Insurance</td> <td>19445</td> </tr> <tr> <td>INSURER B: AmGuard Ins Co</td> <td>42390</td> </tr> <tr> <td>INSURER C: Hanover Ins Co.</td> <td></td> </tr> <tr> <td>INSURER D: NHMMJUA</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: National Union Fire Insurance	19445	INSURER B: AmGuard Ins Co	42390	INSURER C: Hanover Ins Co.		INSURER D: NHMMJUA		INSURER E:		INSURER F:
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INSURER E:														
INSURER F:														
INSURED Community Action Programs DBA: Belknap-Merrimack Counties Inc. P. O. Box 1016 Concord NH 03302														

COVERAGES

CERTIFICATE NUMBER: 16-17 All lines

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"/> 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:		29-LX-067991165-1	10/1/2016	10/1/2017	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	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		29-CA-084608752-1	10/1/2016	10/1/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist combined \$ 1,000,000
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		29-UD-016698261	10/1/2016	10/1/2017	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	COWC771597 (3a.) NH All officers included	6/17/2016	6/17/2017	<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
C	Blanket Crime		BDV1945863	3/27/2016	3/27/2017	Limit 500,000
D	Professional		NHJUA11882	12/30/2015	12/30/2016	Limit 1,000,000

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

CERTIFICATE HOLDER

State of New Hampshire
 Dept. of Health & Human Services
 129 Pleasant Street
 Concord, NH 03301

CANCELLATION

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

AUTHORIZED REPRESENTATIVE
 T Franggos/JSC *Jalith Franggos*

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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

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

<p>ALTON Senior Center 875-7982 Prospect View Housing 878-8111</p> <p>BELMONT Senior Center 887-6887 Heritage Terr. Housing 887-6891</p> <p>BRADFORD Senior Center 838-2164</p>	<p>CONCORD Area Center 225-6888 Head Start 234-6482 Early Head Start 234-6482 Concord Area Book-in-Woods 225-6882 Concord Area Travel 225-1888 Hawthorne Parcel Place 225-6888 WDC/CFPP 225-2888 Workplace Success 225-3288</p> <p>EPSOM Madison Brook Housing 728-6288</p>	<p>FRANKLIN Area Center 854-3444 Head Start 864-2161 Early Head Start 864-2161 Senior Center 864-4181 Riverside Housing 864-4348</p> <p>KEARSARGE VALLEY Area Center 488-2287 Head Start 488-2288 North Ridge Housing 488-3288</p>	<p>LACONIA Area Center 884-8812 Head Start 828-8234 Early Head Start 828-8234 Senior Center 824-7888 Family Planning 824-8482 Prenatal 824-8482 Workplace Success 824-8287</p> <p>MERRIDITH Area Center 278-4888</p>	<p>NEWBURY Nashbury Commons Housing 782-0888</p> <p>OSSIPEE Family Planning 828-7882 Prenatal 828-7882</p> <p>PEMBROKE Village at Pembroke Farms Housing 888-4882</p>	<p>PITTSFIELD Senior Center 438-6482 Head Start 438-8818 Early Head Start 438-8811</p> <p>SUNCOOK Area Center 488-7828 Senior Center 488-4284</p> <p>TILTON Senior Center 827-4881</p>
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Financial Statements

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

**FINANCIAL STATEMENTS
FOR THE YEARS ENDED FEBRUARY 28, 2015 AND 2014
AND
INDEPENDENT AUDITORS' REPORT**

COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.

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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 New Hampshire nonprofit organization), which comprise the statements of financial position as of February 28, 2015 and 2014, and the related statements of cash flows for the years then ended and the statement of activities and the related notes to the financial statements for the year ended February 28, 2015.

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 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, 2015 and 2014, and its cash flows for the years then ended, and the changes in its net assets for the year ended February 28, 2015 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 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 2, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended February 28, 2014, 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 Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedules of revenues and expenditures, and refundable advances are 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 2, 2015, 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, McDonnell + Roberts
Professional Association

October 2, 2015
Concord, New Hampshire

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**STATEMENTS OF FINANCIAL POSITION
FEBRUARY 28, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 663,946	\$ 1,048,391
Accounts receivable	2,905,020	2,635,718
Prepaid expenses	<u>221,988</u>	<u>233,047</u>
Total current assets	<u>3,790,954</u>	<u>3,917,156</u>
PROPERTY		
Land, buildings and improvements	4,618,289	4,618,289
Equipment, furniture and vehicles	<u>5,912,869</u>	<u>6,153,197</u>
Total property	10,531,158	10,771,486
Less accumulated depreciation	<u>(6,515,032)</u>	<u>(6,393,172)</u>
Property, net	<u>4,016,126</u>	<u>4,378,314</u>
OTHER ASSETS		
Investments	70,897	94,439
Due from related party	<u>139,441</u>	<u>139,441</u>
Total other assets	<u>210,338</u>	<u>233,880</u>
TOTAL ASSETS	<u>\$ 8,017,418</u>	<u>\$ 8,529,350</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Current portion of notes payable	\$ 145,551	\$ 137,236
Accounts payable	1,629,667	1,578,759
Accrued expenses	993,053	1,120,302
Refundable advances	<u>916,503</u>	<u>912,848</u>
Total current liabilities	3,684,774	3,749,145
LONG TERM LIABILITIES		
Notes payable, less current portion shown above	<u>1,465,279</u>	<u>1,608,954</u>
Total liabilities	<u>5,150,053</u>	<u>5,358,099</u>
NET ASSETS		
Unrestricted	2,317,222	2,629,700
Temporarily restricted	<u>550,143</u>	<u>541,551</u>
Total net assets	<u>2,867,365</u>	<u>3,171,251</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 8,017,418</u>	<u>\$ 8,529,350</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED FEBRUARY 28, 2015
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED FEBRUARY 28, 2014**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2015 Total</u>	<u>2014 Total</u>
REVENUES AND OTHER SUPPORT				
Grant awards	\$ 16,673,978		\$ 16,673,978	\$ 16,799,982
Other funds	3,310,600	\$ 2,442,312	5,752,912	7,487,335
In-kind	848,954		848,954	793,868
United Way	94,850		94,850	86,102
Total revenues and other support	20,928,382	2,442,312	23,370,694	25,167,287
NET ASSETS RELEASED FROM RESTRICTIONS	2,433,720	(2,433,720)		
Total	23,362,102	8,592	23,370,694	25,167,287
EXPENSES				
Compensation	8,177,739		8,177,739	8,042,123
Payroll taxes and benefits	2,186,454		2,186,454	2,398,215
Travel	295,726		295,726	289,138
Occupancy	1,297,227		1,297,227	1,195,834
Program services	8,923,081		8,923,081	10,867,215
Other costs	1,530,175		1,530,175	1,771,081
Depreciation	415,224		415,224	455,359
In-kind	848,954		848,954	793,868
Total expenses	23,674,580		23,674,580	25,812,833
CHANGE IN NET ASSETS	(312,478)	8,592	(303,886)	(645,546)
NET ASSETS, BEGINNING OF YEAR	2,629,700	541,551	3,171,251	3,816,797
NET ASSETS, END OF YEAR	\$ 2,317,222	\$ 550,143	\$ 2,867,365	\$ 3,171,251

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED FEBRUARY 28, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (303,886)	\$ (645,546)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	415,224	455,359
(Gain) loss on sale of property	(22,350)	4,514
Loss on investment	32,335	
(Increase) decrease in current assets:		
Accounts receivable	(269,302)	849,143
Prepaid expenses	11,059	191,320
Increase (decrease) in current liabilities:		
Accounts payable	50,908	(443,293)
Accrued expenses	(127,249)	(59,324)
Refundable advances	<u>3,655</u>	<u>(157,176)</u>
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(209,606)</u>	<u>194,997</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property	(60,450)	(214,202)
Investment in partnership	(8,793)	(12,020)
Proceeds from sale of property	<u>29,764</u>	<u>1,700</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(39,479)</u>	<u>(224,522)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term debt	<u>(135,360)</u>	<u>(127,536)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(135,360)</u>	<u>(127,536)</u>
NET DECREASE IN CASH	(384,445)	(157,061)
CASH BALANCE, BEGINNING OF YEAR	<u>1,048,391</u>	<u>1,205,452</u>
CASH BALANCE, END OF YEAR	<u>\$ 663,946</u>	<u>\$ 1,048,391</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u>\$ 139,724</u>	<u>\$ 118,011</u>

See Notes to Financial Statements

COMMUNITY ACTION PROGRAM BELKNAP – MERRIMACK COUNTIES, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED FEBRUARY 28, 2015**

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, 2015 the Organization had no permanently restricted net assets and had temporarily restricted net assets of \$550,143.

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, 2014, from which the summarized information was derived.

Income Taxes

Community Action Program Belknap – Merrimack Counties, Inc. 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.

Community Action Program Belknap – Merrimack Counties, Inc. files information returns in the United States and the State of New Hampshire. Community Action Program Belknap – Merrimack Counties, Inc. is no longer subject to examinations by tax authorities for years before 2011.

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 (2011 through 2014), 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 \$848,954 in donated facilities, services and supplies for the year ended February 28, 2015 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 \$424,017 for the year ended February 28, 2015.

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 \$413,905 for the year ended February 28, 2015.

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 \$11,032 for the year ended February 28, 2015.

Advertising

The Organization expenses advertising costs as they are incurred. Total advertising costs for the year ended February 28, 2015 amounted to \$34,336.

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, 2015. 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 \$916,503 as of February 28, 2015.

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, 2015 totaled \$336,795.

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 every two years. For the year ended February 28, 2015, the annual lease expense for the leased facilities was \$466,840.

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

<u>Year Ended</u> <u>February 28</u>	<u>Amount</u>
2016	<u>\$ 107,483</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 \$415,819 at February 28, 2015.

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 (3.25% for the year ended February 28, 2015) 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, 2015.

8. **LONG TERM DEBT**

Long term debt consisted of the following as of February 28, 2015:

5.75% note payable to a financial institution in monthly installments for principal and interest of \$12,373 through July, 2023. The note is secured by property of the Organization for Lakes Region Family Center. \$ 1,108,079

Note payable to a bank in monthly installments for principal and interest of \$4,842 through May, 2023. Interest is stated at 1% above the prime rate as published by the Wall Street Journal, which resulted in an interest rate of 4.25% at February 28, 2015. 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. 390,829

3% 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. 91,766

4.75% note payable to Rural Development in monthly installments for principal and interest of \$148 per month through June, 2031. The note is secured by property of the Organization for Franklin Community Services building.	<u>20,156</u>
Total	1,610,830
Less amounts due within one year	<u>145,551</u>
Long term portion	<u>\$ 1,465,279</u>

The scheduled maturities of long term debt as of February 28, 2015 were as follows:

<u>Year Ending February 28</u>	<u>Amount</u>
2016	\$ 145,551
2017	154,380
2018	163,753
2019	173,709
2020	184,280
Thereafter	<u>789,157</u>
	<u>\$ 1,610,830</u>

9. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of February 28, 2015:

Land	\$ 168,676
Building and improvements	4,449,613
Equipment and vehicles	<u>5,912,869</u>
	10,531,158
Less accumulated depreciation	<u>(6,515,032)</u>
Property and equipment, net	<u>\$ 4,016,126</u>

Depreciation expense for the year ended February 28, 2015 was \$415,224.

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, 2015. Monitoring has not indicated any discrepancies.

11. CONCENTRATION OF RISK

For the year ended February 28, 2015, approximately \$10,600,000 (45%) 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.

The Organization maintains its cash accounts in several financial institutions in southern New Hampshire. At February 28, 2015, the balances were insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Effective July 1, 2010, one of the financial institutions agreed to collateralize all deposits with them in excess of the FDIC limit. Another financial institution agreed to collateralize the Organization's sweep repurchase account up to 110% of the account balance with US Government Agencies. At February 28, 2015, there were no deposits in excess of the uninsured limits.

12. TEMPORARILY RESTRICTED NET ASSETS

At February 28, 2015, temporarily restricted net assets consisted of the following unexpended, purpose restricted donations:

Restricted Purpose

Senior Center	\$	120,826
Elder Services		220,314
NH Rotary Food Challenge		5,071
Common Pantry		6,605
Community Crisis		3,578
Caring Fund		12,690
Agency-FAP		12,169
Agency-H/S		157,487
Agency-FP/PN		8,774
FGP/SCP Assoc. Region 1		1,183
Other Programs		1,446
	\$	<u>550,143</u>

13. STATEMENT OF FUNCTIONAL EXPENSES

The Statement of Activities discloses expenses by natural classification. The classification of expenses by function is summarized below:

	<u>Program</u>	<u>Management</u>	<u>Total</u>
Salaries and wages	\$ 7,781,954	\$ 395,785	\$ 8,177,739
Benefits and payroll taxes	2,040,658	145,796	2,186,454
Travel	292,103	3,623	295,726
Occupancy	1,189,639	107,588	1,297,227
Program services	8,923,081		8,923,081
Other costs:			
Accounting fees	16,416	32,670	49,086
Legal fees	1,770	592	2,362
Supplies	221,230	26,602	247,832

Postage and shipping	59,481	1,099	60,580
Equipment rental and maintenance	1,691	2,591	4,282
Printing and publications	3,279	1,742	5,021
Conferences, conventions and meetings	6,889	5,945	12,834
Interest	126,452	13,272	139,724
Insurance	206,524	29,585	236,109
Membership fees	10,837	1,480	12,317
Utility and maintenance	5,042	53,514	58,556
Other	683,716	17,756	701,472
Depreciation	413,758	1,466	415,224
In kind	<u>848,954</u>		<u>848,954</u>
	<u>\$ 22,833,474</u>	<u>\$ 841,106</u>	<u>\$ 23,674,580</u>

14. **RELATED PARTY TRANSACTIONS**

Community Action Program Belknap – Merrimack Counties, Inc. is related to the following corporation as a result of common management:

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

There was \$139,441 due from CAPBMC Development Corporation at February 28, 2015.

15. **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.

16. **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 \$70,897 at February 28, 2015.

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, 2015, 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	\$ 59,439
Total gains (losses) - realized /unrealized	6,175
Purchases	<u>5,283</u>
Ending Balance – mutual funds	<u>\$ 70,897</u>

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

17. 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).

18. 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. 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 October 2, 2015, 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, 2015**

FEDERAL GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS THROUGH GRANTOR NUMBER	EXPENDITURES
<u>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Head Start	93.600	N/A	\$ 3,673,175
Through State of New Hampshire			
Weatherization-HRRP	93.568		71,969
Fuel Assistance	93.568	611001	3,994,936
Fuel Assistance-SEAS	93.044	611001	7,018
Title III Part C	93.045	410338	479,147
Community Services Block Grant	93.569	610155	472,191
Title XX - Block Grant	93.667	410338	272,657
Family Planning	93.217	610237	91,786
Family Planning	93.558	610237	39,732
Family Planning	93.940	610237	7,010
Title III Part B Rural Transportation	93.044	410338	102,143
Home Visiting	93.605	N/A	72,753
Prenatal	93.994	520243	23,240
Merrimack County Service Link Program	93.324	N/A	14,591
Merrimack County Service Link Program	93.052	N/A	11,065
Merrimack County Service Link Program	93.667	N/A	32,143
Merrimack County Service Link Program	93.048	N/A	77,774
Merrimack County Service Link Program	93.071	N/A	5,915
Merrimack County Service Link Program	93.517	N/A	28,048
Merrimack County Service Link Program	93.779	N/A	2,348
Senior Medicare Patrol Program Capacity Building	93.048		30,677
Elder Services/NSIP	93.053	410338	204,459
Through Southern New Hampshire Services			
Workplace Success	93.558	N/A	241,015
Through Lakes Region Partnership for Public Health			
Marketplace Assister Services	93.525		<u>55,801</u>
			<u>10,011,593</u>
<u>US DEPARTMENT OF AGRICULTURE</u>			
Through State of New Hampshire			
WIC	10.557	611080	750,341
CSFP	10.565	611080	619,458
Senior Farmers Market	10.575		86,515
Surplus Food-TEFAP/Admin	10.568	N/A	171,267
Surplus Food-TEFAP	10.569	N/A	1,620,598
CACF Head Start/USDA	10.558	N/A	209,373
Summer Food-USDA	10.559		<u>132,511</u>
			<u>3,590,063</u>
<u>CORPORATION FOR NATIONAL SERVICES</u>			
Senior Companion	94.016	N/A	<u>354,744</u>
<u>US DEPARTMENT OF TRANSPORTATION</u>			
Through State of New Hampshire			
Concord Area Transit	20.509		474,060
Concord Area Transit-New Freedom	20.521		43,670
Concord Area Transit	20.513		22,852
Winnepesaukee Transit System	20.509	68022	56,520
Winnepesaukee Transit System	20.521		834
Through County of Merrimack			
Rural Transportation	20.513		26,499
Volunteer Driver Program	20.513		<u>99,482</u>
			<u>723,917</u>

US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Through New Hampshire Housing Finance Authority

Statewide Lead Abatement Program 14.900 783,513

Through State of New Hampshire

Outreach Program 14.235 N/A 81,631

Emergency Solutions Grant 14.231 N/A 20,379

Homeless Prevention 14.235 N/A 28,269

Supportive Housing Services 14.235 64,260

Through National Center for Healthy Housing

Radon Program 14.906 1,450

979,502

US DEPARTMENT OF ENERGY

Through State of New Hampshire

Weatherization 81.042 551896 189,824

189,824

US DEPARTMENT OF LABOR

Through State of New Hampshire

Senior Community Service Employment 17.235 610063 479,497

Through Southern New Hampshire Services

WIA-Adult Program 17.258 N/A 111,148

WIA-Dislocated Worker Program 17.260 N/A 115,119

705,764

HOMELAND SECURITY

Through United Way

Emergency Food and Shelter Program 97.024 1,335

TOTAL AWARDS EXPENDED

\$ 16,556,742

NOTE A - BASIS OF PRESENTATION

The schedule of Expenditures of Federal Awards includes federal award activity of Community Action Program Belknap - Merrimack Counties, Inc. for the year ended February 28, 2015. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations." 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 Community Action Program Belknap-Merrimack Counties, Inc.

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 OMB Circular A-122, Cost Principles for Non-Profit Organizations, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE C - SUBRECIPIENTS

Of the federal expenditures presented in the schedule, Community Action Program Belknap-Merrimack Counties, Inc. provided federal awards to subrecipients as follows:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Amount Provided</u>
14.900	Statewide Lead Abatement Program	\$ 92,466

NOTE D - FOOD COMMODITIES

Nonmonetary assistance is reported in the schedule at the fair value of the commodities received and distributed.

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 Belknep-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 Belknep-Merrimack Counties, Inc. (a New Hampshire nonprofit organization), which comprise the statement of financial position as of February 28, 2015, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 2, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Community Action Program Belknep-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 Belknep-Merrimack Counties, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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

October 2, 2015
Concord, New Hampshire

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

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 Circular A-133 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, 2015. 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 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 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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, 2015.

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 OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Leone, McDonnell & Roberts
Professional Association*

October 2, 2015
Concord, New Hampshire

COMMUNITY ACTION PROGRAM BELKNAP-MERRIMACK COUNTIES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED FEBRUARY 28, 2015

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on the financial statements of Community Action Program Belknap-Merrimack Counties, Inc.
2. No significant deficiencies disclosed during 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 OMB Circular A-133*. 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 which the auditor would be required to report in accordance with Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs include:
 - 93.600 Head Start/Early Head Start
 - 10.557 Special Supplement Nutrition Program for Women, Infants, and Children (WIC)
 - 93.558 Temporary Assistance for Needy Families (TANF)
 - 20.513 Enhanced Mobility of Seniors and Individuals With Disabilities
 - 20.521 New Freedom Program
 - 20.509 Formula Grants for Rural Areas
8. The threshold for distinguishing Type A and B programs was \$515,067
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.

**SCHEDULE OF REVENUES AND EXPENSES
FOR THE LOW INCOME HOME ENERGY ASSISTANCE PROGRAM - CFDA 93.568
FOR THE YEAR ENDED FEBRUARY 28, 2015**

	<u>Grant Period</u> <u>10/1/13-9/30/14</u>	<u>Grant Period</u> <u>10/1/14-9/30/15</u>	<u>Total</u>
Revenues			
Division of Human Resources	\$ 860,873	\$ 3,134,063	\$ 3,994,936
Other	<u>537</u>	<u>786</u>	<u>1,323</u>
	<u>\$ 861,410</u>	<u>\$ 3,134,849</u>	<u>\$ 3,996,259</u>
Expenditures			
Personnel	\$ 167,832	\$ 194,450	\$ 362,282
Fringe benefits	24,423	32,906	57,329
Travel	2,181	737	2,918
Occupancy	23,423	33,448	56,871
Direct program costs	609,072	2,846,095	3,455,167
Other costs	<u>34,479</u>	<u>27,213</u>	<u>61,692</u>
	<u>\$ 861,410</u>	<u>\$ 3,134,849</u>	<u>\$ 3,996,259</u>

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF REVENUES AND EXPENSES
FOR THE SENIOR COMPANION PROGRAM - CFDA 94.016
FOR THE YEAR ENDED FEBRUARY 28, 2015**

	<u>Grant Period</u> <u>7/1/13 - 6/30/14</u>	<u>Grant Period</u> <u>7/1/14 - 6/30/15</u>	<u>Total</u>
Revenues			
Corporation for National Services	<u>\$ 89,165</u>	<u>\$ 265,579</u>	<u>\$ 354,744</u>
Expenditures			
Personnel	\$ 78,761	\$ 180,167	\$ 258,928
Fringe benefits	2,686	18,864	21,550
Travel	6,731	60,774	67,505
Other costs	<u>987</u>	<u>5,774</u>	<u>6,761</u>
	<u>\$ 89,165</u>	<u>\$ 265,579</u>	<u>\$ 354,744</u>

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF REVENUES AND EXPENSES
FOR THE HEAD START PROGRAM - CFDA 93.600
FOR THE YEAR ENDED FEBRUARY 28, 2015**

	<u>Grant Period</u> <u>1/1/14-12/31/14</u>	<u>Grant Period</u> <u>1/1/15-12/31/15</u>	<u>Total</u>
Revenues			
U.S. Department of Health and Human Services	\$ 3,019,936	\$ 653,239	\$ 3,673,175
In-Kind	1,114,333	92,738	1,207,071
Other	<u>8,800</u>	<u>-</u>	<u>8,800</u>
	<u>\$ 4,143,069</u>	<u>\$ 745,977</u>	<u>\$ 4,889,046</u>
Expenditures			
Personnel	\$ 2,077,616	\$ 430,286	\$ 2,507,902
Fringe benefits	319,130	73,688	392,818
Travel	36,775	9,385	46,160
In-Kind	1,114,333	92,738	1,207,071
Other costs	<u>595,215</u>	<u>140,204</u>	<u>735,419</u>
	<u>\$ 4,143,069</u>	<u>\$ 746,301</u>	<u>\$ 4,889,370</u>

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF REVENUES AND EXPENSES
FOR THE NUTRITION AND ELDER SERVICES PROGRAM -
CFDA 93.045, 93.667 and 93.053
FOR THE YEAR ENDED FEBRUARY 28, 2015**

	<u>Grant Period</u> <u>7/1/13 - 6/30/14</u>	<u>Grant Period</u> <u>7/1/14 - 6/30/15</u>	<u>Total</u>
Revenues			
NH Department of Health and Human Services			
Title XX	\$ 156,527	\$ 338,833	\$ 495,360
Title III Part C	256,907	630,301	887,208
NH Department of Health and Human Services	111,932	92,528	204,460
Other	<u>-</u>	<u>530,753</u>	<u>530,753</u>
	<u>\$ 525,366</u>	<u>\$ 1,592,415</u>	<u>\$ 2,117,781</u>
Expenditures			
Personnel	\$ 329,819	\$ 675,951	\$ 1,005,770
Fringe benefits	32,995	63,039	96,034
Occupancy	55,229	102,148	157,377
Travel	42,475	81,101	123,576
Other costs	<u>262,141</u>	<u>509,182</u>	<u>771,323</u>
	<u>\$ 722,659</u>	<u>\$ 1,431,421</u>	<u>\$ 2,154,080</u>

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

**SCHEDULE OF REVENUES AND EXPENSES
FOR THE ELECTRIC ASSISTANCE PROGRAM
FOR THE YEAR ENDED FEBRUARY 28, 2015**

	<u>Grant Period</u> <u>10/1/13-9/30/14</u>	<u>Grant Period</u> <u>10/1/14-9/30/15</u>	<u>Total</u>
Revenues	<u>\$ 885,042</u>	<u>\$ 1,074,568</u>	<u>\$ 1,959,610</u>
Expenditures			
Personnel	\$ 177,296	\$ 142,589	\$ 319,885
Fringe benefits	33,512	25,444	58,956
Travel	2,163	463	2,626
Occupancy	5,735	5,162	10,897
Other costs	<u>666,336</u>	<u>901,061</u>	<u>1,567,397</u>
	<u>\$ 885,042</u>	<u>\$ 1,074,719</u>	<u>\$ 1,959,761</u>

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

SCHEDULE OF REVENUES AND EXPENSES - BY PROGRAM
FOR THE YEAR ENDED FEBRUARY 28, 2015

	<u>Revenues</u>	<u>Expenditures</u>
Twin River Community Corp (054 & 055)	\$ 25,341	\$ 42,943
Cottage Hotel (065 & 066)	8,515	8,916
Sandy Ledge (094 & 095)	9,361	19,893
Ozanam (105 & 106)	17,899	20,674
Senior Center Program (138)	20,693	22,847
Franklin Intergenerational (185 & 186)	44,194	45,524
Senior Companion Program - Non Federal (224 & 225)	104,194	83,739
Senior Companion Program - State (234 & 235)	21,043	21,043
Franklin Community Services (294 & 295)	24,195	25,655
Head Start - Childcare (354 & 355)	1,018,905	798,740
Lakes Region Family Center (384 & 385)	160,297	160,297
REIP (402)	58,534	33,119
NH Modular Ramp (433 & 434)	35,990	34,622
Sun Safety (484)	1,355	716
New Hampshire Housing Guarantee Program (494 & 495)	211,333	211,333
Core Program (504 & 505)	887,463	915,787
NH Rotary (540)	1,061	0
Common Pantry (554 & 555)	126	41
Oral Health WIC (600)	6,135	469
Epsom Elderly Housing (644 & 645)	71,416	71,416

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

SCHEDULE OF REVENUES AND EXPENSES - BY PROGRAM
FOR THE YEAR ENDED FEBRUARY 28, 2015

	<u>Revenues</u>	<u>Expenditures</u>
Belmont Housing (654 & 655)	\$ 67,141	\$ 67,141
Alton Housing (664 & 665)	48,485	48,485
Kearsarge Housing (674 & 675)	60,768	60,768
Riverside Housing (684 & 685)	63,808	63,808
Pembroke Housing (700 & 709)	62,106	62,106
Homeless Revolving Loan (728)	8,147	8,147
Area Centers (764 & 765)	259,487	210,320
THE FIXIT Program (834 & 835)	3,105	1,278
Loan Guarantee Program (847)	41,208	41,208
MC Loan Guarantee Program (848)	3,016	3,016
The Caring Fund (864 & 865)	2,416	1,501
FGP/SCP Association Region 1 (875)	1,183	0
Agency WIC/CSFP (883)	(4,443)	898
Newbury Elderly Housing (884)	55,888	72,497
Agency Account (911 & 980)	(30,174)	588,412
Agency Account FAP (922)	93,938	98,318
Agency Account SCP (933 & 934)	1,911	5,559
H/S Agency (944 & 945)	111,425	5,072
Agency FP/PN (963)	995	0
Agency Development Fund (981)	182,455	105,214
Agency Horseshoe Pond Place (995 & 996)	16,922	16,922

COMMUNITY ACTION PROGRAM BELKNAP - MERRIMACK COUNTIES, INC.

SCHEDULE OF REFUNDABLE ADVANCES
FOR THE YEAR ENDED FEBRUARY 28, 2015

<u>FUND #</u>	<u>FUND NAME</u>	<u>HHS PROGRAM CFDA#</u>	<u>AMOUNT</u>
047	Supportive Housing Services		\$ 636
114	Radon Program		175
126	EAP - Lead Agency		18,204
146	Merrimack County Service Link	93.778 (\$2,471 of deferred amount is not federal)	4,943
157	Merrimack County Service Link	93.778 (deferred amount is not federal)	1,847
196	Electric Assistance Program		49,915
225	Senior Companion Program - Non - Federal		1,083
364	Home Visiting - HFA	93.558 (deferred amount is not federal)	247
455	Housing Preservation Fund		14,540
495	NH Housing Guarantee Program		103,442
505	Core Program		13,345
546	Summer Feeding		30,919
575	Fuel Assistance Program	93.568 (\$2,910 of deferred amount is not federal)	150,200
595	Homeless Prevention		234,707
615	Women, Infant & Children		4,204
715	Concord Area Transit		64,173
728	Homeless Revolving Loan Fund - Belknap County		39,612
729	Homeless Revolving Loan Fund - Merrimack County		8,179
765	Area Center Program		1,476
835	Fixit Program		71,574
847	Loan Guarantee Program		30
856	New Start Program		28,118
883	Agency Account - WIC/CSFP		771
906	Community Services Block Grant	93.569	72,913
945	Agency Account - Head Start		1,250
		TOTAL	<u>\$ 916,503</u>

Effective May 2016

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

BOARD OF DIRECTORS

Sara A. Lewko, *President*

Susan Koerber

Vice President - Vacant

Bill Johnson

Dennis Martino, *Secretary-Clerk*

David Siff

Kathy Goode, *Treasurer*

Diana Lacey

Heather Brown

Christine Averill

Nicolette Clark

Donna Barnett

Theresa M. Cromwell

RALPH LITTLEFIELD

EDUCATION

High School – Winnacunnet High School, Graduated June 1966
College – Keene State College, Keene, NH, Graduated May 1971
Degree – Bachelor of Education

EMPLOYMENT

January 1980 – Present

Community Action Program Belknap-Merrimack Counties, Inc.
Executive Director

Responsible for the general administration of the agency which is comprised of 85 major programs and has an annual budget in excess of \$37 million dollars and a staff of 410 employees.

June 1978 – January 1980

Southwestern Community Services, Inc., Keene, New Hampshire
Deputy Director

1976 – June 1978

Southwestern Community Services, Inc., Keene, New Hampshire
Head Start Director

1974 – 1975

Southwestern Community Services, Inc., Keene, New Hampshire
Program Coordinator-Food Stamp Program, Green Thumb Project,
Nutrition West

1974 – Head Counselor, Summer Neighborhood Youth Corps

1972 – Assistant Head Start Director, Cheshire County Head Start
Claremont, New Hampshire

June 1971 – General Services Director

ANTHONY R. LABRIE

Employment History

March 2011 – Present:

March 2001 – 2011:

Homeless Outreach/Intervention Specialist

Director, Flood/Disaster Programs

Community Action Program

Belknap-Merrimack Counties, Inc.

P.O. Box 1016

Concord, NH 03302-1016

1999 – October 2000:

Executive Director

Merrimack Valley Assistance Program, Inc.

1995 – 1999:

Executive Director

Merrimack Valley AIDS Project, Inc.

1980 – 1995:

Real Estate Broker

City Limits Real Estate

1986 – 1989:

Owner/Innkeeper

Maria Atwood Inn

References Available Upon Request.

Community Action Program Belknap-Merrimack Counties, Inc.

**Department of Health and Human Services
Office of Human Services**

**Continuum of Care - Bow-Glen Transitional Housing
12/01/16 – 11/30/17**

Key Personnel Salaries and Allocation

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Ralph Littlefield	Executive Director	\$ 140,639.00	0%	\$ 0.00
Andy Labrie	Homeless Outreach Intervention Specialist	\$ 31,025.00	.08%	\$ 2,482.00