

TV 89



Virginia M. Barry, Ph.D.  
Commissioner of Education  
Tel. 603-271-3144

Paul K. Leather  
Deputy Commissioner of Education  
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STATE OF NEW HAMPSHIRE  
DEPARTMENT OF EDUCATION  
101 Pleasant Street  
Concord, N.H. 03301  
FAX 603-271-1953  
Citizens Services Line 1-800-339-9900

April 7, 2014

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

REQUESTED ACTION

Authorize the Department of Education to amend a contract (#1018640), with Northeast Deaf and Hard of Hearing Services, Concord, New Hampshire (vendor code 159021), by extending the contract end date by six months from June 30, 2014 to December 31, 2014, with no additional funding, effective upon Governor and Council approval. Original contract approved by Governor and Council on June 6, 2012, (Item #127) in an amount not to exceed \$400,000.00. 100% Federal Funds.

EXPLANATION

The Department of Education would like to amend this contract with Northeast Deaf and Hard of Hearing Services to extend the end date of the contract from June 30, 2014 to December 31, 2014. The Project Director for the New Hampshire Deaf Initiative Project, resigned in October 2013; a new Project Director was hired in March 2014 to move the project forward with the coordination of the New Hampshire Deaf Initiative Project to provide technical assistance and training to local and state education administrators with information and federal statutes, policy guidance, and promising practices from the field of deaf education.

The goal of this contract is to provide the coordination of the New Hampshire Deaf Initiative Project in providing technical assistance and training to local and state education administrators with information and federal statutes, policy guidance, and promising practices from the field of deaf education. The services to be provided include, but are not limited to:

- The coordination and implementation of a Technical Assistance Initiative for the Educational Supports of Students who are Deaf and Hard of Hearing to provide technical assistance and training to schools and families with information about federal statutes, policy guidance, and promising practices from the field of deaf education;

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council

April 7, 2014

Page Two

- The dissemination of resources and information regarding the New Hampshire Educational Service Guidelines: Meeting the Needs of Students who are Deaf and Hard of Hearing;
- The coordination of resources and information to schools and families for students who are deaf and hard of hearing;
- Design and distribute a statewide survey in order to coordinate statewide professional development activities to improve the educational outcomes specific to the education for students who are deaf and hard of hearing; and
- The coordination, dissemination, and maintenance of the State's instructional materials and resources for the education of students who are deaf and hard of hearing.

This project will be evaluated by the Department of Education through the monitoring of the Monthly Summary Reports provided by the contractor. In addition, the vendor will submit an End of Year report to the Department.

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

Respectfully submitted,



Virginia M. Barry, Ph.D.  
Commissioner of Education

VMB:BJR  
Attachments

**AMENDMENT TO PROFESSIONAL SERVICES CONTRACT**

Now come the New Hampshire Department of Education, Division of Educational Improvement, Bureau of Special Education, hereinafter "the Agency" and **Northeast Deaf and Hard of Hearing Services**, hereinafter "the Contractor" and, pursuant to an agreement between the parties approved by Governor and Council on **June 12, 2012**, hereby agree to modify same as follows:

- 1. **The ending date of this contract shall be changed from June 30, 2014 to December 31, 2014.**
- 2. **All other provisions of the contract remain in effect.**
- 3. **The modification shall commence on July 1, 2014 or upon Governor and Council approval, whichever is later, of the modification and terminate on December 30, 2014.**

This modification of an existing agreement is hereby incorporated by reference to the existing agreement by the parties and must be attached to the said agreement.

IN WITNESS WHEREOF, the parties, hereto have set their hands as of the day and year first written above.

THE STATE OF NEW HAMPSHIRE  
Department of Education

Division of Educational Improvement  
Bureau of Special Education

By: *Sentena Thibodeau*

By: *Virginia D. Barry*  
Commissioner of Education

By: *Susan Wolf-Downes, Executive Director*

Susan Wolf-Downes, Executive Director  
Northeast Deaf and Hard of Hearing Services

STATE OF NEW HAMPSHIRE

County of Merrimack

On this the 27<sup>th</sup> day of MARCH, 2014 before me, Vincent W. Younger, the undersigned officer, personally appeared Susan Wolf-Downes who acknowledged himself to be the Executive Director of Northeast Deaf & Hard of Hearing Services corporation, and that ~~he~~ she, as such was, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by ~~himself~~ herself as Executive Director.

In witness whereof I hereto set my hand and official seal.

*Vincent W. Younger*  
Notary Public/Justice of the Peace Comm Exp 12/20/2015

Approved as to form, substance and execution by Attorney General this 27<sup>th</sup> day of April, 2014.

By: *Patrick J. Queenan*

# State of New Hampshire Department of State

## CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that NORTHEAST DEAF AND HARD OF HEARING SERVICES, INC. is a New Hampshire nonprofit corporation formed April 28, 2000. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 25<sup>th</sup> day of March A.D. 2014

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

William M. Gardner  
Secretary of State



57 Regional Drive, Concord, NH 03301  
603-224-1850 Voice, 603-224-0691 TTY, 603-856-0242 Fax

**No cost extension to December 31, 2014**

FY2014

**Principal Staff Salaries for Technical Assistance for the Educational Support of Students who are Deaf or Hard of Hearing grant:**

**Total of Personnel staff: \$97,414 - \$99,005**

Robert DiGregorio, Project Coordinator / Technical Assistance for the Educational Support of Students who are Deaf or Hard of Hearing \$49,500.00 ending December, 2014.

Susan Wolf-Downes, Executive Director - \$7561.

Carol Otis, Bookkeeper - \$6249.

Paul Baravella, Clerical Support \$4,763.

*Principal Staff Working for the Professional Development Partnership grant:*

*Robert DiGregorio*

*Paul Baravella*

*Carol Otis*

*Susan Wolf-Downes*

	Name/Occupation	Title/Committees	Term Ends	Address	Contact Info
1	Norman E. Lafond Sr. Deaf	Vice Chair Executive Committee	Jul-12	[Redacted]	H/F: VP E: E:
2	Michael Ritter Deaf	Chairman Executive Committee	Oct-12	[Redacted]	VP W: E: E:
3	Peter Simoneau Hearing	Secretary Executive Committee	Jan-13	[Redacted]	H: E: E:
4	Vincent Youmatz Hearing	Treasurer Executive Committee	Oct-12	[Redacted]	F: W: E: E: E: E:
5	Eileen Flockhart Hearing	Board Member Auction Chairperson	Jul-14	[Redacted]	H: W: E: E:
6	Leanne Weiner Deaf	Board Member	Jan-12	[Redacted]	VP VP E: E:
7	Jeanne Stenés Deaf	Board Member		[Redacted]	VP: E: E: E: E:
8	Lisa Gosselin Hearing	Board Member		[Redacted]	V: W: E: E:
9	Open	Board Member			H: W: E: E:
10	Steven Ballou	Board Member	Jan-15	[Redacted]	H: W: E: E:
11	Open	Board Member	Jan-15		H: W: E: E:

TT= TTY

V= Voice

F= Fax

E= Email

M= Deaf, Hard of Hearing or Hearing

T= Title

C= Cell Phone

VP= Video Phone

**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)  
4/16/2014

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

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

<b>PRODUCER</b> Davis Towle Morrill & Everett 115 Airport Road P O Box 1260 Concord, NH 03302-1260	<b>CONTACT NAME:</b> Sherri Cole <b>PHONE (A/C, No, Ext):</b> 603 225-6611 <b>E-MAIL ADDRESS:</b> scole@davistowle.com	<b>FAX (A/C, No):</b> 603-225-7935
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> Northeast Deaf and Hard of Hearing Services, Inc. 57 Regional Drive, Suite 4 Concord, NH 03301-8518	<b>INSURER A:</b> Maine Mutual Group Insurance Co	
	<b>INSURER B:</b> Travelers Indemnity Co.	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			[REDACTED]	04/23/2014	04/23/2015	EACH OCCURRENCE \$1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$250,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$5,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						GENERAL AGGREGATE \$2,000,000
	AUTOMOBILE LIABILITY						PRODUCTS - COMP/OP AGG \$2,000,000
	<input type="checkbox"/> ANY AUTO						\$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS					BODILY INJURY (Per person) \$
							BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			[REDACTED]	04/23/2014	04/23/2015	EACH OCCURRENCE \$1,000,000
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$1,000,000
	<input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10000						\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			[REDACTED]	04/14/2014	04/14/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	N/A				E.L. EACH ACCIDENT \$500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$500,000
							E.L. DISEASE - POLICY LIMIT \$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
**Workers Comp State - NH**

<b>CERTIFICATE HOLDER</b> Department of Education 101 Pleasant St Concord, NH 03301	<b>CANCELLATION</b> 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 

**NORTHEAST DEAF AND HARD OF  
HEARING SERVICES, INC.**

Financial Statements  
June 30, 2012 and 2011

**NORTHEAST DEAF AND HARD OF HEARING SERVICES, INC.**

Financial Statements  
June 30, 2012 and 2011

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# McLarney & Company, LLC

*Certified Public Accountants & Business Advisors*

Brian F. McLarney, MBA, CPA/PFS  
James O. Nash, MSA, CPA

Robert F. Siggins, MST, CPA  
Shawn R. Tewksbury, CPA, CFP

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Northeast Deaf and Hard of Hearing Services, Inc.  
57 Regional Drive  
Concord, New Hampshire 03301

We have audited the accompanying statement of financial position of Northeast Deaf and Hard of Hearing Services, Inc. (a nonprofit organization) as of June 30, 2012 and 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northeast Deaf and Hard of Hearing Services, Inc. as of June 30, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2012, on our consideration of Northeast Deaf and Hard of Hearing Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*McLarney & Company, LLC*

McLarney & Company, LLC  
October 5, 2012

**Northeast Deaf and Hard of Hearing Services**  
**Statements of Financial Position**  
**For the Years Ended June 30, 2012 and 2011**

**ASSETS**

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>2012 Total</b>	<b>2011 Total</b>
<b>Current Assets</b>					
Cash (Note 2, 5)	\$ 69,909	\$ -	\$ -	\$ 69,909	\$ 40,075
Accounts Receivable (Note 2)	25,580	-	-	25,580	26,375
Grants Receivable - Current (Note 3, 5)	27,156	-	-	27,156	59,705
Prepaid Expenses	3,396	-	-	3,396	3,232
<b>Total Current Assets</b>	<u>126,040</u>	<u>-</u>	<u>-</u>	<u>126,040</u>	<u>129,387</u>
<b>Fixed Assets (Note 1)</b>					
Furniture and Fixtures	6,978	-	-	6,978	6,978
Office Equipment, Computers	43,652	-	-	43,652	47,652
Accumulated Depreciation	(44,345)	-	-	(44,345)	(40,798)
<b>Total Fixed Assets, Net</b>	<u>6,284</u>	<u>-</u>	<u>-</u>	<u>6,284</u>	<u>13,832</u>
<b>TOTAL ASSETS</b>	<u>\$ 132,324</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 132,324</u>	<u>\$ 143,219</u>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>					
Accounts Payable	\$ 9,519	\$ -	\$ -	\$ 9,519	\$ 21,489
Accrued Expenses	1,375	-	-	1,375	7,460
Payroll Tax Payable	-	-	-	-	1,958
<b>Total Current Liabilities</b>	<u>10,895</u>	<u>-</u>	<u>-</u>	<u>10,895</u>	<u>30,907</u>
<b>Net Assets</b>					
Net Assets (Note 2, 5)	<u>121,430</u>	<u>-</u>	<u>-</u>	<u>121,430</u>	<u>112,312</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 132,324</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 132,324</u>	<u>\$ 143,219</u>

**Northeast Deaf and Hard of Hearing Services**  
**Statements of Activities**  
**For the Years Ended June 30, 2012 and 2011**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2012 Total</u>	<u>2011 Total</u>
<b>Revenue and Support (Note 2, 9)</b>					
Foundation Grants	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ 36,287
Government Grants	329,291	-	-	329,291	335,997
Contributions	35,072	-	-	35,072	27,441
Program Revenue	221,279	-	-	221,279	182,290
Referral Fees	56,836	-	-	56,836	49,748
Interest Income	29	-	-	29	17
<b>TOTAL REVENUE AND SUPPORT</b>	<u>652,508</u>	<u>-</u>	<u>-</u>	<u>652,508</u>	<u>631,781</u>
<b>Functional Expenses</b>					
<b>Program Services</b>					
Adult Education	178,434	-	-	178,434	153,612
Outreach	35,935	-	-	35,935	11,778
Referral Services	294,532	-	-	294,532	346,871
TTY - Relay	73,292	-	-	73,292	51,863
<b>Supporting Services</b>					
General & Administrative	55,898	-	-	55,898	52,714
Fund Raising	5,299	-	-	5,299	5,441
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u>643,390</u>	<u>-</u>	<u>-</u>	<u>643,390</u>	<u>622,279</u>
<b>CHANGE IN NET ASSETS (Note 9)</b>	9,118	-	-	9,118	9,503
Net Assets - Beginning of Year	<u>112,312</u>	<u>-</u>	<u>-</u>	<u>112,312</u>	<u>102,810</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 121,430</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 121,430</u>	<u>\$ 112,312</u>

**Northeast Deaf and Hard of Hearing Services**  
**Statements of Functional Expenses**  
**For the Years Ended June 30, 2012 and 2011**

	<b>PROGRAM SERVICES</b>							<b>2012</b>		<b>2011</b>	
	Education	Outreach	Referral Services	TTY - Relay	Program Services	General & Administrative	Fund Raising	Total Expenses	Total Expenses		
Advertising	\$ 375	\$ -	\$ 278	\$ -	\$ 653	\$ 3	\$ -	\$ 656	\$ 346		
Contributions	-	-	-	-	-	-	-	-	25		
Program Expenses	3,071	3,464	48,328	83	54,946	2,871	3,449	61,266	70,314		
Interpreters Fees	4,425	1,717	35,429	657	42,229	2,290	-	44,519	43,114		
Printing & Publications	4,299	88	1,911	163	6,461	256	632	7,349	4,745		
Travel	1,640	-	4,795	1,489	7,923	3,246	-	11,169	9,790		
Personnel Expenses	90,881	29,929	153,599	47,115	321,523	20,870	-	342,393	326,713		
Payroll Taxes	8,834	-	14,806	4,043	27,683	1,646	-	29,328	28,016		
Fund Raising Fees	-	-	-	-	-	-	1,139	1,139	2,298		
Consulting	7,686	-	290	-	7,976	1,948	-	9,924	12,724		
Dues, Subscriptions, Licenses	30	-	10	-	40	454	-	494	817		
Repairs & Maintenance	481	-	1,750	-	2,231	308	-	2,539	8,913		
Insurance	9,133	-	2,250	5,977	17,360	10,138	-	27,498	21,347		
Email & Website	3,683	-	-	1,382	5,065	143	-	5,209	7,672		
Referral Fees Expense	855	-	4,140	270	5,265	180	-	5,445	5,789		
Staff Development, Training	11,758	680	564	389	13,391	619	-	14,010	4,296		
Supplies	-	-	-	-	-	568	-	568	7,116		
Telephone, Pagers	816	-	5,097	-	5,913	1,238	-	7,151	6,595		
Miscellaneous	1,128	-	-	-	1,128	869	-	1,997	1,906		
Interest/Finance Charges	-	-	-	-	-	-	-	-	189		
Accounting & Legal Services	9,519	-	1,057	-	10,576	1,305	-	11,880	10,438		
Rent	14,000	-	17,444	11,389	42,833	1,567	-	44,400	42,000		
Office Expense	5,820	57	2,784	336	8,996	1,834	78	10,909	1,773		
Depreciation and Amortization	-	-	-	-	-	3,547	-	3,547	5,342		
<b>TOTAL EXPENSES</b>	<b>\$178,434</b>	<b>\$ 35,935</b>	<b>\$ 294,532</b>	<b>\$ 73,292</b>	<b>\$ 582,193</b>	<b>\$ 55,898</b>	<b>\$ 5,299</b>	<b>\$ 643,390</b>	<b>\$ 622,279</b>		

See Accompanying Notes and Auditor's Report  
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# NORTHEAST DEAF AND HARD OF HEARING SERVICES, INC.

Notes to the Financial Statements  
For the Fiscal Years Ended June 30, 2012 and 2011

## NOTE 1 - NATURE OF THE ORGANIZATION

Northeast Deaf and Hard of Hearing Services, Inc. (the "Organization") is a non-profit organization dedicated to serving deaf and hard of hearing individuals in a culturally sensitive environment that is communicationally unrestricted and "natural", and which promotes independence and productivity. It is the mission of the organization to empower, educate and advocate for equal access and opportunity for deaf and hard of hearing citizens of New Hampshire.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, which represents the expendable resources that are available for operations at management's discretion; temporarily restricted net assets, which represents resources restricted by donors as to purpose or by the passage of time; and permanently restricted net assets, which represent resources whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by the actions of the organization. Northeast Deaf and Hard of Hearing Services, Inc. presently has no permanently restricted net assets.

### Revenue Recognition

Revenue is recognized as services are rendered using the accrual method of accounting. The Organization recognizes all contributions as revenue in the period received. Contributions are reported as unrestricted or as restricted depending on the existence of donor stipulations that limit the use of the contribution. However, donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted contributions.

### Cash and Cash Equivalents

For purposes of the statement of cash flows, temporary cash investments which can be turned into cash in three months or less are considered to be cash equivalents.

### Accounts Receivable

Accounts Receivable are considered by management to be fully collectible and accordingly no allowance for doubtful accounts is considered necessary.

### Use of Estimates

The preparation of the financial statements in accordance with Generally Accepted Accounting Principles requires the use of estimates made by the management of the Organization.

### Advertising Costs

Advertising costs are charged to operations when incurred.

**NORTHEAST DEAF AND HARD OF HEARING SERVICES, INC.**

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2012 and 2011

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Property and Equipment

Property and equipment are recorded at cost, or, if donated, at the fair value at the date of donation. Northeast Deaf and Hard of Hearing Services, Inc. follows the policy of capitalizing expenditures for property and equipment in excess of \$500. Major renewals and improvements are capitalized, while replacements, maintenance and repairs, which do not materially extend the useful lives of the assets, are expensed. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Office Equipment and Furniture	5-7 years
Development of Software	3 years

Depreciation amounts expensed and reflected in the statements of activities for the fiscal years ended June 30, 2012 and 2011 is \$3,547 and \$5,342, respectively.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

In June 2006, the Financial Accounting Standards Board issued interpretation No. 48 ("FIN 48), *"Accounting for Uncertainty in Income Taxes"* which the Organization elected to adopt in the current year. FIN 48 establishes the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. Management has analyzed the Organization's tax positions taken on its tax returns for all open tax years (tax years ended June 2009 – 2011) for purposes of implementing FIN 48, and has concluded that no additional provision for income tax is required in the Organization's financial statements.

Functional Expense Allocation

The cost of providing various programs and other activities has been summarized in the statement of support and functional expenses, and the changes in fund balances. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Allocations have been made by the management of the Organization.

Donated Services

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received

**NORTHEAST DEAF AND HARD OF HEARING SERVICES, INC.**

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2012 and 2011

**NOTE 3 - GRANTS RECEIVABLE**

Grants receivable represent grants for which the donor organization has unconditionally committed to providing funding in the future. Grants receivable are recognized as income on the statement of activities at the time the commitment is made by the donor organization. Grant commitments which will not be received within the next twelve months are reflected as other assets on the statement of financial position. The method of accounting for grants receivable has the affect of creating fluctuations between positive and negative changes in net assets from year to year as reflected on the statement of activities.

Grants for which the donor organization places contingencies are recognized as support when the funds are actually received or when the contingency has been satisfied.

All grants are expected to be received; therefore, no allowance for doubtful accounts has been established.

**NOTE 4 - PENSION PLAN**

Northeast Deaf and Hard of Hearing Services, Inc. sponsors a 403(b) Tax Deferred Annuity Plan. Employees are eligible to participate in the plan following a 12 consecutive month period of employment of at least 1,000 hours of service. All eligible employees may elect to have employee elective deferrals. Northeast Deaf and Hard of Hearing Services, Inc. currently makes no mandatory or discretionary contributions.

**NOTE 5 - RESTRICTIONS ON NET ASSETS**

All of the restrictions on net assets at June 30 relate to revenue from grants and are available for the following purposes:

	<u>2012</u>	<u>2011</u>
Grants	\$ -	\$ -
Totals	<u>\$ -</u>	<u>\$ -</u>

**NOTE 6 - SUPPLEMENTAL CASH INFORMATION**

There were no non cash activities during 2012 and 2011.

**NOTE 7 - CONCENTRATION OF CREDIT RISK**

The Organization maintains an operating account at one bank. Operating accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash at this institution exceeded Federally insured limits at June 30, 2012 and 2011 by \$0 and \$0, respectively.

The Organization receives all its revenue from New Hampshire sources.

**NORTHEAST DEAF AND HARD OF HEARING SERVICES, INC.**

Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2012 and 2011

**NOTE 8 - COMMITMENTS**

The Organization entered into a lease in Concord starting in October 2007 for four years. The rent is \$2,850 per month for the first two years with an increase in the third and fourth years. In 2011 the lease was extended to October 2014 for \$3,700 per month. Rent expense for the years ended June 30, 2012 and 2011 were \$44,400 and \$42,000, respectively.

The Organization entered into a lease in Concord starting in June 2012. The lease is for a copier for \$135 per month for five years with \$2,000 down. Lease expense for the years ended June 30, 2012 and 2011 were \$2,210 and \$0, respectively. There are no other operating lease commitments.

Future minimum lease payments required for the year ended:

June 30, 2013	\$ 46,016
June 30, 2014	\$ 16,416
June 30, 2015	\$ 1,616
June 30, 2016	\$ 1,616
June 30, 2017	\$ 1,481

**NOTE 9 - CHANGES IN NET ASSETS**

The change in net assets for the years ending June 30, 2012 and 2011 are \$9,118 and, \$9,503 respectively.

**NOTE 10 - SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through October 5, 2012, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the year ended June 30, 2012 and none were found.

# McLarney & Company, LLC

Certified Public Accountants & Business Advisors

Brian F. McLarney, MBA, CPA/PFS  
James O. Nash, MSA, CPA

Robert F. Siggins, MST, CPA  
Shawn R. Tewksbury, CPA, CFP

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of  
Northeast Deaf and Hard of Hearing Services, Inc.  
57 Regional Drive  
Concord, New Hampshire 03301

We have audited the financial statements of Northeast Deaf and Hard of Hearing Services, Inc. (a nonprofit organization) as of June 30, 2012, and have issued our report thereon dated October 5, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control over Financial Reporting

Management of Northeast Deaf and Hard of Hearing Services, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Northeast Deaf and Hard of Hearing Services, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Northeast Deaf and Hard of Hearing Services, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

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

We noted certain matters that we reported to management of Northeast Deaf and Hard of Hearing Services, Inc. in a separate letter dated October 5, 2012.

This report is intended solely for the information and use of management, others within the entity, and the Board of Directors, and is not intended to be and should not be used by anyone other than these specified parties.

*McLarney & Company, LLC*

McLarney & Company, LLC  
October 5, 2012

Northeast Deaf and Hard of Hearing Services, Inc.  
**Profit & Loss**  
July 2012 through June 2013

	<u>Jul '12 - Jun 13</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
4001 · INVOICED FUNDS	102,000.00
4010 · Campaign Income	15,911.28
4030 · Contributions Income	20,608.29
4080 · Corporate Contributions	10,100.00
4085 · Individual Contributions	5,075.00
4098 · Family Sign Language program	1,192.58
4099 · Tutoring Services	225.00
4100 · Interpreting Services	166.00
4110 · Grants Awarded	364,058.23
4163 · Administration Fee	1,617.74
4164 · Re-billing / late fee	525.00
4165 · Equipment Rental Fee	3,700.00
4170 · Program Fees	101,333.46
4175 · Presentation Fees	200.00
4180 · Referral Fees	52,448.48
4190 · Reimbursed Expenses	0.00
4195 · Donated Revenue	116.71
<b>Total Income</b>	<u>679,277.77</u>
<b>Gross Profit</b>	679,277.77
<b>Expense</b>	
5499 · Administrative fees	9,869.00
5553 · Assessments	200.00
6000 · Advertising	759.00
6062 · Fund Raiser Event Expense	873.67
6120 · Bank Service Charges	995.08
6125 · Books	1,079.29
6135 · Conferences	15,227.19
6140 · Contributions	275.00
6160 · Depreciation Expense	3,541.48
6160 · Dues and Subscriptions	325.00
6165 · Gifts	372.09
6170 · Equipmental Rental	1,981.04
6178 · Instructor's Fees	7,709.80
6179 · Job Coach fees	278.13
6180 · Insurance	36,405.75
6195 · Interpreter Fees	40,981.76
6200 · Interest Expense	400.00
6230 · Licenses and Permits	105.00
6235 · Luncheon	4,651.88
6250 · Postage and Delivery	1,959.87
6260 · Printing and Reproduction	7,169.78
6265 · Professional Development & CPE	75.00
6270 · Professional Fees	16,318.55
6288 · Referral fees expense	4,215.00
6290 · Rent	44,400.00
6300 · Repairs	3,749.48
6340 · Telephone	7,040.90
6343 · Equipment Purchases for NHDDEP	18,537.59
6348 · Equipment Purchased for TEDP	38,873.71
6349 · Training	800.90
6350 · Travel & Ent	11,201.40
6425 · Payroll taxes	26,518.13
6440 · Wages	321,220.87
6450 · Contract Labor	8,514.78
6550 · Office Supplies	6,214.10
6555 · Web Site & E-Mail Expenses	3,188.40
6556 · High Speed Internet	1,576.80
6670 · Program Expense	5,059.58
6672 · Board of Directors Expense	1,030.13
6680 · Equipment Purchased (Net)	1,301.64
<b>Total Expense</b>	<u>654,976.57</u>
<b>Net Ordinary Income</b>	24,301.20
<b>Other Income/Expense</b>	
<b>Other Income</b>	
7010 · Interest Income	20.41
<b>Total Other Income</b>	<u>20.41</u>
<b>Net Other Income</b>	<u>20.41</u>
<b>Net Income</b>	<u>24,321.61</u>

Virginia M. Barry, Ph.D.  
Commissioner of Education  
Tel. 603-271-3144



Paul K. Leather  
Deputy Commissioner of Education  
Tel. 603-271-3801

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF EDUCATION  
101 Pleasant Street  
Concord, N.H. 03301  
FAX 603-271-1953  
Citizens Services Line 1-800-339-9900

FOR INFORMATION ONLY  
G & C Letter # \_\_\_\_\_  
G & C Date 5-6-12  
APPROVED: \_\_\_\_\_  
Page # \_\_\_\_\_  
Item # 127

May 1, 2012

His Excellency, Governor John H. Lynch  
and the Honorable Executive Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

Authorize the Department of Education to contract with Northeast Deaf and Hard of Hearing Services, Concord, New Hampshire (vender code 159021) to provide technical assistance for the educational supports of students who are deaf or hard of hearing. This contract will be effective from July 1, 2012 through June 30, 2014 in an amount not to exceed \$400,000.00 pending legislative approval of the next biennium budget. These are 100% Federal Funds.

Funding is available with the authority to adjust encumbrances in each of the State fiscal years through the Budget office if needed and justified.

Funding is available in this account as follows:

	<u>FY13</u>	<u>FY14</u>
06-56-56-562510-4110-102-500731	\$200,000.00	\$200,000.00

**EXPLANATION**

This contract will provide the coordination of a New Hampshire Deaf Initiative Project to provide technical assistance and training to local and state education administrators with information and federal statues, policy guidance, and promising practices from the field of deaf education. The services to be provided include, but are not limited to:

- The coordination and implementation of a Technical Assistance Initiative for the Educational Supports of Students who are Deaf and Hard of Hearing to provide technical assistance and training to schools and families with information about federal statues, policy guidance, and promising practices from the field of deaf education;

His Excellency, Governor John H. Lynch  
and the Honorable Executive Council  
May 1, 2012  
Page Two

- The dissemination of resources and information regarding the New Hampshire Educational Service Guidelines: Meeting the Needs of Students who are Deaf and Hard of Hearing;
- The coordination of resources and information to schools and families for students who are deaf and hard of hearing;
- Design and distribute a statewide survey in order to coordinate statewide professional development activities to improve the educational outcomes specific to the education for students who are deaf and hard of hearing; and
- The coordination, dissemination, and maintenance of the State's instructional materials and resources for the education of students who are deaf and hard of hearing.

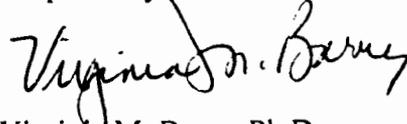
A Request for Proposals (RFP) was advertised in the Manchester Union Leader on February 22<sup>nd</sup>, 23<sup>rd</sup> and 24<sup>th</sup>, 2012 and posted on the Department of Education's website. There was one (1) respondent to the Request for Proposals: Northeast Deaf and Hard of Hearing Services.

The proposal was reviewed by a team of three, who looked at criteria such as Significance of Project, Quality of Services, Management Plan, Budget and Evaluation. The Department requests that Northeast Deaf and Hard of Hearing Services be awarded the grant as they meet all the criteria of the Request for Proposals.

This project will be evaluated by the Department through monthly monitoring of the goals of the contract. In addition, the vendor will meet with the Department on a monthly basis to discuss the progress in meeting the objectives of this contract.

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

Respectfully submitted,



Virginia M. Barry, Ph.D.  
Commissioner of Education

VMB:ca  
Enclosures

**New Hampshire Department of Education**

**Technical Assistance for the Educational Supports  
of Students who are Deaf and Hard of Hearing  
FY2013**

<b>Criteria from RFP</b>	<b>Northeast Deaf and Hard of Hearing</b>
<p>9.2.1 <i>Significance of Project</i>: Description of bidder's organization capabilities to deliver the services, including a brief description of their personal experience and/or company's experience in developing and implementing a program of this type; to include references as applicable. Please identify the specific subsections of 4.0 as they are addressed (see 4.0 General Requirements) (10 points):</p>	<p><b>10</b></p>
<p>9.2.2 <i>Quality of Services</i>: Describe how you will accomplish the Services to be Provided in 1.0 of this RFP, including activities and strategies that will achieve the desired outcomes. Also identify roles, responsibilities and partners to be involved for the various activities/strategies. Please identify the subsection(s) of the Services to be Provided as you address them in your narrative. (30 points total):</p> <p>9.2.2(a) Content knowledge, including but not limited to, knowledge of the New Hampshire Deaf Education Guidelines, Commission on Education of the Deaf established by Congress in the 1986 Education of the Deaf Act, National and Federal Special Education laws, Special Education policy and procedures that supports the accomplishment of the Services to be Provided.</p> <p>9.2.2(b) Technical Skills, including but not limited to: technology; specialized formats; universal design for learning; leadership; collaboration; communication; and report writing.</p>	<p><b>29</b></p>
<p>9.2.3 <i>Management Plan</i>: Provide a work-plan, timeline, milestones or benchmarks in accordance with the activities to carry out Services to be Provided in 1.0 of this RFP (15 points):</p>	<p><b>15</b></p>

<p>9.2.4 <i>Personnel and Partners</i>: Provide a listing of the individuals who will have responsibilities within this proposed project, their titles, qualifications and duties, and the amount of time each will devote to the project. Identify key partners, describe their anticipated participation and provide documentation of their commitment (10 points):</p>	<p><b>8</b></p>
<p>9.2.5 <i>Adequacy of Resources</i>: Provide a detailed budget, including budget notes/justification, which clearly explains the relationship between proposed activities and expenditures. The budget should be broken down into two (2) fiscal year: FY'13 (July 1, 2012-June 30, 2013) and FY'14 (July 1, 2013-June 30, 2014) and not to exceed \$200,000.00 for each year. Indirect costs may not exceed 8% (25 points):</p>	<p><b>18</b></p>
<p>9.2.6 <i>Evaluation Plan</i>: Describe your comprehensive plan for the evaluation of the proposed project's activities, effectiveness and impact (10 points).</p>	<p><b>9</b></p>
<p><b>TOTAL SCORE</b></p>	<p><b>89</b></p>

The committee members responsible for the review of the Technical Assistance for the Educational Supports of Students who are Deaf and Hard of Hearing proposal include the following individuals:

- Deborah Krajcik – Education Consultant – Special Education
- Jean Parsons – Special Education Director – SAU #31 Newmarket School District
- Jean Holleran - Administrator. External Relations Vocational Rehabilitation

The scoring for this proposal was conducted employing a consensus model.

The role of the committee members was advisory in nature. They provided information, analysis, and recommendations that were presented to the Commissioner of Education.

The Commissioner of Education reviews the information provided and makes the final decision regarding the award of such grants.

Subject: Technical Assistance for the Educational Support of Students who are Deaf FORM NUMBER P-37 (version 1/09)

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH State Department of Education, Bureau of Special Education		1.2 State Agency Address 101 Pleasant Street, Concord, NH 03301	
1.3 Contractor Name Northeast Deaf and Hard of Hearing Services, Inc.		1.4 Contractor Address 57 Regional Drive, Concord, NH 03301	
1.5 Contractor Phone Number 603-224-1850	1.6 Account Number see Exhibit B	1.7 Completion Date 6/30/2014	1.8 Price Limitation \$400,000.00
1.9 Contracting Officer for State Agency Santina Thibedeau, Administrator, Bureau of Special Education		1.10 State Agency Telephone Number 603-271-3741	
1.11 Contractor Signature <i>Santina Thibedeau</i>		1.12 Name and Title of Contractor Signatory <i>Santina Thibedeau, Administrator</i>	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>MERRIMACK</u> On <u>April 30, 2012</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this Agreement in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace <i>[Signature]</i> Comm Exp 12/20/15			
1.13.2 Name and Title of Notary or Justice of the Peace [Seal]			
1.14 State Agency Signature <i>Virginia M. Barry</i>		1.15 Name and Title of State Agency Signatory Virginia M. Barry, Ph.D., Commissioner of Education	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By: <i>Adam England</i> On: <i>5/16/12</i>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

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

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

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

**5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.**  
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.  
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.  
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

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

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

**7. PERSONNEL.**  
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.  
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.  
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

Contractor Initials   JED    
Date 4/10/12

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

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

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

- 8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
- 8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
- 8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
- 8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

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

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

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

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

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

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

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

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

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

**14. INSURANCE.**

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

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be

Contractor Initials YLD  
Date 4/30/12

attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

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

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

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

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

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

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

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual

intent, and no rule of construction shall be applied against or in favor of any party.

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

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

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

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

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

## EXHIBIT A

### Services to be Provided

Northeast Deaf and Hard of Hearing will provide the following services to the Department of Education from July 1, 2012 to June 30, 2014:

1.1 Develop a statewide model that builds the capacity to disseminate and implement the New Hampshire Educational Service Guidelines: Meeting the Needs of Students who are Deaf and Hard of Hearing that involves the following actions:

1.1.1 Design and coordinate a training that incorporates researched based practices and resources to implement the New Hampshire Educational Service Guidelines for Students who are Deaf and Hard of Hearing.

1.1.2 Provide a timeline for each year of the project that includes when goals, objectives will be accomplished, and all activities will begin and end.

1.1.4 Conduct an annual evaluation of the statewide training module and make necessary improvements to the initiative for each year of implementation.

1.2 Design and distribute a statewide survey that identifies areas of training needed to improve the educational outcomes for students who are deaf and hard of hearing.

1.3 Coordinate the distribution of resources and information to schools, families, and students who are deaf and hard of hearing. The resources and information must support the findings and information of New Hampshire Educational Service Guidelines: Meeting the Needs of Students who are Deaf and Hard of Hearing:

- a. Early identification;
- b. Qualified examines;
- c. Developmental and evaluation services access;
- d. Prevalence of hearing loss in children and youth;
- e. Array of service delivery options;
- f. Professional standards, personnel preparation and professional development;
- g. Communication, language and literacy;
- h. Transition services that address developmental and educational needs (birth to high school) to assist students and their families in setting goals and implementing strategies through the life continuum commensurate with the student's aptitudes, interest, and abilities;
- i. The role of the interpreter/transliterators in the educational setting;
- j. The specific cultural and linguistic needs, population demographics, and the education implication of service to students:

Initial SLC  
Date 4/3/13

## EXHIBIT A

### Services to be Provided (cont'd)

- k. Placement, services, and programs;
- l. The need for environmental access, universal design, and access to assistive technology; and
- m. Provide reports to the Department every six months regarding a through l above.

1.4 Coordinate, disseminate and maintain instructional materials and resources for the education of students who are deaf or hard of hearing in the following way:

- a. Possibly relocate and house the State's instructional materials and resources within New Hampshire;
- b. Maintain, and to the extent necessary, redesign a process for the efficient distribution to and return of all instructional materials and equipment from school districts;
- c. Track, organize, distribute, and coordinate the use of the instructional materials and resources;
- d. Coordinate the repair and maintenance of all inventoried equipment;
- e. Surplus, in accordance with State policies and procedures, outdated inventoried instructional materials and equipment;
- f. Provide reports to the Department every 6 months regarding b-e above, as well as cost savings to the local districts based upon the above.

1.5 Assist in coordinated training strategies for personnel preparation, professional development, and system development of certified personnel, including interpreting and other related service providers to students who are deaf or hearing impaired.

1.6 Attend other assigned meetings that support the Bureau of Special Education initiatives.

Initial SCS  
Date 4/30/12

**EXHIBIT B**  
**Estimated budget and payment method**

Budget (July 1, 2012 through June 30, 2014)

Account number: 10-056-41100000-102-500731

<b>Description</b>	<b>Amount</b>	<b>Amount</b>
Personnel	\$97,414.00	\$99,005.00
Benefits	\$23,675.00	\$26,482.00
Travel	\$3,500.00	\$3,000.00
Training (for staff)	\$3,000.00	\$3,000.00
Consultants	\$10,500.00	\$10,500.00
Prof. Dev./Training/Workshops	\$19,923.00	\$16,225.00
Website	\$3,500.00	\$3,500.00
Supplies	\$2,600.00	\$2,900.00
Printing/postage/telephone	\$3,500.00	\$3,000.00
Rent	\$16,000.00	\$16,000.00
Equipment	\$1,500.00	\$1,500.00
Indirect cost 8%	\$14,888.00	\$14,888.00
<b>Total</b>	<b>\$200,000.00</b>	<b>\$200,000.00</b>

Limitation on Price: Upon mutual agreement between the state contracting officer and the contractor, line items in this budget may be adjusted one to another but in no case shall the total budget exceed the price limitation of \$400,000.00.

**Method of Payment:**

Payment will be made on the basis of monthly invoices received by the 10<sup>th</sup> of the following month which are supported by a summary of activities that have taken place in accordance with the terms of the contract.

**Invoices will be submitted to:**

Barbara Raymond  
NH Department of Education  
101 Pleasant Street  
Concord New Hampshire 03301

Initial BR  
Date 7/12/12

**EXHIBIT C**

Any document(s) developed and published, as a project of the New Hampshire State Department of Education (NHDoE) Bureau of Special Education, the NHDoE will be recognized as a sponsor.

Initial SCV D  
Date 4/30/12