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

Lori A. Shibinette
Commissioner

Karen E. Hebert
Director

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

May 24, 2022

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

REQUESTED ACTION

Authorize the Department of Health and Human Services (DHHS), Division of Economic and Housing Stability, to amend an existing agreement with Conduent State & Local Solutions, Inc. (VC#152777), Florham Park, NJ, for State Disbursement and Electronic Funds Transfer Services, with no change to the price limitation of \$9,786,028 and no change to the contract completion date of December 31, 2031, effective upon Governor and Council approval. 66% Federal Funds. 34% General Funds.

The original contract was approved by Governor and Council on January 12, 2022, item #19.

EXPLANATION

The purpose of this request is to update the debit card fee schedule for customers of the DHHS Bureau of Child Support Services (BCSS) contained in the original contract, Exhibit C-1 section 7 Debit Card Costs to Cardholder, to reflect the effective date of the new fee schedule as July 1, 2022, as the original contract indicates an effective date of January 1, 2022. Several fees associated with activities that occur at a bank teller or automated teller machines (ATM) are changing to free services, including cash withdrawals, balance inquiries, and ATM denials. Debit card customers will also gain access to a wider network of ATMs, essentially doubling the number of accessible ATMs. The contractor is required by federal banking regulations to notify existing debit card holders in advance of changes, which could not have been done prior to January 1, 2022 as the original contract was not approved until January 12, 2022.

The Contractor provides State Disbursement Unit services to BCSS for the collection and distribution of all child support payments. Under federal mandate, the state is required to maintain a State Disbursement Unit for these services. BCSS serves approximately 33,000 families annually.

Should the Governor and Council not authorize this request, the original contract will not accurately reflect the effective date of the new fee schedule, and BCSS customers will not have been appropriately notified of the change.

Area served: Statewide

Source of Federal Funds: Assistance Listing Number #93.563, FAIN #2101NHCSSES

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
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In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Lori A. Shibanette
Commissioner

**State of New Hampshire
Department of Health and Human Services
Amendment #1**

This Amendment to the State Disbursement Unit contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Conduent State & Local Solutions, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on January 12, 2022, (Item #19), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 17, and Exhibit A, Revisions to Standard Contract Provisions, Subsection 1.2, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to modify the scope of services to support continued delivery of these services; and

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

1. Modify Exhibit C-1, Price Schedule, Section 7, Debit Card Costs to Cardholder, to read:

| 7. | Debit Card - Costs to Cardholder | | | | | | | |
|----|-----------------------------------|---|--|--|--|--|--|--|
| a. | Deposit Notification | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| b. | ATM Withdrawal Fee | Each out of Network withdrawal: Unlimited free withdrawals at Citizens Bank and Allpoint ATM's. | \$1.75, no free withdrawal | \$1.75 | \$1.75 | \$1.75 | \$1.75 | \$1.75 |
| c. | Cash Withdrawal @Teller | Each | \$2.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| d. | Cash-back with Purchase | Each | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 |
| e. | ATM Cash Withdrawal International | Each | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction |
| f. | ATM Balance Inquiry | Each | \$0.75 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| g. | ATM Denial | Each | \$0.75 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| h. | Teller Withdrawal | Each | \$2.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| i. | POS Signature Transaction | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| j. | POS PIN Based Transaction | Each | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 |
| k. | Card Replacement | Per item after one free card | \$5.00 | \$5.00 | \$5.00 | \$5.00 | \$5.00 | \$5.00 ⁰⁵ AMB |

| | | | replacement each 12- month period | | | | | |
|--|----|--|---|---------|---------|---------|---------|---------|
| | l. | Expedited Card Replacement | Each | \$15.00 | \$15.00 | \$15.00 | \$15.00 | \$15.00 |
| | m. | Interactive Voice Response | Each | \$0.35 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | n. | Renewal Card Issuance | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | o. | Monthly Statement | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | p. | Overdraft Fee | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | q. | Web Account | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | r. | 90 Days Funds Returned to State if card not delivered or card is not activated | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

All terms and conditions of the Contract not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon Governor and Council approval.

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

State of New Hampshire
Department of Health and Human Services

6/2/2022

Date

DocuSigned by:

Karen Hebert

438C8CEB1B4A418

Name: Karen Hebert

Title: Division Director

Conduent State & Local Solutions, Inc.

6/2/2022

Date

DocuSigned by:

Kim Newsom-Bridges

89B44C7D71CA412

Name: Kim Newsom-Bridges

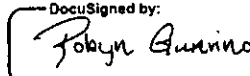
Title: General Manager Child Support Solutions

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

OFFICE OF THE ATTORNEY GENERAL

6/4/2022

Date

DocuSigned by:


Name: Robyn Guarino

Title: Attorney

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

State of New Hampshire

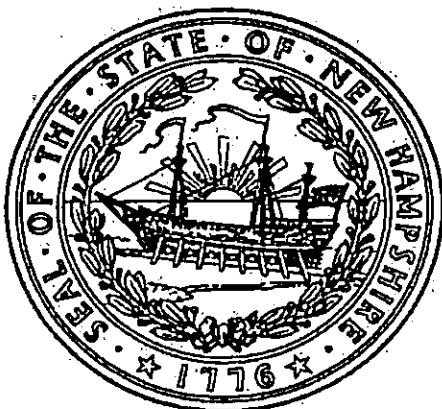
Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that CONDUENT STATE & LOCAL SOLUTIONS, INC. is a New York Profit Corporation registered to transact business in New Hampshire on January 28, 1991. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 152777

Certificate Number: 0005785342



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 June A.D. 2022.

A handwritten signature in black ink, appearing to read "David M. Scanlan".

David M. Scanlan
Secretary of State

CERTIFICATE OF ASSISTANT SECRETARY

I, **Carrie L. Glidden**, in my capacity as **Assistant Secretary of Conduent State & Local Solutions, Inc.**, a New York corporation (the "Corporation"), am delivering this Certificate of Assistant Secretary to the **State of New Hampshire Department of Health and Human Services, Division of Child Support Services**. I do hereby certify that **Kimberly Newsome-Bridges** is a duly appointed, qualified and acting **Vice President** of the Corporation and in such capacity is legally authorized to negotiate and sign any and all proposals, contracts, amendments, assignments, consents and other documents on behalf of the Corporation, in connection with any and all projects and/or contracts issued by the **State of New Hampshire Department of Health and Human Services, Division of Child Support Services**. Ms. Newsome-Bridges was given the aforementioned signature authority on January 1, 2021 and her signature authority shall not be revoked unless done so by the Corporate Secretary or Corporate Assistant Secretary of the Corporation in his/her official capacity. I hereby certify that the signature authority of Kimberly Newsome-Bridges has not been revoked and remains in effect as of the date of execution of this Certificate of Assistant Secretary.

IN WITNESS WHEREOF, I have set my hand to this Certificate as of this 2nd day of June 2022.

CONDUENT STATE & LOCAL SOLUTIONS, INC.,
a New York corporation

By: Carrie L. Glidden
Carrie L. Glidden
Assistant Secretary



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/28/2021

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

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

| | | | |
|--|---|-----------------------|---------------|
| PRODUCER MARSH USA, INC. 1166 AVENUE OF THE AMERICAS NEW YORK, NY 10036 Attn: ACS.CertRequest@marsh.com | CONTACT NAME: Lauren Giangrande, Senior Vice President | | |
| | PHONE (A/C No. Ext): 212 345 8869 | FAX (A/C No.): | |
| E-MAIL ADDRESS: Lauren.Giangrande@marsh.com | | | |
| NOC | INSURER(S) AFFORDING COVERAGE | | NAIC # |
| | INSURER A: ACE American Insurance Company | | 22667 |
| | INSURER B: N/A | | N/A |
| | INSURER C: Indemnity Ins Co Of North America | | 43575 |
| | INSURER D: ACE Fire Underwriters Ins. Co. | | 20702 |
| | INSURER E: | | |
| INSURER F: | | | |

COVERAGES **CERTIFICATE NUMBER:** NYC-009976539-48 **REVISION NUMBER:** 23

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

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR NY/D | 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 GENTL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: | | | HD0G72493965 | 01/01/2022 | 01/01/2023 | EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 2,000,000 MED EXP (Any one person) \$ N/A PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 10,000,000 PRODUCTS - COMPROP AGG \$ 4,000,000 \$ |
| A | <input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY | | | ISAH25551886 | 01/01/2022 | 01/01/2023 | COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ |
| | <input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTIONS | | | | | | EACH OCCURRENCE \$ AGGREGATE \$ \$ |
| C | <input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below | Y/N | N/A | WLRC68921958 (AOS) WLRC68921910 (AZ, CA, MA) SCFC68921995 (WI) | 01/01/2022 | 01/01/2023 | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 RE: CONDUENT STATE HEALTHCARE, LLC MEDICAID MANAGEMENT INFORMATION SYSTEM RFP # 2005-004
 OTHER NAMED INSURED: CONDUENT STATE HEALTHCARE, LLC
 THE STATE OF NEW HAMPSHIRE IS ADDITIONAL INSURED UNDER THE ABOVE GENERAL LIABILITY AND AUTO LIABILITY BUT ONLY WITH RESPECT TO LIABILITY ARISING FROM NEGLIGENT ACTS OR OMISSIONS OF CONDUENT BUSINESS SERVICES, LLC AND TO THE EXTENT REQUIRED BY WRITTEN CONTRACT. WORKERS' COMPENSATION IS PROVIDED AT THE STATUTORY LIMITS IN NEW HAMPSHIRE.

| | |
|--|---|
| CERTIFICATE HOLDER STATE OF NEW HAMPSHIRE DEPARTMENT OF HEALTH AND HUMAN SERVICES OFFICE OF COMMISSIONER 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 <i>Marsh USA Inc.</i> |
|--|---|

AGENCY CUSTOMER ID: CN118007651

LOC #: New York



ADDITIONAL REMARKS SCHEDULE

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| | | | |
|---------------------------|-----------|---|--|
| AGENCY MARSH USA, INC. | | NAMED INSURED Conduent Incorporated 100 Campus Drive, Suite 200 Florham Park, NJ 07932 | |
| POLICY NUMBER | | EFFECTIVE DATE: | |
| CARRIER | NAIC CODE | | |

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

EACH OF THE INSURANCE POLICIES REFERENCED ABOVE PROVIDES THAT SHOULD SUCH POLICY BE CANCELLED BY THE INSURER BEFORE THE EXPIRATION DATE THEREOF FOR ANY REASON OTHER THAN NONPAYMENT OF PREMIUM, THE INSURING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE THEREOF TO THE CERTIFICATE HOLDER, BUT FAILURE TO PROVIDE SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER OR ITS AGENTS OR REPRESENTATIVES, WILL NOT EXTEND ANY POLICY CANCELLATION DATE AND WILL NOT NEGATE ANY CANCELLATION OF THE POLICY.

19 mac



Lori A. Shilbina
Commissioner

Karen E. Hebert
Director

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

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

December 27, 2021

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Economic and Housing Stability, to enter into a Retroactive contract with Conduent State & Local Solutions, Inc. (VC #174856), Washington, DC, in the amount of \$9,786,028 for State Disbursement and Electronic Funds Transfer Services, with the option to renew for up to five (5) additional years, effective retroactive to January 1, 2022, upon Governor and Council approval through December 31, 2031. 66% Federal Funds. 34% General Funds.

Funds are available in the following account for State Fiscal Years 2022 and 2023, and are anticipated to be available in future State Fiscal Years as indicated below, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

05-95-042-427010-7931 DEPARTMENT OF HEALTH AND HUMAN SERVICES, HUMAN SERVICES, BUREAU OF CHILD SUPPORT SERVICES

| State Fiscal Year | Class / Account | Class Title | Job Number | Total Amount |
|-------------------|-----------------|------------------------|--------------|--------------------|
| 2022 | 102-500731 | Contracts for Prog Svc | 42700049 | \$489,305 |
| 2023 | 102-500731 | Contracts for Prog Svc | 42700049 | \$978,602 |
| 2024 | 102-500731 | Contracts for Prog Svc | 42700049 | \$978,602 |
| 2025 | 102-500731 | Contracts for Prog Svc | 42700049 | \$978,602 |
| 2026 | 102-500731 | Contracts for Prog Svc | 42700049 | \$978,602 |
| 2027 | 102-500731 | Contracts for Prog Svc | 42700049 | \$978,602 |
| 2028 | 102-500731 | Contracts for Prog Svc | 42700049 | \$978,602 |
| 2029 | 102-500731 | Contracts for Prog Svc | 42700049 | \$978,602 |
| 2030 | 102-500731 | Contracts for Prog Svc | 42700049 | \$978,602 |
| 2031 | 102-500731 | Contracts for Prog Svc | 42700049 | \$978,602 |
| 2032 | 102-500731 | Contracts for Prog Svc | 42700049 | \$489,305 |
| | | | Total | \$9,786,028 |

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
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EXPLANATION

This request is retroactive to ensure compliance with RSA 21-G:37, III, (c), which requires the rank and score of each responding vendor be posted 5 business days prior to submitting the proposed contract to the NH Department of Administrative Services for inclusion on the Governor and Executive Council agenda. The Department requests the effective date of this contract be January 1, 2022, because the existing services agreement expired on December 31, 2021.

The purpose of this agreement is to provide State Disbursement Unit (SDU) and Electronic Funds Transfer Services (EFT) in accordance with applicable federal and state requirements. The Department assists families with children by offering services that help them to achieve financial self-sufficiency and minimize dependence on public assistance. These services include: establishing paternity orders; establishing and enforcing financial and medical support orders issued by the courts; locating obligors; and collecting and disbursing child support. During the federal fiscal year ending September 30, 2021, the State collected and disbursed \$79 million in child support on behalf of approximately 34,000 children. In addition to making payments to families, the Department also disburses a portion of its collections to the State as reimbursement for public assistance provided to families.

In accordance with the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193), each state is required to establish and maintain a State Disbursement Unit for the collection and distribution of all child support payments. New Hampshire has been utilizing State Disbursement Unit services since 1987. Acting as the State Disbursement Unit, the Contractor will be responsible for printing and mailing billing notices to employers and payors and distributes the payments to families. In some cases the payments will be applied toward reimbursement of state aid that is currently or was previously provided, to families. The Contractor will perform banking and check-writing functions as well as Electronic Funds Transfer services. Federal Regulations require that the Contractor meet mandated standards for data collection, privacy and physical security.

The Department will monitor services by:

- The timeliness of payments being received and sent to the families of New Hampshire and the accurate recording of every transaction;
- Collaboration with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes;
- Provision of data and metrics to the Department, including customer-level demographic, performance, and service data.

The Department selected the Contractor through a competitive bid process using a Request for Proposals (RFP) that was posted on the Department's website from April 8, 2021 through July 20, 2021. The Department received three (3) responses that were reviewed and scored by a team of qualified individuals. The Scoring Sheet is attached.

The initial 10-year term of this contract will ensure that the state is able to maximize cost-savings, reduce risk associated with federal non-compliance and penalties, reduce system functionality risk, and enable predictive budgeting. The SDU must interface with the Child Support automated case management system, which is a highly complex technological system involving many IT and banking components, and very specialized. A long-term contract mitigates risk of having to make costly system changes in the interface. An increase in expenses for frequent re-procurement would negatively impact the program's federally measured cost-effectiveness rate, which directly impacts qualification for and amount of federal incentive award funds based on Program performance. Greater expenses result in a lower cost-effectiveness rate, which results

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 3 of 3

in reduced incentive awards for the State. As referenced in Exhibit A, Revisions to Standard Agreement Provisions, of the attached agreement, the parties have the option to extend the agreement for up to five (5) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and Governor and Council approval.

Should the Governor and Council not authorize this request, approximately \$6.5 million per month in total child support payments will not be received by families who currently rely on this income to remain self-sufficient. This will result in higher costs to TANF and other programs as more families will qualify for public assistance in the absence of child support income. There will also be a disruption and indeterminable expense for New Hampshire employers who currently deduct child support payments from their employees' wages that is sent to the State Disbursement Unit to comply with the State's income assignment law (RSA 458-B) and federal law, 42 U.S.C. 666. The State would also risk being out of compliance with federal and state laws, and federal regulations that require the disbursement of all child support collections within two (2) business days of receipt of payment. This could result in federal sanctions of the TANF Block Grant as well as loss of federal funding and access to federal resources to the Department.

Area served: Statewide

Source of Federal Funds: Assistance Listing Number #93.563, FAIN #2101NHCSES

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

Respectfully submitted,

DocuSigned by:
Lori A. Weaver
4CAAB2994175473...

Lori A. Weaver
Deputy Commissioner

New Hampshire Department of Health and Human Services
 Division of Finance and Procurement
 Bureau of Contracts and Procurement
 Scoring Sheet

Project ID # **RFP-2022-DEHS-01-STATE**
 Project Title **State Disbursement Unit**

| | Maximum Points Available | Conduent | Informatix | YoungWilliams |
|---|--------------------------|----------|------------|---------------|
| Technical | | | | |
| Operation Sks (Q1) | 40 | 40 | 38 | 40 |
| Processing Payments Received (Q2) | 40 | 40 | 40 | 40 |
| Disbursed Payments (Q3) | 40 | 39 | 38 | 39 |
| Cardholder Terms (Q4) | 35 | 35 | 35 | 35 |
| ATM Network (Q5) | 35 | 35 | 35 | 35 |
| Card Acceptance (Q6) | 30 | 30 | 30 | 30 |
| Teller Cash (Q7) | 30 | 30 | 30 | 30 |
| Transaction Processing (Q8) | 40 | 40 | 38 | 37 |
| Self-Service Web Portal (Q9) | 40 | 40 | 40 | 40 |
| Notifications (Q10) | 30 | 30 | 30 | 30 |
| Automated Response Unit (Q11) | 30 | 30 | 30 | 30 |
| Identity Verification (Q12) | 30 | 30 | 30 | 30 |
| Cardholder Help Desk Requirements (Q13) | 20 | 20 | 20 | 20 |
| Samples (Q14) | 15 | 15 | 15 | 15 |
| Banking Services Requirements (Q15) | 20 | 20 | 20 | 20 |
| Education and Training Plan (Q16) | 10 | 10 | 10 | 10 |
| Reporting (Q17) | 20 | 20 | 19 | 20 |

| | | | | |
|------------------------------------|-------------|-------------|-------------|-------------|
| IT Solution (Appendix G Responses) | 350 | 350 | 350 | 350 |
| Subtotal - Technical | 855 | 854 | 848 | 851 |
| Cost | | | | |
| | 425 | 425 | 256 | 287 |
| | | 0 | 0 | 0 |
| Subtotal - Cost | 425 | 425 | 256 | 287 |
| TOTAL POINTS | 1280 | 1279 | 1104 | 1138 |

| Reviewer Name | Title |
|---------------------------|------------------------------------|
| 1 Mike Lovely | Supervisor V, Child Support Financ |
| 2 Richard Ward | IT Manager |
| 3 Jean Marston-Dockstader | Regional Administrator |
| 4 Craig Beaulac | Response Section Chief |
| 5 Marquette Altard | Special Investigator |
| 6 | |
| 7 | |
| 8 | |
| 9 | |
| 10 | |



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

Denis Goulet
Commissioner

December 6, 2021

Lori A. Shibinette, Commissioner
Department of Health and Human Services
State of New Hampshire
129 Pleasant Street
Concord, NH 03301

Dear Commissioner Shibinette:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your request to enter into a contract with Conduent State & Local Solutions, Inc., of Washington, DC. The contract is further described below and referenced as DoIT # 2021-077.

The purpose of this contract is to provide State Disbursement Unit (SDU) and Electronic Funds Transfer Services (EFT) in accordance with applicable federal and state requirements. In accordance with the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193), each state is required to establish and maintain a State Disbursement Unit for the collection and distribution of all child support payments.

The amount of the contract is \$9,786,028 effective retroactive to January 1, 2022, upon Governor and Council approval, through December 31, 2031.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Denis Goulet", with a horizontal line extending to the right.

Denis Goulet

DG/ik
2021-077

cc: Michael Williams, DOIT IT Manager

Subject: State Disbursement Unit (SDU) Services (RFP-2022-DEHS-01-STATE-01)


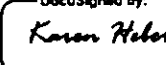
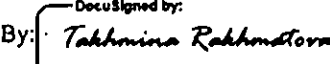
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

I. IDENTIFICATION.

| | | | |
|--|---|---|--|
| 1.1 State Agency Name New Hampshire Department of Health and Human Services | | 1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857 | |
| 1.3 Contractor Name Conduent State & Local Solutions, Inc. | | 1.4 Contractor Address 100 Campus Drive Florham Park, NJ 07932 | |
| 1.5 Contractor Phone Number (225) 726-8758 | 1.6 Account Number 05-095-042-427010-7931 | 1.7 Completion Date December 31, 2031 | 1.8 Price Limitation \$9,786,028 |
| 1.9 Contracting Officer for State Agency Nathan D. White, Director | | 1.10 State Agency Telephone Number (603) 271-9631 | |
| 1.11 Contractor Signature DocuSigned by:  Date: 12/27/2021 | | 1.12 Name and Title of Contractor Signatory Scott Cade Vice President | |
| 1.13 State Agency Signature DocuSigned by:  Date: 12/28/2021 | | 1.14 Name and Title of State Agency Signatory Karen Hebert Division Director | |
| 1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____ | | | |
| 1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 12/28/2021 | | | |
| 1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____ | | | |

2. 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 B 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 1.17, 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 1.13 ("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 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 for Services provided in EXHIBIT B, in whole or in part. 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 reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source 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 C 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 applicable 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 employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property 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. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

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

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

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

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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 cured, 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 give the Contractor a written notice specifying the Event of Default and 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 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. 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.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, 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 B. In addition, at the State's discretion, 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.

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

10.1 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.

10.2 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.

10.3 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.

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.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omissions of the

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Date 12/27/2021

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. 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 continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial 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 or excess; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 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 ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

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. The 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. **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.

17. **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.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and 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. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

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 or modifying provisions set forth in the attached EXHIBIT A 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 with respect to the subject matter hereof.

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State Disbursement Unit (SDU) Services

EXHIBIT A

Revisions to Standard Agreement Provisions

1. Revisions to Form P-37, General Provisions

1.1. Paragraph 3, Subparagraph 3.1, Effective Date/Completion of Services, is amended as follows:

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 as indicated in block 1.17, this Agreement, and all obligations of the parties hereunder, shall become retroactively effective January 1, 2022 pending Governor and Executive Council approval ("Effective Date").

1.2. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:

3.3. The parties may extend the Agreement for up to five (5) additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.

1.3. Paragraph 5, Contract Price/Price Limitation/ Payment, is amended by adding subparagraph 5.5 to read:

5.5 The State's liability under this Agreement shall be limited to monetary damages not to exceed the contract price pursuant to Paragraph 5.2. The Contractor agrees that it has an adequate remedy at law for any breach of this Agreement by the State and hereby waives any right to specific performance or other equitable remedies against the State. Subject to applicable laws and regulations, in no event shall either Party be liable to the other for any consequential, special, indirect, incidental, punitive, or exemplary damages. The Contractor's liability under this Agreement shall not exceed two (2) times the annual contract price, excluding indemnification and breach of data. The parties acknowledge and agree that the State will be entitled to an injunction, specific performance or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, without proof of damages, before the valid termination of this Agreement in accordance with Section 8., this being in addition to any other remedy to which they are entitled under this Agreement. 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.

1.4. Paragraph 8, Event of Default/Remedies, is amended by adding subparagraph 8.4 to read:

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8.4 Procure Services that are the subject of the Contract from another source and Contractor shall be liable for reimbursing the State for the replacement Services, and all administrative costs directly related to the replacement of the Contract and procuring the Services from another source, such as costs of competitive bidding, mailing, advertising, applicable fees, charges or penalties, and staff time costs; all of which shall be subject to the limitations of liability set forth in the Contract.

1.5. Paragraph 9, termination is amended to read:

9. TERMINATION

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement. In the event of a partial termination by the State, the Parties shall negotiate a mutually agreed upon equitable adjustment in price for the remaining Services that will continue to be performed under the Agreement.

9.2 Termination Procedure

9.2.1 Upon termination of the Contract, the State, in addition to any other rights provided in the Contract, may require Contractor to deliver to the State any property, including without limitation, Software and Written Deliverables, for such part of the Contract as has been terminated.

9.2.2 After receipt of a notice of termination, and except as otherwise directed by the State, Contractor shall:

9.2.2.1 Stop work under the Contract on the date, and to the extent specified, in the notice;

9.2.2.2 Promptly, but in no event longer than ten (10) days after termination, terminate its orders and subcontracts related to the work which has been terminated, and settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the State to the extent required, which approval or ratification shall be final for the purpose of this Section;

9.2.2.3 Take such action as the State directs, or as necessary to preserve and protect the property related to the Contract which is in the possession of Contractor and in which the State has an interest;

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- 9.2.2.4 Take no action to intentionally erase any State data until directed by the State;
- 9.2.2.5 Transfer title to the State and deliver in the manner, at the times, and to the extent directed by the State, any property which is required to be furnished to the State and which has been accepted or requested by the State;
- 9.2.2.6 Implement an orderly return of State data in a CSV or another mutually agreeable format at a time agreed to by the parties and the subsequent secure disposal of State data;
- 9.2.2.7 Securely dispose of all requested data in all of its forms, such as disk, CD / DVD, backup tape and paper, when requested by the State. Data shall be permanently deleted and shall not be recoverable, according to National Institute of Standards and Technology (NIST)-Special Publication (SP) 800-88 approved methods. Certificates of destruction shall be provided to the State; and
- 9.2.2.8 Provide written Certification to the State that Contractor has surrendered to the State all said property and after 180 days has erased all State data.
- 9.2.3 If the Contract has expired, or terminated prior to the Completion Date, for any reason, the Contractor shall provide, for a period up to ninety (90) days after the expiration or termination, all transition services requested by the State, at no additional cost, to allow for the expired or terminated portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Services to the State or its designees ("Transition Services").
- 9.2.4 This covenant in paragraph 9 shall survive the termination of this Contract.
- 1.6. Paragraph 10, Data/Access/Confidentiality/Preservation, is amended by adding the following:
- 10.4 In performing its obligations under this Agreement, Contractor may gain access to Confidential Information of the State. Confidential Information includes any and all information owned or managed by the State of NH - created, received from or on behalf of any Agency of the State or accessed in the course of performing contracted Services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personally Identifiable Information

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(PII), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and other sensitive and Confidential Information. The Contractor shall not use the Confidential Information developed or obtained during the performance of, or acquired, or developed by reason of the Agreement, except as directly connected to and necessary for the performance of the Agreement. Contractor shall maintain the confidentiality of and protect from unauthorized use, disclosure, publication, and reproduction (collectively "release"), all Confidential Information.

- 10.4.1 In the event of the unauthorized release of Confidential Information, Contractor shall immediately notify the State, and the State may immediately be entitled to pursue any remedy at law and in equity, including, but not limited to, injunctive relief.
- 10.5 Subject to applicable federal or State laws and regulations, Confidential Information shall not include information which:
- 10.5.1. shall have otherwise become publicly available other than as a result of disclosure by the receiving Party in breach hereof;
 - 10.5.2. was disclosed to the receiving Party on a non-confidential basis from a source other than the disclosing Party, which the receiving Party believes is not prohibited from disclosing such information as a result of an obligation in favor of the disclosing Party;
 - 10.5.3. is developed by the receiving Party independently of, or was known by the receiving Party prior to, any disclosure of such information made by the disclosing Party; or
 - 10.5.4. is disclosed with the written consent of the disclosing Party.
- 10.6 A receiving Party also may disclose Confidential Information to the extent required by an order of a court of competent jurisdiction. Any disclosure of the Confidential Information shall require the prior written approval of the State. Contractor shall immediately notify the State if any request, subpoena or other legal process is served upon Contractor regarding the Confidential Information, and Contractor shall cooperate with the State in any effort the State undertakes to contest the request, subpoena or other legal process, at no additional cost to the State.
- 10.7 Contractor Confidential Information. Contractor shall clearly identify in writing all information it claims to be confidential or proprietary upon providing such information to the State. For the purposes of complying with its legal obligations, the State is under no obligation to accept the Contractor's designation of material as confidential. Contractor acknowledges that the State is subject to State and federal laws governing disclosure of information including, but not limited to, RSA

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Chapter 91-A. In the event the State receives a request for the information identified by Contractor as confidential, the State shall notify Contractor and specify the date the State will be releasing the requested information. At the request of the State, Contractor shall cooperate and assist the State with the collection and review of Contractor's information, at no additional expense to the State. Any effort to prohibit or enjoin the release of the information shall be Contractor's sole responsibility and at Contractor's sole expense. If Contractor fails to obtain a court order enjoining the disclosure, the State shall release the information on the date specified in the State's notice to Contractor, without any liability to the State.

10.8 This covenant in paragraph 10 shall survive the termination of this Contract.

1.7. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:

12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

1.8. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.4 as follows:

12.4. In the event that Contractor should change ownership for any reason whatsoever that results in a change of control of the Contractor, the State shall have the option of:

- a. continuing under the Agreement with Contractor, its successors or assigns for the full remaining Term of the Agreement or for such period of time as determined necessary by the State;
- b. immediately terminate the Agreement without liability to or further compensation owed to Contractor, its successors or assigns.

1.9. Paragraph 25 is added to read:

25. FORCE MAJEURE

25.1 Neither Contractor nor the State shall be responsible for delays or failures in performance resulting from events beyond the control of such Party

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and without fault or negligence of such Party. Such events shall include, but not be limited to, acts of God, strikes, lock outs, riots, and acts of War, epidemics, acts of Government, fire, power failures, nuclear accidents, earthquakes, and unusually severe weather.

25.2 Except in the event of the foregoing, Force Majeure events shall not include the Contractor's inability to hire or provide personnel needed for the Contractor's performance under the Contract.

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EXHIBIT B

Scope of Services

1. Operation Site Requirements

1.1. Location

- 1.1.1. The Contractor shall provide State Disbursement Unit (SDU) and Electronic Funds Transfer (EFT) Services that include:
 - 1.1.1.1. The management and administration of child support billing to payors;
 - 1.1.1.2. The management and administration of child support billing to employers;
 - 1.1.1.3. The posting of child support payments received;
 - 1.1.1.4. The disbursement of Bureau of Child Support Services (BCSS) authorized monies to child support payees;
 - 1.1.1.5. The imaging and transmission of all payment information to the Department;
 - 1.1.1.6. Associated banking services and check writing; and
 - 1.1.1.7. All related services.
- 1.1.2. The Contractor shall ensure the SDU operations are physically located within New Hampshire, subject to Department written approval.
- 1.1.3. The Contractor shall ensure the KidStar solution is in the Microsoft Azure cloud East U.S. Region in Virginia, which is the primary hosting location for the hardware and software solution for the NH SDU. The Contractor shall ensure:
 - 1.1.3.1. The Conduent Pennsylvania State Collections and Disbursement Unit (SCDU) in Middletown, Pennsylvania serves as the SDU operations disaster recovery (DR) backup.
 - 1.1.3.2. The DR backup hosting site is the Microsoft Azure West U.S. region in California, which has a mirror image of the NH SDU KidSTAR software and backups of all data and images in the event of the primary Microsoft Azure data center becoming unavailable, hosting will occur in the West U.S. Azure region.
- 1.1.4. The Contractor shall ensure checks and billing statements and/or coupons are printed at the print center in Middletown, Pennsylvania, with a DR site at the New York SDU.

1.2. Security

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- 1.2.1. The Contractor shall ensure its SDU operation site meets the Federal Office of Child Support Enforcement (OCSE) physical and logistical security requirements, which include but are not limited to:
 - 1.2.1.1. Restricted access that includes security doors with required locking systems that includes, but is not limited to:
 - 1.2.1.1.1. Ensuring all employees enter through one point of access.
 - 1.2.1.1.2. Controlling visitors' entry using cipher locks on main entry doors.
 - 1.2.1.1.3. Restricting access to only authorized staff, authorized contractors, Department staff, and others who are authorized by the Department.
 - 1.2.1.1.4. Ensuring all employees and visitors display identification badges at all times while onsite.
 - 1.2.1.2. Protections from damage by ensuring:
 - 1.2.1.2.1. The facility has floor to ceiling walls.
 - 1.2.1.2.2. All employees who have access to control over funds are appropriately bonded against loss resulting from employee dishonesty.
 - 1.2.1.2.3. There are two (2) people present when payment processing activities take place in the facility, one (1) of which is a supervisor.
 - 1.2.1.2.4. Security cameras throughout the facility are used to monitor all business operations.
 - 1.2.1.2.5. A fireproof, immovable safe is provided for safeguarding financial instruments and other documents.
 - 1.2.1.2.6. There are no drawers at employees' workstations.
 - 1.2.1.2.7. All personal belongings are kept outside of the facility to protect equipment and documentation from contamination, misuse, theft and destruction.
 - 1.2.1.2.8. The facility is a self-contained area where only child support functions are performed.
 - 1.2.1.3. Alarm systems.
 - 1.2.1.4. Building access controls.

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- 1.2.1.5. Functional work area segregation.
- 1.2.1.6. Visitor access controls.
- 1.2.1.7. Secure document storage.
- 1.2.1.8. Secure document destructions.
- 1.2.1.9. Back up generators and servers.
- 1.2.2. The Contractor shall provide Department-authorized representatives access to its SDU operation site, including for the purpose of conducting forensic investigations and inspections of the physical property of which the SDU contracted services are conducted, at any time. If an SDU services are performed at any location other than the in-state SUD operation site, the Department must be provided the same access to the locations. This must include access to any and all documents, videos and photo/image records. The Contractor shall cooperate with any Department investigations and make its employees available for interviews, if necessary.

1.3. Post Office Box Location & Retrieval of Contents

- 1.3.1. The Contractor shall use the following Post Office boxes, which are owned and paid for by the Department, located at 955 Goffs Falls Road, Manchester, New Hampshire. The Contractor shall:
 - 1.3.1.1. Utilize the Post Office Boxes to accept the following paper version documents:
 - 1.3.1.1.1. Employer Payments (PO Box 9501);
 - 1.3.1.1.2. Payor Payments and District Office Receipts (PO Box 9502);
 - 1.3.1.1.3. Out-of-State and International Payments (PO Box 9503); and
 - 1.3.1.1.4. Child Support Payment Enrollment Forms (PO 9504).
 - 1.3.1.2. Obtain additional Post Office boxes as necessary, in the event of a change in mail volume, or unexpected circumstance, with Department written agreement.
 - 1.3.1.3. Agree that all Post Office boxes receiving SDU mail becomes the property of the Department upon termination or expiration of the contract.

- 1.3.2. The Contractor shall retrieve the contents of Post Office boxes twice daily. The Contractor shall:

- 1.3.2.1. Deliver such contents to the SDU the same day, ~~Mondays~~

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through Saturdays, with the exception of federally recognized holidays.

- 1.3.2.2. Ensure contents retrieved are maintained in a secure and confidential manner.
- 1.3.2.3. Ensure contents are immediately, safely and wholly delivered to the SDU operation site for processing.
- 1.3.2.4. Ensure that any individuals retrieving and delivering the contents are bonded and insured.

2. Child Support Billing Services

2.1. Direct Payment Cases

- 2.1.1. The Contractor shall process monthly billing statements for payors from files produced and provided by the Department on a monthly basis via SFTP file transfer.
- 2.1.2. For child support payors that choose to receive paper billing, the Contractor shall utilize Form 684 that includes payment coupons. The Contractor shall print, produce, fold, stuff, and mail the printed bills and coupons to the payors.
- 2.1.3. For child support payors that choose to receive electronic billing, the Contractor shall utilize an electronic version of Form 684 and associated payment coupons, and electronically transmit these to the payor.
- 2.1.4. The Contractor shall ensure coupons are imprinted or electronically produced with:
 - 2.1.4.1. A Magnetic Ink Character Recognition (MICR) line to permit automated processing by an Optical Character Recognition (OCR) device; and
 - 2.1.4.2. A space for the payor to indicate that the enclosed payment is a payment for debt other than the payor's regular payment.
- 2.1.5. The Contractor shall ensure all information appearing on bills and coupons is individualized.

2.2. Wage Withholding Cases

- 2.2.1. The Contractor shall process weekly billing statements for employers from files produced and provided by the Department on a weekly basis via SFTP file transfer.
- 2.2.2. For employers of payors who are subject to wage withholding, that choose to receive paper Income Withholding Coupons, the Contractor shall print the Income Withholding Coupons, and mail the printed

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coupons to the employer, ensuring the Income Withholding Coupons contain the income withholding information for all employees of the applicable employer who are payors in wage withholding cases.

- 2.2.3. For employers of payors who are subject to wage withholding that choose to receive electronic billing, the Contractor shall utilize an electronic version of Income Withholding Coupons, and associated payment coupons, and electronically transmit these to the employer. Income Withholding Coupons must contain the income withholding information for all employees who are subject to wage withholding.
- 2.2.4. The Contractor shall ensure all information appearing on bills and coupons are individualized.

2.3. Arrearage Only Cases

- 2.3.1. The Contractor shall process monthly billing statements for arrearage only cases for payors from files produced and provided by the Department on a monthly basis via SFTP file transfer.
- 2.3.2. For child support payors who choose to receive paper billing, the Contractor shall utilize Form 684 that include payment coupons. The Contractor shall print, produce, fold, stuff, and mail the bills and coupons to the payor.
- 2.3.3. For child support payors who choose to receive electronic billing, the Contractor shall utilize an electronic version of Form 684 and associated payment coupons, and electronically transmit these to the payor.
- 2.3.4. The Contractor shall ensure coupons are imprinted or electronically produced with:
 - 2.3.4.1. An MICR line to permit automated process by an OCR device; and
 - 2.3.4.2. A space for the payor to indicate that the enclosed payment is a payment for debt other than the payor's regular payment.
- 2.3.5. The Contractor shall ensure all information appearing on bills and coupons is individualized.

2.4. Out-of-State and Lien Cases

- 2.4.1. There are no billing requirements for Out-of-State and Lien cases.

3. Processing Payments Received

3.1. Direct Pay Cases

- 3.1.1. The Contractor shall receive direct case payments in paper and electronic forms.

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- 3.1.2. The Contractor shall record the date the payment is received at the SDU as the date of receipt for payors who remit payment in paper form with the applicable payment coupon contained in Form 684.
- 3.1.3. The Contractor shall record the date the payment is electronically received at the SDU as the date of receipt for payors who remit payment in electronic form.
- 3.1.4. The Contractor shall accept other types of payments for child support, including, but not limited to:
 - 3.1.4.1. Automated Clearing House (ACH) payments.
 - 3.1.4.2. Debit card; or
 - 3.1.4.3. Credit card
- 3.2. Wage Withholding Cases**
 - 3.2.1. The Contractor shall receive wage withholding payments, from employers of payors who are subject to wage withholding, in paper and electronic forms.
 - 3.2.2. The Contractor shall record the date the payment is received at the SDU as the date of receipt for employers who remit payment in paper form.
 - 3.2.3. The Contractor shall record the date the payment is electronically received at the SDU as the date of receipt for employers who remit payment in electronic form.
 - 3.2.4. The Contractor shall forward information from correspondence received from employers, which may include returned wage withholding coupons that have the termination section completed to indicate termination of employment, electronically to the Department on a daily basis.
- 3.3. Arrearage Only Cases**
 - 3.3.1. The Contractor shall process payments received in arrearage only cases in the same manner as specified in Subsection 3.1. Direct Pay Cases or Subsection 3.2 Wage Withholding Cases, as applicable to the case.
- 3.4. Out-of-State Cases**
 - 3.4.1. The Contractor shall process out-of-state child support payments, for which there is no standardized format, in both paper and electronic forms.
 - 3.4.2. The Contractor shall forward information from correspondence received with out-of-state child support payments, if any, to the Department on a daily basis.

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3.5. Lien Cases

3.5.1. On a daily basis, the Contractor shall forward payments received in Lien Cases to the Department's Office of Finance for manual processing.

3.6. Payment Processing Requirements for all Case Types

3.6.1. The Contractor shall open, image, and process all mail received in electronic and hard copy form which includes:

3.6.1.1. Examining each financial instrument to ensure it is made payable to "New Hampshire Department of Health and Human Services" or other payee acceptable to the Department;

3.6.1.2. Conducting an analysis to determine whether a payment can be processed, either through an automated or manual process, on the day the payment is received; and

3.6.1.3. Acting according to Department directions and data element requirements by payment and/or case type.

3.6.2. The Contractor shall return mail pieces incorrectly delivered to the SDU to the US Postal Service.

3.6.3. The Contractor shall process unbalanced EFT transactions, cost recovery transactions, and post actual dollar amounts for all cases. The Contractor shall:

3.6.3.1. Notify the Department of variances; and

3.6.3.2. Utilize a Department approved code to designate such payments.

3.6.4. The Contractor shall accept and deposit payments denominated in foreign currency. The Contractor shall:

3.6.4.1. Immediately initiate conversion to the United State dollars upon receiving payments in foreign currency.

3.6.4.2. Ensure the date the converted payment is received by the SDU is the recorded date of receipt.

3.6.5. The Contractor shall transmit nightly files that contain data as well as images of each day's items.

3.6.6. The Contractor shall retain all images for a period of not less than seven (7) years, and will provide the Department with access to any retained image upon request. This provision will survive the life of the resulting contract.

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- 3.6.7. The Contractor shall ensure direct payments, wage-withholding payments, and payments received from out-of-state agencies conform to the standard record layout format for daily input to the NECSES system. The Contractor shall have a Department-approved method for handling exception transactions for direct payments, wage withholding payments, and payments received from out-of-state agencies. All National Automated Clearing House Association (NACHA) approved transactions will be accepted by the Department.
- 3.6.8. The Contractor shall process payments utilizing a batching process in which all financial instruments, documents and receipts are batched separately in accordance with the type of payment, which includes:
 - 3.6.8.1. Regular;
 - 3.6.8.2. Wage-Assignment;
 - 3.6.8.3. Out-of-State; and
 - 3.6.8.4. Out-of-State Tax Intercept.
- 3.6.9. The Contractor shall ensure no batch exceeds one hundred (100) transactions.
- 3.6.10. The Contractor shall make daily deposits to the Department account for all payments that can be deposited. The Contractor shall:
 - 3.6.10.1. Electronically forward an image of all deposited financial instruments and all supporting documentation, including all payment information that and be processed and a written report to the Department;
 - 3.6.10.2. Ensure the documents and daily report are forwarded to the Department no later than the day following the day on which payments are processed; and
 - 3.6.10.3. Ensure all original documents related to the processing of payments are retained for sixty (60) days;
 - 3.6.10.4. Ensure all original documents are destroyed by shredding or incineration no sooner than sixty (60) of receipt.
- 3.6.11. Unless otherwise directed by the Department, the Contractor shall forward all non-negotiable financial instruments and supporting documentation to the Department on a daily basis and not process non-negotiable financial instruments, which may include, but are not limited to:
 - 3.6.11.1. Financial instruments that are made out to the wrong payee.
 - 3.6.11.2. Financial instruments that are postdated.
 - 3.6.11.3. Financial instruments that are unsigned.

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- 3.6.11.4. Financial instruments that are unreadable
- 3.6.11.5. Financial instruments that are damaged.
- 3.6.11.6. Financial instruments that are older than six (6) months (state dated).
- 3.6.11.7. Financial instruments that have a legal line that does not match the courtesy line.
- 3.6.12. The Contractor shall conduct 'in-stream' research on all child support payments received in the SDU, on the day the payments are received in the SDU, that have incomplete or invalid payment information, ensuring the research function consists of examining validation data elements to determine the appropriate identifying information for the payment to ensure that it is posted to the correct account.
- 3.6.13. The Contractor shall have access to validation data elements for each child support case, as made available by the Department through the Contractor's cross-reference database, which include:
 - 3.6.13.1. Payor name;
 - 3.6.13.2. Payor care identification number;
 - 3.6.13.3. Payor member ID number;
 - 3.6.13.4. Payor Social Security Number;
 - 3.6.13.5. Payee name;
 - 3.6.13.6. Current employer name, town and telephone number, if applicable;
 - 3.6.13.7. Wage assignment in effect, if applicable; and
 - 3.6.13.8. Current weekly support amount if any wage assignment in effect.
- 3.6.14. The Contractor's research efforts must result in either:
 - 3.6.14.1. Successful identification of a payment, in which case the correct payor and/or case ID is established, recorded, and the payment information will be included in that evening's transmission to the Department, and the corresponding instrument is deposited in the bank; or
 - 3.6.14.2. No identification of a payment, in which case a generic ID (AAA00000) is assigned to the payment, recorded, and the payment information will be included in that evening's transmission to the Department, and the corresponding financial instrument will be deposited in the bank.
- 3.6.15. The Contractor shall provide a separate monthly report that includes:

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3.6.15.1. Daily and weekly itemizations for Direct Payment, Wage Withholding, and Out-of-State (including Out-of-State Tax Intercept) payments received and processed; and

3.6.15.2. The total number of processing services performed each day within those categories for the month.

3.6.16. The Contractor shall screen and track Non-Sufficient Fund (NSF) checks, once provided electronic notice from the Department of all payors for whom personal checks may no longer be accepted. After this notice is received, the Contractor shall indemnify and hold harmless the Department for any checks from the identified payors not honored by the bank. The amount of the indemnity includes, but is not limited to, the amount of the check and all fees and associated costs. The Department shall provide written notice to the Contractor that specifies the amount, date and check number, and payor name, routing transit number, bank account number and name(s) on the account.

3.7. Posting Errors

3.7.1. The Contractor shall correctly analyze, classify, record and post all payments and shall be held liable for incorrectly recorded or posted payments, which can result in incorrect distribution of payments.

4. Disbursing Child Support Payments

4.1. Department Authorization

4.1.1. Upon receipt of the information described in Subsection 3.6 Payment Processing Requirements for all Case Types, the Department will process the information through NECSES on a daily basis, to determine the amount of child support received by the SDU that is payable to the child support payee. The Department shall then electronically transmit this information to the Contractor as authorization to generate payment to the child support payee.

4.2. Disbursing Authorized Payments

4.2.1. The Contractor shall initiate and process the appropriate payment to the appropriate payee within twenty-four (24) hours of receiving payment information electronically from the Department.

4.2.2. The Contractor shall provide payees with a variety of methods and forms with which to receive payments, including but not limited to direct deposits to a bank account or debit card subject to the desire of the payee or by paper check subject to the Department approval.

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5. Electronic Funds Transfer and Electronic Data Interchange Services (EFT/EDI)

5.1. General

- 5.1.1. The Contractor shall arrange for and provide, accept, and process EFT/EDI transactions for the collection and disbursement of child support payments.
- 5.1.2. The Contractor shall offer payors and/or employers low-cost electronic payment channels which may include, but are not limited to:
 - 5.1.2.1. Debit cards.
 - 5.1.2.2. On-line processing.
 - 5.1.2.3. Mobile applications via mobile devices.

5.2. Electronic Payments Provisions for Employers

- 5.2.1. The Contractor shall provide a method(s) for employers to remit child support payments electronically.
- 5.2.2. The Contractor shall ensure the method(s) used permit the employer to convert the information to either CCD+ or CTX/820 format. The method(s) used will be the means for the employer to prepare the EFT/EDI file to be sent to the bank in a format that conforms to the NACHA standard.

5.3. Cardholder Provisions for Child Support Payees

- 5.3.1. The Contractor shall make debit cards available to child support payees for the disbursement of child support payments and for account balance information. For those individuals who choose to participate in this method of EFT, the Contractor shall provide the initial debit card to the cardholder at no cost to the Department or the cardholder.
- 5.3.2. The Contractor shall provide a debit card program that is an industry standard application, primarily using existing commercial networks and retailers' Point of Service (POS) devices. The Contractor shall ensure:
 - 5.3.2.1. The debit card is a branded VISA or MasterCard and operates via the VISA or MasterCard network and is accepted by any participating merchant.
 - 5.3.2.2. The debit card requires a Personal Account Number and/or signature for activation and purchases.
 - 5.3.2.3. A magnetic or chip debit card that:

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- 5.3.2.3.1. Is fully compliant with all federal laws and regulations;
 - 5.3.2.3.2. Meets industry standards, including current Payment Card Industry (PCI) standards, for quality; and
 - 5.3.2.3.3. Contains security features to activate the card and prevent counterfeiting.
- 5.3.3. The Contractor shall produce and issue the initial and replacement debit cards. The Department will have final approval of the design, content, and process of distribution of the card mailer.
- 5.3.4. The Contractor shall provide resolution for and appropriately handle debit cards that:
- 5.3.4.1. Are returned to the Contractor by the US Post Office, and notifying the Department of the returns.
 - 5.3.4.2. Are returned to the Contractor by the US Post Office with forwarding address information provided by the US Post Office, and notifying the Department of the returns.
 - 5.3.4.3. Are expired. The Contractor shall:
 - 5.3.4.3.1. Specify the expiration timeframe of cards from the issue date and reissue cards to replace expired cards;
 - 5.3.4.3.2. Provide detailed procedures for the reissuance of cards due to expire to active cardholder's, including but not limited to:
 - 5.3.4.3.2.1. The timeframe for reissuance of the card.
 - 5.3.4.3.2.2. The procedure for the cardholder to activate the new card.
 - 5.3.4.3.2.3. The new account number and account activity balance.
 - 5.3.4.3.2.4. Instructions on activating the Personal Identification Number.
 - 5.3.4.4. Are unpinned by the cardholder and have funds deposited on the card. The Contractor shall:
 - 5.3.4.4.1. Provide a weekly report to the Department of cards with funds deposited that are not pinned and/or activated by the cardholder^{DS} that includes:

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- 5.3.4.4.1.1. Cardholder name;
- 5.3.4.4.1.2. Cardholder address;
- 5.3.4.4.1.3. Cardholder telephone number;
- 5.3.4.4.1.4. The date of card issuance; and
- 5.3.4.4.1.5. The first date of funds deposited to the card.
- 5.3.4.4.2. Conduct outreach to cardholders, as approved by the Department.
- 5.3.4.4.3. Provide a detailed procedure for the Department to request retrieval of funds from the card, that includes, but is not limited to:
 - 5.3.4.4.3.1. The timeframe for the retrieval of funds.
 - 5.3.4.4.3.2. The method of payment of the funds.
 - 5.3.4.4.3.3. The notification to the Department of retrieval of the funds.
 - 5.3.4.4.3.4. The method of forwarding the funds to the Department.
- 5.3.4.5. Are lost, stolen, or require replacement other than for the reason of being expired. The Contractor shall:
 - 5.3.4.5.1. Provide detailed terms and conditions to cardholders for the replacement of debit cards that include but are not limited to:
 - 5.3.4.5.1.1. Defining what constitutes a replacement card.
 - 5.3.4.5.1.2. The procedure for requesting a replacement card.
 - 5.3.4.5.1.3. The timeframe within which a replacement card will be issued.
 - 5.3.4.5.1.4. The procedures and conditions for expediting a replacement card request.
 - 5.3.4.5.2. Maintain confidentiality of all cardholder information and cardholder account information.

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5.3.5. The Contractor shall not sell or share cardholder information and cardholder account information with any other entity not associated with this contract or for any purpose other than the execution of the contract, unless required by federal or state law. The Contractor shall:

5.3.5.1. Not use the cardholder information or cardholder account information to solicit business.

5.3.5.2. Provide written notification to the Department of any changes affecting cardholders ninety (90) calendar days prior to the effective date of any change; subject to Department approval, which may include but are not limited to:

5.3.5.2.1. Changes in debit card policies or procedures.

5.3.5.2.2. Program rules.

5.3.5.2.3. Adjustments to the cardholder's account balance.

5.3.6. The Contractor shall provide written notification, as approved by the Department, to cardholders of any changes, subject to Department approval, thirty (30) calendar days prior to the effective date of any change.

5.4. Automated Teller Machine (ATM) Access for Child Support Payee Cardholder

5.4.1. The Contractor shall provide debit card access through an operating ATM network allowing for national and international ATM access with withdrawal of cash through a normal ATM transaction.

5.5. Point of Service (POS) Access for Child Support Payees

5.5.1. The Contractor shall ensure the child support payee cardholder is able to use the debit card:

5.5.1.1. To purchase goods and services anywhere the brand MasterCard is accepted.

5.5.1.2. Use the debit card in a variety of ways including but not limited to:

5.5.1.2.1. Internet.

5.5.1.2.2. Mail order.

5.5.1.2.3. Telephone order purchases.

5.5.2. The Contractor shall ensure the operating network can query the cardholder's available balance at the time of any PIN-based POS

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transaction and disallow those transactions that would exceed the cardholder's balance.

- 5.5.3. The Contractor shall ensure the cardholder will be able to receive cash back with a POS transaction based on either the store limit or the negotiated cash back withdrawal limit.

5.6. Bank Teller Access for Child Support Payees

- 5.6.1. The Contractor shall provide child support payee cardholders with access to cash withdrawals, utilizing debit cards, through the use of bank tellers.

5.7. Payment Acceptance

- 5.7.1. The Contractor shall accept payments made in either paper or electronic form, regardless of whether payors or employers choose to receive coupons in paper form.

5.8. EFT/EDI Transactions Processing for Child Support Payee Cardholders

- 5.8.1. The Contractor shall accept transaction from an authorized transaction merchant.

- 5.8.2. The Contractor shall ensure each transaction is properly posted based upon the availability of funds.

- 5.8.3. The Contractor shall ensure that transactions are denied if:

- 5.8.3.1. The number of consecutive failed PIN tries have been exceeded.

- 5.8.3.2. There are insufficient funds to process the transaction.

- 5.8.4. The Contractor shall appropriately authorize or deny EFT and EDI transactions regarding a cardholder's account, including denying any transactions that may be disallowed or cause the cardholder to exceed the amount available in their account. The Contractor shall:

- 5.8.4.1. Send response messages to the merchant that authorize or reject the transaction.

- 5.8.4.2. Log authorized and denied transactions for subsequent settlement and reconciliation processing, and for inclusion in transaction reporting and viewing through transaction history.

6. Self-Service Web Portal

6.1. Accessibility

- 6.1.1. The Contractor shall provide child support payors, child support payees, and employers with a secure web-based site that is accessible twenty-four (24) hours per day, seven (7) days per week.



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6.2. Services Available

- 6.2.1. The Contractor shall ensure the Self-Service Web Portal provides an array of services and information to users based on user type, including but not limited to:
 - 6.2.1.1. Allowing the electronic payment of direct child support and wage withholding payments by child support payors and employers.
 - 6.2.1.2. Viewing of child support and wage withholding bills.
 - 6.2.1.3. Confirming payment receipts.
 - 6.2.1.4. Viewing on-line statements of detailed financial transactions posted to their account.
 - 6.2.1.5. Viewing detailed deposit information.
 - 6.2.1.6. Viewing additional notification and information regarding use of cards for payees.
 - 6.2.1.7. Viewing Frequently Asked Questions (FAQs) regarding the services delivered by the SDU, Help Desk contact information for the SDU.
 - 6.2.1.8. Accessing customer services support and assistance for users of the Self-Service Portal.
 - 6.2.1.9. Accessing hyperlinks to the New Hampshire Bureau of Child Support Services website.
- 6.2.2. The Contractor shall provide a user-friendly and simple on-line registration process to access the Self-Service Portal.
- 6.2.3. The Contractor shall ensure the Department has final approval of the design and content of the web portal.
- 6.2.4. The Contractor shall, ensure access to all of the information described in Section 6, through a smartphone application.

7. Automated Response Unit (ARU) for Child Support Payees

7.1. ARU Accessibility

- 7.1.1. The Contractor shall provide access to an Automated Response Unit (ARU) for child support payee cardholders twenty-four (24) hours per day, seven (7) days per week.
- 7.1.2. The Contractor shall ensure the ARU contains the functionality for cardholders to exit the ARU and be transferred directly to a customer services representative in the Cardholder Help Desk at any time.

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7.1.3. The Contractor shall have policies and standards in place, as approved by the Department, for the ARU that addresses the number of rings prior to answer, and the average time a cardholder remains on hold, to ensure child support payee timely access to ARU services.

7.1.4. The Contractor shall provide the Department with monthly reports of ARU activities that include, but are not limited to:

7.1.4.1. The number of calls.

7.1.4.2. The number of calls dropped.

7.1.4.3. The number of callers that opted to access Customer Service for further assistance.

7.2. Card Activation, PIN Setting and Changing

7.2.1. The Contractor shall ensure the ARU enables cardholders to activate their debit card. The Contractor shall provide cardholders with secure ARU PIN select procedures and instructions to activate their debit card through the ARU.

7.2.2. The Contractor shall ensure the ARU enables cardholders to change the PIN for their debit card. The Contractor shall provide cardholders with secure ARU PIN change procedures and instructions to change the PIN for their debit card through the ARU.

7.3. Other ARU Transactions

7.3.1. The Contractor shall ensure the ARU enables cardholders to report a lost, stolen or damaged debit card. The Contractor shall provide cardholders with a secure ARU process and detailed instructions to complete reporting through the ARU.

7.3.2. The Contractor shall ensure the ARU enables cardholders to obtain the cardholder's real time account balance information. The Contractor shall provide real-time account balance information to cardholders, and state what is defined as real-time account balance.

7.3.3. The Contractor shall ensure the ARU enables cardholders to obtain the transaction history for their account. The Contractor shall provide the cardholder with the transaction history and clearly state the maximum number of transactions included in the history.

7.3.4. The Contractor shall clearly detail additional transaction information available to the cardholder and the method of obtaining that information.

7.3.5. The Contractor shall ensure the ARU enables cardholders to receive through the ARU information about:

7.3.5.1. The methods to report unauthorized use of the debit card,

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one of which must include reporting through the ARU.

7.3.5.2. How potential fraudulent transactions are identified and the procedures for handling and reporting any potential fraudulent transactions.

7.3.6. The Contractor shall have a reporting process and capabilities, including how the Contractor provides reports to the Department to the extent permissible under 12 CFR 205 Regulation E and industry guidelines.

7.3.7. The Contractor shall ensure the ARU contains the functionality for cardholders to opt out to a customer services representative at any time.

8. Customer Services for Child Support Payee Cardholders

8.1. Cardholder Help Desk Operation

8.1.1. The Contractor shall provide child support payee cardholders with telephone access to a Cardholder Help Desk twenty-four (24) hours per day, seven (7) days per week.

8.1.2. The Contractor shall ensure Help Desk services are available via a toll-free telephone number for in-state and out-of-state payees and provides:

8.1.2.1. Current debit card account information;

8.1.2.2. Deposit information;

8.1.2.3. Withdrawal information; and

8.1.2.4. Transaction history information.

8.1.3. The Contractor shall ensure customer service representatives are available to resolve issues that cannot be resolved through the Automated Response Unit (ARU).

8.1.4. The Contractor shall ensure customer service representative capacity is able to meet the demand for cardholder calls referred to the Cardholder Help Desk.

8.1.5. The Contractor shall ensure the Cardholder Help Desk enables cardholders to process the same transactions, through telephone access to the Cardholder Help Desk, described in Subsection 7.2 Card Activation, PIN Setting and Changing and Subsection 7.3 Other ARU Transactions.

8.2. Cardholder Help Desk Accessibility

8.2.1. The Contractor shall ensure Cardholder Help Desk services are available in English and Spanish. The Contractor shall ensure

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- 8.2.1.1. Individuals providing customer service are proficient in written and spoken English;
- 8.2.1.2. Individuals providing customer services have a clear comprehension of the English language.
- 8.2.1.3. Any individual designated to provide customer service in Spanish is proficient in written and spoken Spanish and English;
- 8.2.1.4. Any individual designated to provide customer service in Spanish has a clear comprehension of the Spanish and English languages.

8.2.2. The Contractor shall provide services described in Section 7 Automated Response Unit (ARU) for Child Support Payees to payees requiring use of Teletypewriter (TTY) services.

8.3. Additional Cardholder Help Desk Requirements

- 8.3.1. The Contractor shall ensure procedures are in place to verify the identity of the cardholder accessing the Cardholder Help Desk or the Self-Service Web Portal.
- 8.3.2. The Contractor shall ensure a monitoring program is in place to ensure quality customer services are delivered through the ARU and Cardholder Help Desk.
- 8.3.3. The Contractor shall ensure telephone calls are answered within six (6) rings with limited drop calls and an average hold time of three (3) minutes.

9. Instructional Materials for Child Support Payee Cardholders

- 9.1. The Contractor shall provide instructional materials to child support payee cardholders that are written in English and Spanish at a reading level no higher than sixth (6th) grade.
- 9.2. The Contractor shall include training materials in each card issuance packet to ensure cardholders understand:
 - 9.2.1. How to activate the account;
 - 9.2.2. Cardholder rights and responsibilities;
 - 9.2.3. How to use the card;
 - 9.2.4. All fees associated with using the card; and
 - 9.2.5. Where to call for questions and reporting issues.
- 9.3. The Contractor shall obtain Department approval of all instructional materials to be included in the card issuance packets prior to sending any packets to the cardholders.

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10. Banking Services

10.1. Minimum Requirements

- 10.1.1. The Contractor shall provide, either directly or indirectly, banking services to support and facilitate SDU service delivery, which must include, but are not limited to a dedicated SDU-BCSS bank account that will be the depository for BCSS payments, which is held in a NH bank, through which SDU transactions are processed.
- 10.1.2. The Contractor shall deposit all payments to the dedicated SDU-BCSS bank account on the date of receipt. The Contractor shall ensure:
 - 10.1.2.1. Daily deposited funds that are available to BCSS are transferred via ACH on a daily basis.
 - 10.1.2.2. If any deposited funds are not available on the day of initial deposit, an earnings credit is given on any balance left on deposit and it will be based on the average collection balance.
 - 10.1.2.3. The earnings credit is used against SDU charges with the balance of the charges to be billed monthly.
- 10.1.3. The Contractor shall ensure each child support payment received is endorsed with a stamp stating the following, unless otherwise designed by BCSS:

*FOR DEPOSIT ONLY
Department of Health and Human Services
BCSS
(with the bank account number)*

- 10.1.4. The Contractor shall record the batch number, sequence number and the date of deposit on the back of each payment.
- 10.1.5. The Contract shall ensure the front of the check includes a Magnetic Ink Character Recognition (MICR) line indicating the check number; routing number; and account number.
- 10.1.6. The Contractor shall ensure account maintenance includes, but is not limited to:
 - 10.1.6.1. Acceptance of deposits, endorsement and imaging of all financial instruments deposited into the dedicated SDU-BCSS bank account.
 - 10.1.6.2. Encoding of checks with check amount.
 - 10.1.6.3. Service dishonored and returned checks presented for deposit into the dedicated SDU-BCSS bank account.

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- 10.1.6.4. Maintenance and reconciliation of the dedicated SDU-BCSS bank account.
- 10.1.6.5. Provision of EFT services, CD-ROM, or other electronic medium for the dedicated SDU-BCSS bank account.
- 10.1.6.6. Provision of EDI translation.
- 10.1.6.7. Provision of copies of paid checks, monthly statements, on-line access to accounts, and check safekeeping.
- 10.1.6.8. Provision of all banking facilities and services normally delivered to checking account customers, including, but not limited to:
 - 10.1.6.8.1. Deposit slips and other instruments pertaining to the account; and
 - 10.1.6.8.2. Usual and generally accepted banking services associated with this type of account.
- 10.1.7. The Contractor shall make a copy of the deposit slip available to the Department's designated staff and/or office for each day's activity no later than the following day of deposit.
- 10.1.8. The Contractor shall retain a copy of all payments deposited for a period not less than seven (7) years. The Contractor shall:
 - 10.1.8.1. Retain copies on an appropriate medium.
 - 10.1.8.2. Provide the Department with access to any retained image upon request.
 - 10.1.8.3. Agree that this provision will survive the life of the Contract.
- 10.1.9. The Contractor shall provide check-writing services that ensure the timely printing of child support checks from the SDU-BCSS bank account.

11. Data Transfer

11.1. From Contractor to BCSS

- 11.1.1. The Contractor shall transmit keyed information and the EFT receipt of files on the date of processing to the Department.
- 11.1.2. The Contractor shall ensure the BCSS receives both the transmission for keyed information and the EFT receipt file no later than 6:00 PM (EST).
- 11.1.3. The Contractor shall transmit files to the Department through a secure and encrypted method.

11.2. From BCSS to Contractor

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- 11.2.1. BCSS will transmit an SFTP file to the Contractor, each month for child support payors and each week for employers that contains the billing information for child support payors and employers. Files may be transmitted more often as requested by the Contractor.
- 11.2.2. BCSS will transmit reconciled payment authorization information to the Contractor so that the Contractor can generate child support payments to the appropriate payees.

12. Staffing

12.1. Criminal Background, Drug Screening and Disclosures

- 12.1.1. Prior to a prospective employee's first day of work, the Contractor shall conduct and receive a comprehensive drug screening and background check, including a criminal records check, on any employee who performs duties under this Contract.
- 12.1.2. The Contractor shall provide BCSS with a copy of any employee background check upon request, including for temporary employees each time they start or re-start work with the Contractor. The background check shall include at a minimum, identity verification, including Social Security Number trace, and felony and misdemeanor records from county of current residence.
- 12.1.3. The Contractor shall ensure all Contractor employees, permanent and temporary, sign a disclosure form provided by BCSS that discloses any relationship of their own, or of a member of their immediate family, to the process of receiving or paying child support. The Contractor shall ensure:
 - 12.1.3.1. Disclosure forms are immediately be shared with BCSS.
 - 12.1.3.2. Employees are strictly prohibited from accessing the system to check the status of cases to which they have a personal relationship.
 - 12.1.3.3. No employee processes transactions of documents related to a child support case to which they have a personal relationship.

12.2. Education and Training

- 12.2.1. The Contractor shall provide continuing education, training and technical assistance for BCSS staff, as requested and approved by BCSS, regarding SDU contracted services. The dates, times and locations of trainings must be agreeable to both the Contractor and the Department.

13. Compliance

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13.1. Federal Electronic Transfer

13.1.1. The Contractor shall provide BCSS with reporting to the extent permissible under 12 CFR 205 Regulation E and industry guidelines.

13.2. Confidentiality

13.2.1. The Contractor shall utilize detailed policies and procedures that ensure confidentiality for SDU contracted services is maintained.

13.2.2. The Contractor shall ensure all policies and procedures are consistent with the requirements of state and federal privacy laws and NH RSA 359-C relating to confidentiality of personal identifiable information, financial information, breach notification.

13.2.3. The Contractor agrees that all policies and procedures are subject to BCSS approval.

13.2.4. The Department reserves the right to terminate the resulting contract if confidentiality is breached.

13.3. BCSS Disaster Recovery

13.3.1. Upon notice of or becoming aware of the Department's declaration of a Department information technology related disaster, the Contractor shall immediately communicate with the BCSS Business Recovery Services Contractor.

13.3.2. The Contractor shall perform all its contractual duties in cooperation with the Business Recovery Services Contractor, and at the direction of the Department of Information Technology (DoIT), until such time as DoIT's mainframe is fully operational.

13.3.3. Information regarding the Point-of-Contact for the Business Recovery Services Contractor will be provided to the Contractor by BCSS upon contract execution.

14. Exhibits Incorporated

14.1. The Contractor shall comply with Exhibit B-1, SDU Information Technology Provisions Statement of Work is attached hereto and incorporated by reference herein.

14.2. The Contractor shall use and disclose Protected Health Information in compliance with the Standards for Privacy of Individually Identifiable Health Information (Privacy Rule) (45 CFR Parts 160 and 164) under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and in accordance with the attached Exhibit I, Business Associate Agreement, which has been executed by the parties.

14.3. The Contractor shall manage all confidential data related to this Agreement in accordance with the terms of Exhibit K, DHHS Information Security

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Requirements.

- 14.4. The Contractor shall comply with all Exhibits D through K, which are attached hereto and incorporated by reference herein.

15. Reporting Requirements

- 15.1. The Contractor shall submit daily reports to ensure that the State is aware of transaction status, history, and transmittals, which include, but are not limited to:
 - 15.1.1. Daily Report of Unidentified Recipients (Kidstar)
 - 15.1.2. Daily Report of checks that cannot be processed
 - 15.1.3. Beginning of Day Check Report
 - 15.1.4. Final Check Register
 - 15.1.5. ACH Transmittal Report
 - 15.1.6. Debit Card Transmittal Report
- 15.2. End of Day Check Report

16. Performance Measures

- 16.1. The Department will monitor Contractor performance by the timeliness of payments being received and sent to the families of New Hampshire.
- 16.2. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.
- 16.3. The Contractor may be required to provide other key data and metrics to the Department, including client-level demographic, performance, and service data.
- 16.4. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.
- 16.5. The Department seeks to actively and regularly collaborate with providers to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.
- 16.6. The Department may collect other key data and metrics from the Contractor, including client-level demographic, performance, and service data.
- 16.7. The Department may identify expectations for active and regular collaboration, including key performance measures, in the resulting contract. Where applicable, Contractor shall
- 16.8. Collect and share data with the Department in a format specified by the Department.

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17. Additional Terms

17.1. Impacts Resulting from Court Orders or Legislative Changes

17.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

17.2. Federal Civil Rights Laws Compliance: Culturally and Linguistically Appropriate Programs and Services

17.2.1. The Contractor shall submit, within ten (10) days of the Agreement Effective Date, a detailed description of the communication access and language assistance services to be provided to ensure meaningful access to programs and/or services to individuals with limited English proficiency; individuals who are deaf or have hearing loss; individuals who are blind or have low vision; and individuals who have speech challenges.

17.3. Credits and Copyright Ownership

17.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "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."

17.3.2. All written, video and audio materials produced or purchased under the contract shall have prior approval from the Department before printing, production, distribution or use.

17.3.3. The Department will retain copyright ownership for any and all original materials produced, including but not limited to:

- 17.3.3.1. Brochures.
- 17.3.3.2. Resource directories.
- 17.3.3.3. Protocols.
- 17.3.3.4. Guidelines.
- 17.3.3.5. Posters.
- 17.3.3.6. Reports.

17.3.4. The Contractor shall not reproduce any materials produced under the

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contract without prior written approval from the Department.

18. Records

18.1. The Contractor shall keep records that include, but are not limited to:

18.1.1. Books, records, documents and other electronic or physical 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.

18.1.2. All records must 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.

18.2. During the term of this Agreement 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 Agreement for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Agreement and upon payment of the price limitation hereunder, the Agreement and all the obligations of the parties hereunder (except such obligations as, by the terms of the Agreement are to be performed after the end of the term of this Agreement and/or survive the termination of the Agreement) 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.



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Exhibit B-1
SDU Information Technology Provisions Statement of Work

1. TECHNOLOGY REQUIREMENTS

Appendix H Technical Requirements Checklist contains mandatory technical requirements for this technology solution and contract services. The Contractor shall complete the Technical Requirements Checklist in accordance with the instructions on the "Instructions" tab of Appendix H.

2. TESTING AND ACCEPTANCE

The Contractor shall customize its proposed Test Plan methodology to reflect the needs of the Project and include the details of its Test Plan methodology in the detailed Work Plan (the first Project Deliverable).

In addition, the Contractor shall provide a mechanism for reporting actual test results vs. expected results and for the resolution and tracking of all errors and problems identified during test execution. The Contractor shall also provide training as necessary to the State staff responsible for test activities, upon Department approval.

2.1. Testing Requirements

All testing and acceptance addressed herein shall apply to testing the Technology Solution. This shall include planning, test scenario development, Data, and system preparation for testing, and support of State staff during execution of Acceptance Testing (UAT).

2.2. Test Planning and Preparation

The overall Test Plan will guide all testing. The Contractor provided, State approved, Test Plan will include, at a minimum, identification, preparation, and documentation of planned testing, a requirements traceability matrix, test variants, test scenarios, test cases, test scripts, test data, test phases, expected results, and a tracking method for reporting actual versus expected results as well as all errors and problems identified during test execution.

It is crucial that customer training and testing activities not be abbreviated in order to meet project implementation schedules. Therefore, the State requires that the testing activities be represented both in terms of effort and duration.

State testing will commence upon the Contractor Project Manager's certification, in writing, that the Contractor's own staff has successfully executed all prerequisite Contractor testing, along with reporting the actual testing results, prior to the start of any testing executed by State staff.

The State will commence its testing within five (5) business days of receiving certification from the Contractor that the State's personnel have been trained and the Technology Solution is installed, configured, complete, and ready for State testing. The testing will be conducted by the State in an environment independent from the Contractor's development environment. The Contractor must assist the State with testing in accordance with the Test Plan and the Work Plan, utilizing test and live data to validate data and reports, at no additional cost.

2.3. Testing Schedule

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Testing begins upon completion of the Technology Solution configuration as required and user training according to the Work Plan. Testing ends upon issuance of a letter of UAT Acceptance by the State.

Contractor must demonstrate that their testing methodology can be integrated with the State standard methodology described below:

2.3.1. Unit Testing

- 2.3.1.1. Application components are tested on an individual basis to verify that the inputs, outputs, and processing logic of each application component functions without errors. Unit Testing is performed in either the development environment or a testing environment.
- 2.3.1.2. The goal is to find errors in the smallest unit of Software. If successful, subsequent integration testing should only reveal errors related to the integration between application components.

2.3.2. System Integration Testing

- 2.3.2.1. Validates the integration between the individual unit application components and verifies that the new System meets defined requirements and supports execution of interfaces and business processes. The Systems Integration Test is performed in a test environment.
- 2.3.2.2. Emphasizes end-to-end business processes and the flow of information across applications. It includes all key business processes and interfaces being implemented, confirms Data transfers with external parties, and includes the transmission or printing of all electronic and paper documents.
- 2.3.2.3. The State will conduct System Integration Testing, utilizing scripts developed, as identified in the Test Plan, to validate the functionality of the System and its interfaces. The State will also use System Integration Testing to validate modifications, fixes and other System interactions with the Contractor supplied Software Solution.

2.3.3. Conversion /Migration Validation Testing

- 2.3.3.1. The Conversion/Migration Validation Testing should replicate the entire flow of the converted Data through the Software Solution. As the Software Solution is interfaced to legacy or third-party applications, the testing verifies that the resulting converted legacy Data performs correctly.

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2.3.4. Installation Testing

2.3.4.1. Application components are installed in the System test environment to test the installation routines and are refined for the eventual production environment. This activity serves as a dry run of the installation steps in preparation for configuring the production System.

2.3.5. User Acceptance Testing (UAT)

2.3.5.1. The User Acceptance Test (UAT) is a Verification process performed in a copy of the production environment. The User Acceptance Test verifies System functionality against predefined Acceptance criteria that support the successful execution of approved business processes.

2.3.5.1.1. The Contractor's Project Manager must certify in writing, that the Contractor's own staff has successfully executed all prerequisite Contractor testing, along with reporting the actual testing results prior to the start of any testing executed by State staff.

2.3.5.1.2. The State will be presented with a State approved Test Plan, test scenarios, test cases, test scripts, test Data, and expected results, as well as written Certification of the Contractor's having completed the prerequisite tests, prior to the State staff involvement in any testing activities.

2.3.5.1.3. UAT will also serve as a performance and stress test of the System. It may cover any aspect of the new System, including administrative procedures such as backup and recovery. The results of the UAT provide evidence that the new System meets the User Acceptance criteria as defined in the Work Plan.

2.3.5.2. Upon successful conclusion of UAT and successful System deployment, the State will issue a letter of UAT Acceptance and the respective Warranty Period shall commence.

2.3.6. Performance Tuning and Stress Testing

2.3.6.1. Contractor shall develop and document hardware and Software configuration and tuning of System infrastructure as well as assist and direct the State's System Administrators and Database Administrators in configuring and tuning the infrastructure to support the Software throughout the Project.

2.3.6.2. Scope

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- 2.3.6.2.1. The scope of performance testing shall measure the system level metrics critical for the development of the applications infrastructure and operation of the applications in the production environment. It will include the measurement of response rates of the application for end-user transactions and resource utilization (of various servers and network) under various load conditions. These response rates shall become the basis for changes and retesting until optimum system performance is achieved.
- 2.3.6.2.2. The application transactions shall be identified with specific roles and selected transactions shall be recorded for the performance measurements. These will be compared to baselines to determine if object and/or system performance increases as changes are made.
- 2.3.6.2.3. Performance testing shall consider the full scope of the application infrastructure with emphasis on the most heavily used or shared transactions. Performance testing of the application will profile the identified user transactions and assist in the identifying performance gaps to improve the most critical parts of the applications.
- 2.3.6.2.4. Performance testing and tuning shall occur in the final production environment and shall use a copy of the final production database to provide the best results.
- 2.3.6.2.5. Contractor must lead this effort. Responsibilities include identifying appropriate tunable parameters and their default and recommended settings, developing scripts, which accurately reflect business load and coordinating reporting of results.
- 2.3.6.3. Test Types
 - 2.3.6.3.1. Performance testing shall use two different types of tests to determine the stability of the application. They are baseline tests and load tests.

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2.3.6.4. Baseline Test: Baseline tests shall collect performance Data and load analysis by running scripts where the output is broken down into business transactions or functions. The test is like a single user executing a defined business transaction. During baseline testing, each individual script is run to establish a baseline for transaction response time, throughput and other user-based metrics. Usually each business transaction is executed multiple times during a single test run to obtain an average for the user-based metrics required for the performance testing evaluations. It must be noted that changes made to the code after baseline testing is completed will skew the results collected to date. All effort will be made to provide a code test base that is tested in the environment for problems prior to the establishment of the baseline, which are used in future testing and tuning efforts. Any changes introduced into the environment after performance testing has started can compromise the accuracy of the results and will force a decision to be made whether baseline results need to be recreated.

2.3.6.5. Load Tests: Load testing will determine if the behavior of a system can be sustained over a long period of time while running under expected conditions. Load tests helps to verify the ability of the application environment under different load conditions based on workload distribution. System response time and utilization is measured and recorded.

2.3.6.6. Tuning

2.3.6.6.1. Tuning will occur during both the development of the application and load testing. Tuning is the process whereby the application performance is maximized. This can be the result of making code more efficient during development as well as making tuning parameter changes to the environment.

2.3.6.6.2. For infrastructure tuning, parameters will be identified for all components prior to undertaking the load testing efforts. This should include a list of the variables, their definitions, the default settings, range of acceptable settings and the settings as testing begins. This will permit the team to identify the areas of most potential gain and a starting point. Tuning is a process which is repeated until the team feels that the systems are running at or near optimum performance.

2.3.6.7. Implementing Performance and Stress Test: Performance and Stress test Tools must be provided by the Contractor for this effort. Consideration must be given to licensing with respect to continued use for Regression Testing. If the Contractor is familiar with open source low/no cost tools for this purpose those tools should be identified in your response.

2.3.6.8. Scheduling Performance and Stress Testing:

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- 2.3.6.8.1. Contractor shall perform test planning. The steps for planning include identification of application functionality as well as what percentage of normal daily use is represented by each function. This information will become the foundation for scripting so that tests closely represent what loads in production will look like.
- 2.3.6.8.2. Contractor shall provide definition and expectations from testing. This definition should include who is in charge of testing and coordinating results, anticipated run times, logs required for tracking, their locations and which technician is responsible to track and provide them following each test to the team.
- 2.3.6.8.3. Initial test runs shall be completed to establish that the tests and Data sets can be run to completion without errors. The ratio of types of transactions which Make up the test shall be reviewed prior to the beginning of testing and then again once testing has begun to make sure that testing accurately reflects the system performing in production.
- 2.3.6.8.4. Initial tests shall be used to establish a baseline from which all subsequent tests will be compared. Tests will be considered for baseline status once two of them have been run within 2% of each other in key and overall performance areas. No changes to the test scripts or Data sets (with the exception of restores after each test) can be done to the test environment once tuning has begun so as to not damage the comparison to baseline results. The systems must be restarted prior to each test run to assure all cache is cleaned out. All effort will be made to run these tests at a time when system and network infrastructure utilization doesn't impact the results. Tests will be run in close proximity to our infrastructure to eliminate the public network from our environment.
- 2.3.6.8.5. Post test reporting and result assessment will be scheduled following each test. The team will compare these results to the baseline and a determination must be made to make additional changes to the parameter being tuned or return to the prior configuration and select another parameter to tune while keeping in mind that significant changes to any one parameter may require the retesting of some others. Careful work on identifying dependencies up front should minimize this impact.

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- 2.3.6.8.6. If Defects are identified in the application during testing, they will be recorded; however, changes to the application code should be avoided if possible so as not to affect baseline comparisons. If a change to the application is required new baselines will be established (and possibly the execution of prior tests to validate changes with the new application) before testing can continue.
- 2.3.6.8.7. When performing capacity testing against a GUI the focus will be on the ability of the interface to respond to user input.
- 2.3.6.8.8. During stress/load testing the tester will attempt to stress or load an aspect of the system to the point of failure. The goal being to determine weak points in the system architecture. The tester will identify peak load conditions at which the program will fail to handle required processing loads within required time spans.
- 2.3.6.8.9. During Performance testing the tester will design test case scenarios to determine if the system meets the stated performance criteria (i.e. A Login request shall be responded to in 1 second or less under a typical daily load of 1000 requests per minute.). In both cases, the tester will determine the capacity of the system under a known set of conditions.

2.3.6.9. Regression Testing

- 2.3.6.9.1. As a result, of the user testing activities, problems will be identified that require correction. The State will notify the Contractor of the nature of the testing failures in writing. The Contractor will be required to perform additional testing activities in response to State and/or user problems identified from the testing results.
- 2.3.6.9.2. Regression Testing means selective re-testing to detect faults introduced during the modification effort, both to verify that the modifications have not caused unintended adverse effects, and to verify that the modified and related (possibly affected) System components still meet their specified requirements.
 - 2.3.6.9.2.1. For each minor failure of an Acceptance Test, the Acceptance Period shall be extended by corresponding time defined in the Test Plan.

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2.3.6.9.2.2. The Contractor shall notify the State no later than five (5) business days from the Contractor's receipt of written notice of the test failure when the Contractor expects the corrections to be completed and ready for retesting by the State. The Contractor will have up to five (5) business days to make corrections to the problem unless specifically extended in writing by the State.

2.3.6.9.2.3. When a programming change is made in response to a problem identified during user testing, a Regression Test Plan should be developed by the Contractor based on the understanding of the program and the change being made to the program. The Test Plan has two objectives:

2.3.6.9.2.3.1. Validate that the change/update has been properly incorporated into the program; and

2.3.6.9.2.3.2. Validate that there has been no unintended change to the other portions of the program.

2.3.6.9.2.4. The Contractor will be expected to:

2.3.6.9.2.4.1. Create a set of test conditions, test cases, and test data that will validate that the change has been incorporated correctly;

2.3.6.9.2.4.2. Create a set of test conditions, test cases, and test data that will validate that the unchanged portions of the program still operate correctly; and

2.3.6.9.2.4.3. Manage the entire cyclic process.

2.3.6.9.2.5. The Contractor will be expected to execute the Regression Test, provide actual testing results, and certify its completion in writing to the State prior to passing the modified Software application to the users for retesting.



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- 2.3.6.10. In designing and conducting such Regression Testing, the Contractor will be required to assess the risks inherent to the modification being implemented and weigh those risks against the time and effort required for conducting the Regression Tests. In other words, the Contractor will be expected to design and conduct Regression Tests that will identify any unintended consequences of the modification while taking into account Schedule and economic considerations.
- 2.3.7. Security Review and Testing
 - 2.3.7.1. IT Security involves all functions pertaining to the securing of State Data and Systems through the creation and definition of security policies, procedures and controls covering such areas as Identification, Authentication and non-repudiation.
 - 2.3.7.2. All components of the Software shall be Reviewed and tested to ensure they protect the State's hardware and Software and its related Data assets.

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Table 1

| Service Component | Defines the set of capabilities that: |
|-----------------------------------|--|
| Identification and Authentication | Supports obtaining information about those parties attempting to log onto a system or application for security purposes and the validation of users. |
| Access Control | Supports the management of permissions for logging onto a computer or network. |
| Encryption | Supports the encoding of Data for security purposes |
| Intrusion Detection | Supports the detection of illegal entrance into a computer system. |
| Verification | Supports the confirmation of authority to enter a computer system, application or network. |
| Digital Signature | Guarantees the unaltered state of a file. |
| User Management | Supports the administration of computer, application and network accounts within an organization. |
| Role/Privilege Management | Supports the granting of abilities to users or groups of users of a computer, application or network. |
| Audit Trail Capture and Analysis | Supports the identification and monitoring of activities within an application or system. |
| Input Validation | Ensures the application is protected from buffer overflow, cross-site scripting, SQL injection, and unauthorized access of files and/or directories on the server. |

2.3.7.3. Security tests shall focus on the technical, administrative and physical security controls that have been designed into the System architecture in order to provide the necessary confidentiality, integrity and availability. Tests shall, at a minimum, cover each of the service components. Test procedures shall include 3rd party Penetration Tests (pen test) or code analysis and review.

2.3.7.4. Prior to the System being moved into production, the Contractor shall provide results of all security testing to the Department of Information Technology for Review and Acceptance. All Software and hardware shall be free of malicious code (malware).

2.3.8. Penetration Testing

2.3.8.1. Implement a methodology for penetration testing that includes the following:

- 2.3.8.1.1. Is based on industry-accepted penetration testing approaches (for example, NIST SP800-115);
- 2.3.8.1.2. Includes coverage for the entire CDE perimeter and critical systems;
- 2.3.8.1.3. Includes testing from both inside and outside the network;
- 2.3.8.1.4. Includes testing to validate any segmentation and scope-reduction controls;



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- 2.3.8.1.5. Defines application-layer penetration tests to include, at a minimum, the vulnerabilities listed in PCI DSS Compliance: Requirement 6.5;
- 2.3.8.1.6. Defines network-layer penetration tests to include components that support network functions as well as Operating Systems;
- 2.3.8.1.7. Includes Review and consideration of threats and vulnerabilities experienced in the last 12 months; and
- 2.3.8.1.8. Specifies retention of penetration testing results and remediation activities results.
- 2.3.8.2. Perform external penetration testing at least annually and after any significant infrastructure or application upgrade or modification (such as an operating system upgrade, a sub-network added to the environment, or a web server added to the environment).
- 2.3.8.3. Perform internal penetration testing at least annually and after any significant infrastructure or application upgrade or modification (such as an operating system upgrade a sub-network added to the environment, or a web server added to the environment).
- 2.3.8.4. Exploitable vulnerabilities found during penetration testing are corrected and testing is repeated to verify the corrections
- 2.3.8.5. If segmentation is used to isolate the CDE from other networks, perform penetration tests at least annually and after any changes to segmentation controls/methods to verify that the segmentation methods are Operational and effective, and isolate all out-of-scope systems from in-scope systems.

3. TRANSITION PROJECT MANAGEMENT

3.1. Transition Work Plan

In the event that the State must transition operations to a new service provider, a Transition Phase will be required to establish the State as a new customer and implement the Technology Solution and operational procedures, upon Department approval. Contractor shall submit a preliminary Work Plan in their Proposals. The Work Plan shall include, without limitation, a detailed description of the Schedule, tasks, Deliverables, major milestones, task dependencies, and payment schedule. A final Work Plan may be incorporated into the resultant contract, at the State's discretion, prior to Governor and Executive Council approval, or at minimum, may be due five (5) business days after Contract award upon approval by Governor and Executive Council.

The Contractor shall update the Work Plan as necessary but no less than every two weeks to accurately reflect the status of the Project, including without limitation, the Schedule, tasks, Deliverables, major milestones, task dependencies, and payment schedule. Any updates to the Work Plan shall require the written approval of the State prior to final incorporation into the Contract.



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Unless otherwise agreed in writing by the State, changes to the Work Plan shall not relieve the Contractor from liability to the State for any damages resulting from the Contractor's failure to perform its obligations under the Contract, including without limitation, performance in accordance with the Schedule.

In the event of a delay in the Schedule, the Contractor must immediately notify the State in writing. The written notification shall identify the nature of the delay, i.e., specific actions or inactions of the Contractor or State causing the problem; its estimated duration period to reconciliation; specific actions that need to be taken to correct the problem; and the expected Schedule affect the Project.

In the event the Contractor requires additional time to correct Deficiencies, the Schedule shall not change unless previously agreed in writing by the State, except that the Schedule shall automatically extend on a day-to-day basis to the extent that the delay does not result from Contractor's failure to fulfill its obligations under the Contract. To the extent that the State's execution of its major tasks takes longer than described in the Work Plan, the Schedule shall automatically extend on a day-to-day basis, as applicable.

Notwithstanding anything to the contrary, the State shall have the option to terminate the Contract for default, at its discretion, if it is dissatisfied with the Contractor's Work Plan or elements within the Work Plan.

3.2. Transition Meetings and Reports

During the Transition Phase, if applicable, the Contractor shall conduct several required meetings to facilitate communications.

Kickoff Meeting: Participants will include the State and Contractor Project Team and major stakeholders. This meeting is to establish a sound foundation for activities that will follow.

Status Meetings: Participants will include, at the minimum, the Contractor Project Manager and the State Project Manager. These meetings will be conducted at least bi-weekly and address overall Project status and any additional topics needed to remain on schedule and within budget.

Status Reports: A status and issue report from the Contractor shall serve as the basis for discussion. The Work Plan must be reviewed at each status meeting and updated, at minimum, on a bi-weekly basis, in accordance with the Contract.

4. GENERAL TERMS

4.1. Licenses

If a license is included as a component of the Technology Solution, the Contractor must include a copy of the software license in the Proposal for the State's consideration.

4.1.1. Title

The Contractor must hold the right to allow the State to use the software or hold all title, right, and interest (including all ownership and intellectual property rights) in the software and its associated documentation, as applicable.

4.2. Warranty

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4.2.1. System

The Contractor shall warrant that the Technology Solution must operate to conform to the specifications, terms, and requirements of the Contract.

4.2.2. Non-Infringement

The Contractor shall warrant that it has good title to, or the right to allow the State to use all Services, equipment, and software provided under this Contract, and that such services, equipment, and software ("Material") do not violate or infringe any patent, trademark, copyright, trade name or other intellectual property rights or misappropriate a trade secret of any third party.

4.2.3. Viruses, Destructive Programming

The Contractor shall warrant that the software will not contain any viruses, destructive programming, or mechanisms designed to disrupt the performance of the software.

4.2.4. Compatibility

The Contractor shall warrant that all System components, including any replacement or upgraded System software components provided by the Vendor to correct deficiencies or as an enhancement, shall operate with the rest of the System without loss of any functionality.

4.2.5. Professional Services

The Contractor shall warrant that all services provided under the Contract will be provided in a professional manner in accordance with industry standards and that services will comply with performance standards.

4.2.6. Warranty Period

The warranty period shall extend for the duration of the Contract and any extensions, with the exception of the warranty for non-infringement, which shall extend indefinitely.

4.3. State-Owned Documents and Data

The Contractor shall provide the State access to all documents, State data, materials, reports, and other work in progress relating to the Contract ("State Owned Documents"). Upon expiration or termination of the Contract with the State, Contractor shall turn over all State-owned documents, State data, material, reports, and work in progress relating to this Contract to the State at no additional cost to the State. State-Owned Documents must be provided in their original format.

4.4. Intellectual Property

Upon successful completion and/or termination of the implementation of the Project, the Contractor shall own and hold all title, rights and interest in any software modifications (Custom Code) developed in connection with performance of obligations under the Contract, or modifications to the Contractor provided software, and their associated documentation, including any and all performance enhancing operational plans and the Contractor special utilities. The Contractor shall license back to the State the right to produce, publish, or otherwise use such software, source code, object code, modifications, reports, and documentation developed under the Contract.



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In no event shall the Contractor be precluded from developing, for itself or for others, materials that are competitive with or similar to custom software or modifications developed in connection with performance of obligations under the Contract. In addition, the Contractor shall be free to use its general knowledge, skills, experience, and any other ideas, concepts, know-how, and techniques that are acquired or used in the course of its performance under this Contract.

4.5. Contingency Plan/Disaster Recovery Plan

It is critical to the smooth operation of the NH SDU that downtime be minimized. The Contractor must present a written disaster recovery plan. The disaster recovery plan must include a sample test scenario.

- 4.5.1. Current versions of any software associated with NH SDU operations must be running at all times.
- 4.5.2. A daily backup file of the NH SDU database must be stored at a secure site away from the NH SDU and specifically designed for this type of secure record storage. This site must be accessible to the State. The backup cycle must be a month in length.
- 4.5.3. Contractor must identify a "hot site" for payment processing in case of a disaster at the NH SDU location. Payment processing at the "hot site" must be described in detail.
- 4.5.4. The Contractor must conduct a disaster recovery exercise annually.
- 4.5.5. Payment processing must not be interrupted for more than 72 hours following any disaster.

4.6. End of Contract Transition Plan

As noted previously, the Contract will be for ten (10) years, and may be extended for up to an additional five (5) years, contingent upon satisfactory performance by the Contractor, supporting funding, and Governor and Executive Council approval. The Contractor must explain how it plans to handle the transition to a new vendor.

- 4.6.1. The State will inform the Contractor thirty (30) calendar days in advance of the routine termination of the Contract. The Contractor agrees to participate in an orderly transition.
- 4.6.2. All data in the SDU Database is the property of the State of New Hampshire. The Contractor will transfer to the State all data contained in the SDU database and all records related to functions performed and payments processed during the term of their Contract. The current Contractor will supply the State with the images of all financial instruments received and processed during the term of their Contract. The State will make this information available to the new Contractor.
- 4.6.3. If a contract extension for up to six months is needed to affect an orderly transition, the Contractor must agree to do so. The terms and conditions of the Contract then in place shall prevail during this extension period, as applicable.
- 4.6.4. The new Contractor will have no responsibility for any unidentified payments posted by the previous contractor.

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- 4.6.5. The SDU Contractor shall supply the following items to the State, except where the NH SDU Contractor does not have the right to transfer such items to a third party:
 - 4.6.5.1. The NH SDU database, including the structure, all data models, data dictionaries, drawings, graphic representations, specifications and file formats within the NH SDU System, including all hardware and software required to operate the NH SDU System.
 - 4.6.5.2. NH SDU network configuration diagrams, maintenance logs, and security provisions.
- 4.6.6. Below we describe those end-of-contract transfer provisions that are required regardless of which course of action is chosen by the State.
 - 4.6.6.1. In those instances where the Contractor does not have the right to transfer hardware or software to the State, the Contractor shall provide the State with the name and version of the software necessary to make the Contractor's technical solution fully functional.
 - 4.6.6.2. The Contractor shall supply to the State, on the next day following termination of services under this Contract, all data and information stored in the SDU database and in all other Contractor databases and information systems (including backup copies in any medium located at the SDU site and in off-site storage). The format and medium in which the data and information are supplied shall be specified by the State.

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EXHIBIT C**

Payment Terms

1. This Agreement is funded by:
 - 1.1. 66%, Administration for Children and Families Child Support Enforcement, as awarded June 30, 2021, by the U.S. Department of Health and Human Services, Administration for Children Youth and Families, Child Support Enforcement, CFDA: 93.563 FAIN: 2101NHCSSES.
 - 1.2. 34% General funds.
2. For the purposes of this Agreement:
 - 2.1. The Department has identified the Contractor as a Contractor, in accordance with 2 CFR 200.331.
 - 2.2. The Department has identified this Agreement as NON-R&D, in accordance with 2 CFR §200.332.
3. Payments shall be processed as follows:
 - 3.1. The Contractor shall invoice the Department on a monthly basis for services provided in accordance with Exhibit B, Scope of Services at the rates specified in Exhibit C-1, Price Schedule.
 - 3.2. The Contractor shall submit an invoice in a form satisfactory to the Department by the fifteenth (15th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
 - 3.3. The Contractor shall ensure invoices include information identified in Exhibit C-1, Price Schedule, which includes amounts directly charged to cardholders.
 - 3.4. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to dhhs.bcassaccounting@dhhs.nh.gov, or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
4. The Department shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.

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5. The final invoice shall be due to the Department no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
6. The Contractor must provide the services in Exhibit B, Scope of Services, in compliance with funding requirements.
7. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
8. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
9. Notwithstanding Paragraph 17 of the General Provisions Form P-37, changes limited to adjusting amounts within the price limitation and adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
10. Audits
 - 10.1. The Contractor must email an annual audit to melissa.s.morin@dhhs.nh.gov if any of the following conditions exist:
 - 10.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
 - 10.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 10.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 10.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.

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- 10.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
- 10.4. Any Contractor that receives an amount equal to or greater than \$250,000 from the Department during a single fiscal year, regardless of the funding source, may be required, at a minimum, to submit annual financial audits performed by an independent CPA if the Department's risk assessment determination indicates the Contractor is high-risk.
- 10.5. In addition to, and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Contract to which exception has been taken, or which have been disallowed because of such an exception.
11. The Department may withhold ten percent (10%) of a monthly payment for services performed under the contract if, in the sole judgment of the Department, the Contractor is non-compliant with the terms and conditions of the contract and/or the Scope of Work, including but not limited to:
 - 11.1. Quality of SDU and EFT services;
 - 11.2. Quantity of SDU and EFT services;
 - 11.3. Accuracy of service delivery and transaction processing;
 - 11.4. Timeliness of service delivery and transaction processing; and
 - 11.5. Security requirements.
 - 11.6. The Department shall provide the Contractor with a written list of specific services, transactions or conditions requiring correction or remediation.
 - 11.7. Payments withheld by the Department shall be released upon determination by the Department that the conditions causing noncompliance have been corrected and remedied to the satisfaction of the Department.
12. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit B, Scope of Services.
13. A final payment request shall be submitted no later than forty (40) days after the end of the contract. Failure to submit the Financial Report, and accompanying documentation, could result in non-payment.
14. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this Contract may be withheld, in whole or in part, in the event of noncompliance with any State or Federal law, rule, or regulation applicable to the services provided, or if the said services have not been completed in accordance with the terms and conditions of this Agreement.

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EXHIBIT C**

15. Liquidated Damages

15.1. The Department and the Contractor agree that:

- 15.1.1. It will be extremely impracticable and difficult to determine actual damages that the Department will sustain in the event that the Contractor breaches this agreement by failing to comply with the performance standards in Exhibit A, Scope of Services, Performance Standards.
- 15.1.2. Any breach by the Contractor will delay and disrupt the Department's operations and impact its ability to meet its obligations and lead to significant damages of an uncertain amount as well as reduction of services;
- 15.1.3. The Contractor's failure to comply with the Performance Standards in Exhibit A shall result in the assessment of liquidated damages as specified in this Exhibit C.
- 15.1.4. The liquidated damages as specified in this Exhibit B are reasonable and fair and not intended as a penalty; and
- 15.1.5. Assessment and recovery of liquidated damages by the Department shall be in addition to, and not exclusive of, any other remedies, including actual damages, as may be available to the Department for breach of contract, both at law and in equity, and shall not preclude the Department from recovering damages related to other acts or omissions by the Contractor under this Agreement. Imposition of liquidated damages shall not limit the right of the Department to terminate the Contract for default as provided in Paragraph 8 of the General Provisions (P-37). Any recovery of actual damages by the Department will be reduced by the amount of liquidated damages received for the same events causing the actual damages.
- 15.1.6. If the failure to perform by the Contractor is not resolved within the cure period identified by the Department, liquidated damages may be imposed retroactively to the date of failure to perform and will continue until the failure is cured or any resulting dispute is resolved in the Contractor's favor.
- 15.1.7. The Contractor's dispute of liquidated damages or remedies shall not stay the effective date of the proposed liquidated damages or remedies.

15.2. Notification: The Department shall make all assessments of liquidated damages.

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- 15.2.1. Prior to the imposition of liquidated damages, as described therein, the Department shall issue a written notice of remedies that will include, as applicable, the following:
 - 15.2.1.1. A citation of the contract provision violated;
 - 15.2.1.2. The remedies to be applied, and the date the remedies shall be imposed (cure period);
 - 15.2.1.3. The basis for the Department's determination that the remedies shall be imposed;
 - 15.2.1.4. A request for a Corrective Action Plan from the Contractor; and
 - 15.2.1.5. The timeframe and procedure for the Contractor to dispute the Department's determination.
- 15.3. Corrective Action Plan: The Contractor shall submit a written Corrective Action Plan to the Department within five (5) business days of receiving notification as specified in subsection Notification, for Department review. The Corrective Action Plan shall be subject to Department approval prior to its implementation.
- 15.4. Liquidated Damages Amount
 - 15.4.1. Liquidated damages, if assessed, shall be in the amount of \$1,000 per day Contractor fails to meet the Performance Standard(s) identified in Exhibit A, Section 16 – Performance Measures, not-to-exceed \$15,000 per month.
 - 15.4.2. Liquidated damages, if assessed, shall apply until the Contractor cures the failure cited in the Notification described in Subsection 15.2 above, or until the resulting dispute is resolved in the Contractor's favor.
- 15.5. Assessment
 - 15.5.1. The Department shall be entitled to assess and recover liquidated damages cumulatively under each section applicable to any given incident. Assessment and recovery of liquidated damages by the Department shall be in addition to, and not exclusive of, any other remedies, including actual damages, as may be available to the Department for breach of contract, both at law and in equity, and shall not preclude the Department from recovering damages related to other acts or omissions by the Contractor under this Agreement. Imposition of liquidated damages shall not limit the right of the Department to terminate the Contract for default as provided in Paragraph X of the General Provisions (P-37).

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EXHIBIT C

15.6. Damages to Department for Violation of Federal Law

15.6.1. The Contractor shall be liable to the Department for any losses incurred by the Department which arise out of the failure of Contractor staff to meet the Performance Measures identified in Exhibit B – Section 16.

15.7. Excused Events

15.7.1. Service level failures (and the assessment of liquidated damages) will be excused in the following circumstances: (i) when force majeure events occur; or (ii) when a failure is due to the acts or omissions of the Department or third parties outside of Contractor's reasonable control.



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Exhibit C-1, Price Schedule

PRICE PER ITEM (FROM JANUARY 1, 2022 THROUGH JUNE 30, 2026)

| Deliverable | | Qty. | 1/1/22 - 6/30/22 | 7/1/22 - 6/30/23 | 7/1/23 - 6/30/24 | 7/1/24 - 6/30/25 | 7/1/25 - 6/30/26 |
|-------------|---|-------------|------------------|------------------|------------------|------------------|------------------|
| 1. | Remittance Processing Services | | | | | | |
| | a. EFT payments | | | | | | |
| | i. Regular | Each | \$0.490 | \$0.497 | \$0.504 | \$0.512 | \$0.522 |
| | ii. Research | Each | \$0.490 | \$0.497 | \$0.504 | \$0.512 | \$0.522 |
| | iii. Suspense | Each | \$1.000 | \$1.015 | \$1.030 | \$1.045 | \$1.066 |
| | b. Coupon Payments | | | | | | |
| | i. All | Each | \$0.563 | \$0.571 | \$0.580 | \$0.589 | \$0.601 |
| | c. Data-Entered Payments | | | | | | |
| | i. Other than research and suspense | Each | \$0.800 | \$0.812 | \$0.824 | \$0.836 | \$0.853 |
| | ii. Research | Each | \$0.490 | \$0.497 | \$0.504 | \$0.512 | \$0.522 |
| | iii. Suspense | Each | \$1.000 | \$1.015 | \$1.030 | \$1.045 | \$1.066 |
| 2. | Disbursement Processing Services | | | | | | |
| | a. Check Writing | Each | \$0.098 | \$0.099 | \$0.100 | \$0.102 | \$0.104 |
| | b. Provision for Deliveries (Check Pulls) | Each | \$24.840 | \$25.213 | \$25.591 | \$25.975 | \$26.495 |
| 3. | Banking Service | | | | | | |
| | a. Monthly Cost | Actual Cost | Pass through | Pass through | Pass through | Pass through | Pass through |

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Exhibit C-1, Price Schedule

| Deliverable | | Qty. | 1/1/22 - 6/30/22 | 7/1/22 - 6/30/23 | 7/1/23 - 6/30/24 | 7/1/24 - 6/30/25 | 7/1/25 - 6/30/26 |
|-------------|--|--------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| b. | NSF Tracking | Each | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| c. | NSF Check Handling | Each | \$2.875 | \$2.918 | \$2.962 | \$3.006 | \$3.066 |
| 4. | Printing and Mailing Services | | | | | | |
| a. | Monthly Obligor Coupons | Each | \$0.400 | \$0.406 | \$0.412 | \$0.418 | \$0.426 |
| b. | Labels | Each | \$0.137 | \$0.139 | \$0.141 | \$0.143 | \$0.146 |
| c. | Weekly Employer Coupons | Each | \$0.400 | \$0.406 | \$0.412 | \$0.418 | \$0.426 |
| 5. | Other Costs and Services | | | | | | |
| a. | Provision for Daily Reporting | Per report | \$17.260 | \$17.519 | \$17.782 | \$18.049 | \$18.410 |
| b. | Provision for Post Office Box Rental | Actual cost | Pass through | Pass through | Pass through | Pass through | Pass through |
| c. | Employer Terminations | Each | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| d. | Imaging | Per image | \$0.070 | \$0.071 | \$0.072 | \$0.073 | \$0.074 |
| e. | Imaging (EFT) | Per image | \$0.070 | \$0.071 | \$0.072 | \$0.073 | \$0.074 |
| f. | Provision for Deliveries (non-processable) | Per delivery | \$24.840 | \$25.213 | \$25.591 | \$25.975 | \$26.495 |
| 6. | Debit Card - Costs to BCSS | | | | | | |
| a. | Deposit Notification | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| b. | ATM Withdrawal Fee | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| c. | Cash Withdrawal @Teller | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| d. | Cash-back with Purchase | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| e. | ATM Cash Withdrawal International | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| f. | ATM Balance Inquiry | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| g. | ATM Denial | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| h. | Teller Withdrawal | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 ^{DS} |



New Hampshire Department of Health and Human Services
State Disbursement Unit (SDU) Services

Exhibit C-1, Price Schedule

| Deliverable | | Qty. | 1/1/22 - 6/30/22 | 7/1/22 - 6/30/23 | 7/1/23 - 6/30/24 | 7/1/24 - 6/30/25 | 7/1/25 - 6/30/26 |
|-------------|--|---|--|--|--|--|--|
| i. | POS Signature Transaction | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| j. | POS PIN Based Transaction | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| k. | Card Replacement | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| l. | Expedited Card Replacement | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| m. | Interactive Voice Response | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| n. | Renewal Card Issuance | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| o. | Monthly Statement | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| p. | Overdraft Fee | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| q. | Web Account | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| r. | 90 Days Funds Returned to State if card not delivered or card is not activated | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 7. | Debit Card - Costs to Cardholder | | | | | | |
| a. | Deposit Notification | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| b. | ATM Withdrawal Fee | Each out of Network withdrawal. Unlimited free withdrawals at Citizens Bank and Allpoint ATM's. | \$1.75 | \$1.75 | \$1.75 | \$1.75 | \$1.75 |
| c. | Cash Withdrawal @Teller | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| d. | Cash-back with Purchase | Each | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 |
| e. | ATM Cash Withdrawal International | Each | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction |
| f. | ATM Balance Inquiry | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

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**New Hampshire Department of Health and Human Services
State Disbursement Unit (SDU) Services**

Exhibit C-1, Price Schedule

| Deliverable | | Qty. | 1/1/22 - 6/30/22 | 7/1/22 - 6/30/23 | 7/1/23 - 6/30/24 | 7/1/24 - 6/30/25 | 7/1/25 - 6/30/26 |
|-------------|--|---|------------------|------------------|------------------|------------------|------------------|
| g. | ATM Denial | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| h. | Teller Withdrawal | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| i. | POS Signature Transaction | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| j. | POS PIN Based Transaction | Each | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 |
| k. | Card Replacement | Per item after one free card replacement each 12-month period | \$5.00 | \$5.00 | \$5.00 | \$5.00 | \$5.00 |
| l. | Expedited Card Replacement | Each | \$15.00 | \$15.00 | \$15.00 | \$15.00 | \$15.00 |
| m. | Interactive Voice Response | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| n. | Renewal Card Issuance | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| o. | Monthly Statement | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| p. | Overdraft Fee | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| q. | Web Account | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| r. | 90 Days Funds Returned to State if card not delivered or card is not activated | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 8. | SSAE 18 | Per Audit | \$125,000.00 | \$100,000.00 | \$90,000.00 | \$75,000.00 | \$76,500.00 |
| 9. | Other Costs (please specify) | | | | | | |
| | Tier 3 Data Center Services | Per Month | \$14,500.00 | \$14,717.50 | \$14,938.26 | \$15,162.34 | \$15,465.58 |
| | Postage (pass through of actual cost) | Actual cost | Pass through | Pass through | Pass through | Pass through | Pass through |
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New Hampshire Department of Health and Human Services
 State Disbursement Unit (SDU) Services



Exhibit C-1, Price Schedule

PRICE PER ITEM (FROM JULY 1, 2026 THROUGH DECEMBER 31, 2031)

| Deliverable | | Qty. | 7/1/26 – 6/30/27 | 7/1/27 – 6/30/28 | 7/1/28 – 6/30/29 | 7/1/29 – 6/30/30 | 7/1/30 – 6/30/31 | 7/1/31 – 12/31/31 |
|-------------|---|-------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| 1. | Remittance Processing Services | | | | | | | |
| | a. EFT payments | | | | | | | |
| | i. Regular | Each | \$0.532 | \$0.543 | \$0.554 | \$0.565 | \$0.58 | \$0.59 |
| | ii. Research | Each | \$0.532 | \$0.543 | \$0.554 | \$0.565 | \$0.58 | \$0.59 |
| | iii. Suspense | Each | \$1.087 | \$1.109 | \$1.131 | \$1.154 | \$1.18 | \$1.20 |
| | b. Coupon Payments | | | | | | | |
| | i. All | Each | \$0.613 | \$0.625 | \$0.638 | \$0.651 | \$0.66 | \$0.68 |
| | c. Data-Entered Payments | | | | | | | |
| | i. Other than research and suspense | Each | \$0.870 | \$0.887 | \$0.905 | \$0.923 | \$0.94 | \$0.96 |
| | ii. Research | Each | \$0.532 | \$0.543 | \$0.554 | \$0.565 | \$0.58 | \$0.59 |
| | iii. Suspense | Each | \$1.087 | \$1.109 | \$1.131 | \$1.154 | \$1.18 | \$1.20 |
| 2. | Disbursement Processing Services | | | | | | | |
| | a. Check Writing | Each | \$0.106 | \$0.108 | \$0.110 | \$0.112 | \$0.11 | \$0.12 |
| | b. Provision for Deliveries (Check Pulls) | Each | \$27.025 | \$27.568 | \$28.117 | \$28.679 | \$29.25 | \$29.84 |
| 3. | Banking Service | | | | | | | |
| | a. Monthly Cost | Actual cost | Pass Through | Pass Through | Pass Through | Pass Through | Pass Through | Pass Through |
| | b. NSF Tracking | Each | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| | c. NSF Check Handling | Each | \$3.127 | \$3.190 | \$3.254 | \$3.319 | \$3.385 | \$3.453 |
| 4. | Printing and Mailing Services | | | | | | | |
| | a. Monthly Obligor Coupons | Each | \$0.435 | \$0.444 | \$0.453 | \$0.462 | \$0.471 | \$0.480 |
| | b. Labels | Each | \$0.149 | \$0.152 | \$0.155 | \$0.158 | \$0.161 | \$0.164 |
| | c. Weekly Employer Coupons | Each | \$0.435 | \$0.444 | \$0.453 | \$0.462 | \$0.471 | \$0.480 |
| 5. | Other Costs and Services | | | | | | | |
| | a. Provision for Daily Reporting | Each | \$18.778 | \$19.154 | \$19.537 | \$19.928 | \$20.327 | \$20.734 |
| | b. Provision for Post Office Box Rental | Actual cost | Pass Through | Pass Through | Pass Through | Pass Through | Pass Through | Pass Through |

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New Hampshire Department of Health and Human Services
 State Disbursement Unit (SDU) Services

Exhibit C-1, Price Schedule

| Deliverable | | Qty. | 7/1/26 – 6/30/27 | 7/1/27 – 6/30/28 | 7/1/28 – 6/30/29 | 7/1/29 - 6/30/30 | 7/1/30 - 6/30/31 | 7/1/31 – 12/31/31 |
|-------------|---|-----------|------------------|------------------|------------------|------------------|------------------|-------------------|
| c. | Employer Terminations | Each | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| d. | Imaging | Per image | \$0.075 | \$0.077 | \$0.079 | \$0.081 | \$0.083 | \$0.085 |
| e. | Imaging (EFT) | Per image | \$0.075 | \$0.077 | \$0.079 | \$0.081 | \$0.083 | \$0.085 |
| f. | Provision for Deliveries (non-processable) | Each | \$27.025 | \$27.566 | \$28.117 | \$28.679 | \$29.253 | \$29.838 |
| 6. | Debit Card - Costs to BCSS | | | | | | | |
| a. | Deposit Notification | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| b. | ATM Withdrawal Fee | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| c. | Cash Withdrawal @Teller | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| d. | Cash-back with Purchase | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| e. | ATM Cash Withdrawal International | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| f. | ATM Balance Inquiry | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| g. | ATM Denial | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| h. | Teller Withdrawal | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| i. | POS Signature Transaction | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| j. | POS PIN Based Transaction | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| k. | Card Replacement | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| l. | Expedited Card Replacement | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| m. | Interactive Voice Response | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| n. | Renewal Card Issuance | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| o. | Monthly Statement | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| p. | Overdraft Fee | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| q. | Web Account | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| r. | 90 Days Funds Returned to State if card not | N/A | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

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**New Hampshire Department of Health and Human Services
State Disbursement Unit (SDU) Services**

Exhibit C-1, Price Schedule

| Delliverable | | Qty. | 7/1/26 – 6/30/27 | 7/1/27 – 6/30/28 | 7/1/28 – 6/30/29 | 7/1/29 - 6/30/30 | 7/1/30 - 6/30/31 | 7/1/31 – 12/31/31 |
|--------------|---|---|--|--|--|--|--|--|
| | delivered or card is not activated | | | | | | | |
| 7. | Debit Card - Costs to Cardholder | | | | | | | |
| a. | Deposit Notification | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| b. | ATM Withdrawal Fee | Each out of Network withdrawal. Unlimited free withdrawals at Citizens Bank and Allpoint ATM's. | \$1.75 | \$1.75 | \$1.75 | \$1.75 | \$1.75 | \$1.75 |
| c. | Cash Withdrawal @Teller | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| d. | Cash-back with Purchase | Each | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 |
| e. | ATM Cash Withdrawal International | Each | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction | \$1.75 + 3% of the amount of the transaction |
| f. | ATM Balance Inquiry | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| g. | ATM Denial | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| h. | Teller Withdrawal | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| i. | POS Signature Transaction | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| j. | POS PIN Based Transaction | Each | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 | \$0.30 |
| k. | Card Replacement | Per item after one free card replacement each 12-month period | \$5.00 | \$5.00 | \$5.00 | \$5.00 | \$5.00 | \$5.00 |
| l. | Expedited Card Replacement | Each | \$15.00 | \$15.00 | \$15.00 | \$15.00 | \$15.00 | \$15.00 |
| m. | Interactive Voice Response | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| n. | Renewal Card Issuance | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| o. | Monthly Statement | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| p. | Overdraft Fee | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| q. | Web Account | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |



New Hampshire Department of Health and Human Services
State Disbursement Unit (SDU) Services

Exhibit C-1, Price Schedule

| Deliverable | | Qty. | 7/1/26 - 6/30/27 | 7/1/27 - 6/30/28 | 7/1/28 - 6/30/29 | 7/1/29 - 6/30/30 | 7/1/30 - 6/30/31 | 7/1/31 - 12/31/31 |
|-------------|--|-------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| r. | 90 Days Funds Returned to State if card not delivered or card is not activated | Each | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 8. | SSAE 18 | Per Audit | \$78,030.00 | \$79,590.60 | \$81,182.41 | \$82,806.06 | \$84,462.18 | \$86,151.43 |
| 9. | Other Costs (please specify) | | | | | | | |
| | Tier 3 Data Center Services | Per Month | \$15,774.90 | \$16,090.39 | \$16,412.20 | \$16,740.45 | \$17,075.26 | \$17,416.76 |
| | Postage (pass through of actual cost) | Actual Cost | Pass through | Pass through | Pass through | Pass through | Pass through | Pass through |
| | | | | | | | | |
| | | | | | | | | |
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New Hampshire Department of Health and Human Services
Exhibit D



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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



New Hampshire Department of Health and Human Services
Exhibit D

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

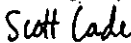
Place of Performance (street address, city, county, state, zip code) (list each location)


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

Vendor Name:

12/27/2021

Date

DocuSigned by:

 Name: Scott Cade
 Title: vice President

Vendor Initials 
 Date 12/27/2021



New Hampshire Department of Health and Human Services
Exhibit E

CERTIFICATION REGARDING LOBBYING

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

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

- Programs (indicate applicable program covered):
- *Temporary Assistance to Needy Families under Title IV-A
 - *Child Support Enforcement Program under Title IV-D
 - *Social Services Block Grant Program under Title XX
 - *Medicaid Program under Title XIX
 - *Community Services Block Grant under Title VI
 - *Child Care Development Block Grant under Title IV

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

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

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

Vendor Name:

12/27/2021

Date

DocuSigned by:

Scott Cade

Name: Scott Cade

Title: Vice President

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SC

Vendor Initials

12/27/2021
Date

New Hampshire Department of Health and Human Services
Exhibit F



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

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
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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New Hampshire Department of Health and Human Services
Exhibit F



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

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

PRIMARY COVERED TRANSACTIONS

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


LOWER TIER COVERED TRANSACTIONS

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

Contractor Name:

12/27/2021

Date

DocuSigned by:

 Name: SCOTT Cade
 Title: Vice President

Contractor Initials

SC

Date 12/27/2021



New Hampshire Department of Health and Human Services
Exhibit G

**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

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



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

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

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

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

Contractor Name:

12/27/2021

Date

DocuSigned by:

Scott Cade

Name: Scott Cade

Title: Vice President

Exhibit G

Contractor Initials

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

New Hampshire Department of Health and Human Services
Exhibit H



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name:

12/27/2021

Date

DocuSigned by:
Scott Cade

Name: SCOTT Cade

Title: Vice President

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Contractor Initials

Date 12/27/2021



New Hampshire Department of Health and Human Services

Exhibit I

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 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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Contractor Initials

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Date 12/27/2021



New Hampshire Department of Health and Human Services

Exhibit I - _____

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

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

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

3/2014

Contractor Initials SC

Date 12/27/2021



New Hampshire Department of Health and Human Services

Exhibit I

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

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

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.

- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:

- o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
- o The unauthorized person used the protected health information or to whom the disclosure was made;
- o Whether the protected health information was actually acquired or viewed
- o The extent to which the risk to the protected health information has been mitigated.

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

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.

- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.

- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (l). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



New Hampshire Department of Health and Human Services

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 Associate

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3/2014

Contractor Initials

Date 12/27/2021



New Hampshire Department of Health and Human Services

Exhibit I

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

(4) Obligations of Covered Entity

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

(5) Termination for Cause

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

(6) Miscellaneous

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

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Contractor Initials _____

Date 12/27/2021



New Hampshire Department of Health and Human Services

Exhibit I _____

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

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

Department of Health and Human Services

Conduent State & Local Solutions, Inc.

The State by:

Name of the Contractor

Karen Hebert

Scott Cade

Signature of Authorized Representative

Signature of Authorized Representative

Karen Hebert

Scott Cade

Name of Authorized Representative
Division Director

Name of Authorized Representative

Vice President

Title of Authorized Representative

Title of Authorized Representative

12/28/2021

12/27/2021

Date

Date

Contractor Initials SC

Date 12/27/2021

New Hampshire Department of Health and Human Services
Exhibit J



**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.

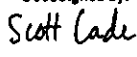
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees 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:

12/27/2021

Date

DocuSigned by:

 Name: Scott Cade
 Title: vice President



New Hampshire Department of Health and Human Services
Exhibit J

FORM A

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

- 1. The DUNS number for your entity is: 08-034-2931
- 2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO YES

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

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

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

NO YES

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

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

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

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

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

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

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

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

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

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

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

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A: Business Use and Disclosure of Confidential Information.

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

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

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

II. METHODS OF SECURE TRANSMISSION OF DATA

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

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

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

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

A. Retention

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

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

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

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

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

Contractor Initials [Signature]

Date 12/27/2021

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

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

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

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

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

V. LOSS REPORTING

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

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

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

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

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

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov