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STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF COMMUNITY BASED CARE SERVICES

*BUREAU OF BEHAVIORAL HEALTH*

Nicholas A. Toumpas  
Commissioner  
  
Kathleen A. Dunn  
Associate Commissioner

105 PLEASANT STREET, CONCORD, NH 03301  
603-271-5000 1-800-852-3345 Ext. 5000  
Fax: 603-271-5058 TDD Access: 1-800-735-2964

June 2, 2015

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

**REQUESTED ACTION**

1. Authorize the Department of Health and Human Services, Division of Community Based Care Services, to amend an agreement, with the Tri-County Community Action Program, Inc. (Vendor #177195), 30 Exchange Street, Berlin, New Hampshire 03570, to provide public guardianship services by increasing the price limitation by \$402,140.55 from \$2,000,223.09 to an amount not to exceed \$2,402,363.64 and extending the completion date from June 30, 2015 to June 30, 2016, effective July 1, 2015, or date of Governor and Council approval, whichever is later. This agreement was originally approved by Governor and Council on June 23, 2010 (Item #129), and subsequently amended on June 8, 2011 (Item #125), June 20, 2012 (Item #81), June 19, 2013 (Item #111) and June 18, 2014 (Item #95). 100% General Funds.

05-95-92-920010-7002 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS:BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, LEGAL-GUARDIANSHIP SVCS

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Budget</u>	<u>Increase (Decrease) Amount</u>	<u>Revised Modified Budget</u>
2011	102-500731	Contracts for Program Services	\$ 391,261.57	\$ 0.00	\$ 391,261.57
2012	102-500731	Contracts for Program Services	\$ 402,536.02	\$ 0.00	\$ 402,536.02
2013	102-500731	Contracts for Program Services	\$ 402,141.32	\$ 0.00	\$ 402,141.32
2014	102-500731	Contracts for Program Services	\$ 402,142.09	\$ 0.00	\$ 402,142.09
2015	102-500731	Contracts for Program Services	\$ 402,142.09	\$ 0.00	\$ 402,142.09
2016	102-500731	Contracts for Program Services	\$ 0	\$402,140.55	\$ 402,140.55
<b>TOTAL</b>			<b>\$2,000,223.09</b>	<b>\$402,140.55</b>	<b>\$2,402,363.64</b>

2. Contingent upon the approval of Requested Action #1, further authorize the Department of Health and Human Services, Division of Community Based Care Services, to make an advanced payment of \$64,180.00 to the vendor from the available State Fiscal Year 2016 funding for this agreement, effective July 1, 2015, or the date of Governor and Executive Council approval, whichever is later, through June 30, 2016.

### **EXPLANATION**

The purpose of Requested Action #1 is to extend an agreement with Tri-County Community Action Program to provide guardianship and protection services, on a statewide basis, to persons with mental illness or developmental impairments whose incapacities leave them at risk of substantial harm because of their inability to provide for their own food, shelter, health care, safety, or to manage their personal affairs. These services are needed to meet the State's statutory obligations to safeguard incapacitated persons who are abused, neglected or exploited, in state institutions as well as in community mental health and developmental service programs. The agreement also carries out the requirements of RSA 135-C: 60 and RSA 171-A: 10, II.

The purpose of Requested Action #2 is to provide the advanced payment that allows Tri-County Community Action Program to meet its operating obligations while providing services during the initial two months of this agreement period (State Fiscal Year 2016).

Should Governor and Executive Council determine not to approve this request, the Division of Community Based Care Services would be out of compliance with the requirements of RSA 135-C: 60, and RSA 171-A: 10, II, and RSA 161-F:52 and persons with mental illness and developmental impairments whose incapacities leave them at risk of substantial harm because of their inability to provide for their own food, shelter, health care, safety, or to manage their personal affairs would be harmed.

This agreement was competitively bid using a public notice posted on the Department of Health and Human Services website on February 22, 2010, as RFP Number 11-DCBCS-GPS-01, the Division of Community Based Care Services requested proposals for providing public guardianship services to persons with mental illness or developmental impairments.

As referenced in the Governor and Executive Council letter that originally approved this agreement, both the Request for Proposal and original agreement included the option for five (5) renewals of one year each at the Department's discretion. Each subsequent amendment and Governor and Executive Council letter also included the renewal provision. This Request represents the fifth and final year to renew the original agreement. Because Tri-County Community Action Program has continually well-performed its contractual responsibilities, the Department is exercising this option.

Area served: Statewide.

Source of funds: 100% General Funds.

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
June 2, 2015  
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In the event that the Federal Funds become no longer available, General Funds shall not be requested to support these programs.

Respectfully submitted,



Kathleen A. Dunn  
Associate Commissioner

Approved by:



Nicholas A. Toumpas  
Commissioner



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**State of New Hampshire  
Department of Health and Human Services  
Amendment #5 to Public Guardianship Services Contract**

This 5<sup>th</sup> Amendment to the Public Guardianship Services contract (hereinafter referred to as "Amendment 5") dated this 26th day of May, 2015, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Tri-County Community Action Program, Inc. (hereinafter referred to as "the Contractor"), a non-profit corporation with a place of business at 30 Exchange Street, Berlin, New Hampshire 03570.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 23, 2010 (Item #129), and amended and approved on June 8, 2011 (Item #125), June 20, 2012 (Item #81), June 19, 2013 (Item #111), and on June 18, 2014 (Item #98), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to the General Provisions, Paragraph 18 of the Agreement, the State may amend the Contract by written agreement of the parties; and

WHEREAS, the State and the Contractor have agreed to extend the term of the agreement and increase the price limitation to support continued delivery of these services;

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

1. Amend Form P-37, Block 1.7 to read June 30, 2016
2. Amend Form P-37, Block 1.8 to read \$2,402,363.64
3. Amend Form P-37, Block 1.9 to read Eric Borrin
4. Amend Form P-37, Block 1.10 to read 603-271-9558
5. Delete Exhibit A and replace with Exhibit A Amendment #1
6. Delete Exhibit B and replace with Exhibit B Amendment #1
7. Delete Exhibit C and replace with Exhibit C Amendment #1
8. Delete Exhibit C-1 and replace with Exhibit C-1 Amendment #1
9. Delete Exhibit G and replace with Exhibit G Amendment #1
10. Delete Exhibit I and replace with Exhibit I Amendment #1

New Hampshire Department of Health and Human Services  
Public Guardianship Services



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

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

State of New Hampshire  
Department of Health and Human Services

4/14/15  
Date

Kathleen A. Dunn  
Kathleen A. Dunn  
Associate Commissioner

Tri-County Community Action Program, Inc.

05/28/15  
Date

Robert G. Boschen, Jr.  
NAME Robert G. Boschen, Jr.  
TITLE Chief Financial Officer

Acknowledgement:

State of NH, County of Coos on 5-28-2015, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Suzanne C. French  
Name and Title of Notary or Justice of the Peace  
Suzanne C. French, Notary

**SUZANNE C. FRENCH**  
Notary Public - New Hampshire  
My Commission Expires June 19, 2018



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

OFFICE OF THE ATTORNEY GENERAL

4/9/15  
Date

[Signature]  
Name: Megan A. York  
Title: Attorney General

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

OFFICE OF THE SECRETARY OF STATE

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name:  
Title:



## Exhibit A – Amendment 1

### SCOPE OF SERVICES

#### 1. Provisions Applicable to All Services

- 1.1. The purpose of this Agreement is to provide guardianship and protection services to safeguard the liberty and well-being of persons who because of functional limitations, have suffered, are suffering, or are likely to suffer substantial harm due to an inability to provide for personal needs for food, clothing, shelter, health care, safety or an inability to manage their property or financial affairs. Guardianship and protection services under this Agreement are to be provided to persons at risk of harm to person or estate whom the state has a responsibility to safeguard pursuant to RSA 135-C: 60 and RSA 171-A: 10, II.
- 1.2. The Contractor agrees to provide guardianship and protection services to the persons enumerated in paragraph 1.4. of Exhibit A. Guardianship services shall include those actions that are necessary to carry out the duties prescribed by RSA 464-A and RSA 547-B, including appointments as guardian, co-guardian, conservator, or temporary guardian of the person and/or estate of a ward. Protection services shall include those actions that are necessary to carry out the duties as duly designated representative or protective payee, client representative, attorney in fact, or other similar agent, as prescribed by applicable law, rule, or agreement.
  - 1.2.1. The program shall have a sufficient number of staff to adequately carry out, for all clients, all the duties required by statute, the letters of authority, and the standards set forth in this document.
  - 1.2.2. Upon employment professional program staff shall attend and successfully complete 20 or more hours of orientation training and, complete 10 or more hours of annual continuing education for each subsequent year of employment. The Contractor shall report the number of professional continuing education hours obtained by each guardian by August 1, 2015.
- 1.3. The Contractor may provide technical assistance to private guardians or training to agency staff providing direct services whose wards are clients of the Department of Health and Human Services ("the Department"). In order to receive such technical assistance from the Contractor private guardians must receive prior approval from the Office of Client and Legal Services for a specified number of consultation hours.
- 1.4. The Contractor shall not accept or agree to provide services to any person under this Agreement without the prior approval of the State through the Office of Client and Legal Services of the Department. The Contractor may provide services to all persons approved for services by the State and shall not deny services to such persons. If the Contractor believes guardianship and protection services to be inappropriate, the Contractor shall refer the client to the New Hampshire Disabilities Rights Center, Inc., the New Hampshire Legal Assistance or other attorney so that an administrative appeal or other appropriate legal action can be taken on behalf of the client. Referrals of persons for guardianship and protection services from the Glenclyff Home for the Elderly, the New Hampshire Hospital, and community agencies in the mental health system, developmental services system, and the



## Exhibit A – Amendment 1

adult and elderly system shall be made by the Contractor through the Office of Client and Legal Services, which shall review each referral to ensure compliance with the principles contained in RSA 464-A and paragraph 1.5. below.

- 1.4.1. If the Contractor provides services to persons who have not been screened and approved by the Office of Client and Legal Services or Bureau of Elderly & Adult Services, reimbursement for such services will not be provided for under this Agreement.
  - 1.4.1.1. In instances not within the control of the Contractor where guardianship appointments are made without approval granted from the Office of Client and Legal Services, the Contractor may receive reimbursement for guardianship services when the Contractor can provide documentation satisfactory to the Department that such circumstances occurred and the Contractor made reasonable efforts to decline such appointments. The Contractor shall include documentation of reasonable efforts made to decline such appointments with its Quarterly Payment Computation and Authorization reports. If the documentation provided by the Contractor is satisfactory to the Department, the Department may make payments to the Contractor for appointments made without approval as long as the wards appointed to the Contractor are persons for whom the State has responsibility to safeguard pursuant to RSA 135-C: 60, and RSA 171-A:10, II.
- 1.5. In providing guardianship and protection services to persons under this Agreement, the Contractor shall adhere to the "Ethics and Standards for Guardians" as developed by the National Guardianship Association and shown in Exhibit D The Department acknowledges that the Standards on monthly visits with wards is a guideline and that quarterly visits or more frequently as required in individual circumstances is the accepted practice of the Contractor.
  - 1.5.1. In the instance of a ward who is out of the State of New Hampshire for an extended period of time and it would not be feasible for the guardian to see the ward face to face on the basis outline in sub-paragraph 1.5 above, guardian shall attempt to have a video conference with the ward on the above-noted basis. If the technology for a video conference is not available, the guardian shall at least have telephone contact with the ward on the above-noted basis.
  - 1.5.2. In the instance of a ward who is aggressive to the point of physical harm to the guardian, the face to face visits required in sub-paragraph 1.5 above may be suspended until an alternative plan can be developed for the guardian to meet with the ward while maintaining personal safety.
- 1.6. In any action brought in Circuit Court-Probate Division to limit or otherwise reduce the scope of a guardianship over a person served under this Agreement, the State agrees to appear with the Contractor where the State agrees that it is necessary to present the State's position on the action proposed.
- 1.7. The Contractor agrees that no "direct services" shall be provided to persons under this Agreement. Direct services include psychotherapy, case management,



## Exhibit A – Amendment 1

transportation, financial aid, or other social services available through state or other governmental or nonprofit agencies.

- 1.8. The State recognizes that the Contractor has responsibilities as an independent decision-maker acting in a fiduciary capacity with respect to the persons to be served under this Agreement and the decisions to be made on behalf of such persons shall not be directed or influenced by the State by any action taken under this Agreement.
- 1.9. The Contractor may elect to subcontract for such services as may be necessary to carry out guardianship and protection services under this Agreement with prior notification and approval of the State through the Office of Client and Legal Services.
- 1.10. Nothing in this Agreement shall prevent the Contractor from providing guardianship and protection services to persons other than those who are referred pursuant to this Agreement. However, the Contractor agrees that pursuant to RSA 547-B:7, no funds provided under this Agreement shall be expended for such persons. Furthermore, the Contractor agrees to maintain sufficient records, which shall be subject to the Department's examination and be included as part of the Audit of Records required in paragraph 1.2. of the Special Provisions, to document that the funds received under this Agreement are expended in accordance with this paragraph.
- 1.11. If staff at any institution or developmental services or mental health or elderly and adult agency within the jurisdiction of the Department brings a complaint to the Department in reference to the services provided by the Contractor under this Agreement, the Department may refer the complaint to the Contractor and the Contractor shall investigate the circumstances pertaining to the complaint and shall respond in writing within thirty (30) days to the Division concerning the results of the investigation. The Contractor shall provide on a quarterly basis, a report of all written complaints filed against the Contractor and shall explain how each such complaint was resolved.
- 1.12. The Contractor recognizes the inherent value of the opinions of the wards they serve. If staff at any institution or developmental services or mental health or elderly and adult agency within the jurisdiction of the Department or any entity providing funding to the Department distributes a survey, questionnaire or similar instrument designed to gauge consumer satisfaction of wards in reference to the services received by the ward including the services provided by the Contractor under this Agreement, the Contractor agrees to allow their wards to participate in such measures of consumer satisfaction unless the Contractor indicates in writing to the Department the reasons why a particular ward should not be allowed to so participate.

## 2. Description of Guardianship Services

- 2.1. The following is a general listing of functions to be provided by the Contractor for individuals so named by the Circuit Court Probate Division as wards of the Contractor. This listing and description is not intended to restate existing rules and regulations already in place, but rather its purpose is to clarify the relationship of the



## Exhibit A – Amendment 1

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Contractor with respect to its wards who need and are receiving services in the developmental services, mental health, and/or elderly and adult systems. The functions to be performed include:

- 2.1.1. Making decisions regarding the residential and day placement of the ward, utilizing the standards of least restrictive environment and the best interests of the individual ward.
- 2.1.2. Insuring that all legally necessary steps are taken to enable the individual ward to receive comprehensive evaluations and comprehensive treatment and services.
- 2.1.3. Advocating for and requesting appropriate services for the individual ward utilizing the individual service/treatment planning process following established Department standards and law.
- 2.1.4. Being available to give or withhold consent to proposed medical care.
- 2.1.5. Being available to give or withhold consent, where such is legally necessary, to proposed professional care, counsel, treatment or service including, but not limited to behavioral programs, significant changes in individual service/treatment plans, and other clinically or legally significant treatment or services.
- 2.1.6. Insuring that the ward's civil rights are protected within the context of the decision the guardian is making on behalf of the ward and refraining from unwarranted intrusion into the life of the ward.
- 2.1.7. Assuming responsibility for any and all other duties as are stated in RSA 464-A or as are required by the Circuit Court Probate Division.
- 2.1.8. If guardian of the estate, being available to make all decisions as required by RSA 464-A:26
- 2.2. All of the responsibilities referenced in 2.1. above are contingent upon the actual authority granted in each individual court order specifying the extent and scope of guardianship for each individual.
- 2.3. In order to perform the functions specified in 2.1., a guardian must be kept aware of the facts or circumstances which may impact upon the decision. In order to make informed decisions on behalf of their wards, the public guardians should continually maintain significant and appropriate contact with each ward so to assure that their efforts best reflect the personal preferences, values, and desires of the ward to the fullest extent possible. The guardians must seek out information so that they are fully aware of all risks and benefits of any proposed course of action, as well as any alternatives that may exist. Guardians of the person shall maintain regular contact with their wards in order to comply with the "Ethics and Standards for Guardians" shown in Exhibit D.
- 2.4. Each public guardian has an obligation to become as familiar as possible with his or her ward. Beyond the personal visits with the ward and other important and significant people in the ward's life, this obligation can also be met through close interaction with the ward's case manager and others who share a responsibility for providing for the needs of the individual.



## Exhibit A – Amendment 1

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### 3. Guardianship and Protection Services

- 3.1. The Contractor hereby covenants and agrees that during the term of this Agreement, it will provide guardianship services as prescribed in sections 1.1., 1.2., 2., and Exhibit D.
- 3.2. The Contractor is obligated to accept all protection services cases referred to the Contractor by the Office of Client and Legal Services. The Department shall make every attempt to obtain a Release of Information from the proposed client with the Contractor except where prohibited from doing so by law. Also, to the extent possible, the Contractor shall be involved in the screening process for protection cases. If the Contractor believes that the appointment of a protective payee or representative payee is inappropriate, the Contractor may refer the client to the New Hampshire Disabilities Rights Center, Inc., New Hampshire Legal Assistance or other attorney so that an administrative appeal or other appropriate legal action can be taken on behalf of the client.
- 3.3. The Contractor agrees to serve the current total of 272 persons receiving guardianship and protection services plus any new persons referred in accordance with paragraph 1.4. above. However, the Contractor shall not be obligated to accept more than 288 cases during the period of July 1, 2015 through June 30, 2016. While the Department shall provide the Contractor with letters of approval for each new case assigned to the Contractor, the Contractor may not bill for services until the Contractor is actually appointed as guardian by the Circuit Court Probate Division. In addition, payments under this contract constitute payment in full for guardianship over the person services and the Contractor shall not accept any additional payments from the ward or from other funds of the ward.
- 3.4. The commencement date of this Agreement, as amended by Amendment #5, shall be the Effective Date, that is, July 1, 2015, or date of Governor and Executive Council approval, whichever is later. The Contractor shall not be paid for any services, which may be provided prior to the Effective Date.



## Method and Conditions Precedent to Payment

1. Subject to the availability of State funds, and in consideration for the satisfactory completion of the services to be performed under this Agreement, the State shall pay the Contractor a per diem per case rate approved by the Office of Client and Legal Services. However, regardless of the number of persons served by the Contractor during the period of July 1, 2010 through June 30, 2016, the State shall pay the Contractor a minimum amount of \$2,300,264.14. The total of all payments authorized or actually made hereunder shall not exceed the amount of \$2,402,363.64, the price limitation set forth in block 1.8. of the General Provisions.
  - 1.1. For the period of July 1, 2015 through June 30, 2016, funding is available as follows:  
\$402,141.32 – 100% from General Funds
  - 1.2. The per diem reimbursement rate for the provision of services to persons served under this Agreement shall be \$3.85 for up to 288 clients whose guardianship services are requested by the Bureaus of Behavioral Health and Developmental Services.
  - 1.3. The hourly reimbursement rate for the provision of technical assistance to private guardians shall be \$60.00, not to exceed the amount of \$2,000.00.
  - 1.4. The hourly reimbursement rate for the provision of training to area agency, mental health and elderly and adult agency staff and probate court personnel shall be \$60.00, not to exceed the amount of \$1,500.00
2. Payment to the Contractor will be made on a monthly basis subject to the following conditions:
  - 2.1. The State shall at the beginning of the agreement period make a payment of \$64,180.00, the estimated fee for service payment due to the Contractor for providing services for a period of two months. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period. This initial payment is the amount the State has determined is necessary to initiate the services.
  - 2.2. A monthly payment equal to \$32,087.53 will be made to the Contractor at the beginning of September and continuing through the end of the Agreement or until the maximum amount of the contract has been reached. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period and continue at the end of subsequent quarters through June 30, 2016. The per diem rate will be extended to the last day of the month following the month in which the client dies or for whom the guardianship/protection service is terminated.
  - 2.3. The fee for quarterly adjustments shall be calculated by:
    - 2.3.1. multiplying the per diem rate times the total number of days of service provided during the quarter to each eligible client under this Agreement, and by
    - 2.3.2. adding to this amount any reimbursement due for the quarter to the Contractor for clients referenced in paragraph 2.2. and the reimbursement due for the provision of technical assistance to private guardians referenced in paragraph 1.3. of Exhibit A.
  - 2.4. Beginning in October, 2010, and at the end of each quarter thereafter, the Contractor agrees to submit, by the fifth day of the following month, to the Division a standard form



Exhibit B Amendment #1

entitled "Quarterly Payment Computation and Authorization, Tri-County Community Action Program". At the end of each month there shall be a list of clients or an updated list of clients for whom the Contractor is providing for services. The list of clients shall indicate the name, address and date of death for those clients who have died during the month.

2.4.1. The "Quarterly Payment Computation and Authorization, Tri-County Community Action Program" form shall serve as a voucher detailing how reimbursement due for the quarter in which services were performed was calculated. The form shall contain:

2.4.1.1. Identification of the service period;

2.4.1.2. Contract number and period;

2.4.1.3. Statistics which document the number of clients on the Contractor's caseload during the service period. The statistics shall be recorded and shall specify the number of persons served by type of services, the names of cases added or closed during the quarter. Orders for new guardianship appointments shall be attached to the statistics as soon as they become available. Persons added during the service period for whom prior approval has not been obtained, but for whom the Contractor is seeking reimbursement, must be formally authorized to receive services before they are calculated into the authorized payment due for the service period. A brief explanation shall be provided for any client for whom services have been terminated;

2.4.1.4. Cumulative to date revenues received; and

2.4.1.5. Calculation of the total authorized payment due for the service quarter in accordance with 2.3. above;

2.4.2. The first "Quarterly Payment Computation and Authorization, Tri-County Community Action Program" report shall be submitted by no later than October 5, 2015 and the final report by July 10, 2016. Failure to submit such reports shall constitute an Event of Default.

2.5. On a quarterly basis, the State shall ensure that the total payments for services under this Agreement are not less than the prorated minimum contract amounts. The State shall make any payments necessary under this provision by the 15th day of the month following the end of the quarter and specifically as provided in subparagraphs 2.5.1-2.5.3. below.

2.5.1. The Contractor shall notify the State in its October 2015 "Quarterly Payment and Computation Report, Tri-County Community Action Program " in the event that payment for services for the months of July 2010 through September 2015 is less than \$2,011,476.41, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$2,011,476.41.

2.5.2. The Contractor shall notify the State in its January 2016 "Quarterly Payment and Computation Report, Tri-County Community Action Program " in the event that payment for services for the months of July 2010 through December 2015 is less than \$2,107,738.99, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$2,107,738.99.



Exhibit B Amendment #1

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- 2.5.3. The Contractor shall notify the State in its April 2016 "Quarterly Payment and Computation Report, Tri-County Community Action Program" in the event that payment for services for the months of July 2010 through March 2016 is less than \$2,204,001.57, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$2,204,001.57.
- 2.6. By August 15, 2014, the Contractor shall submit an annual Quality Assurance Plan for the approval of the Office of Client and Legal Services. The Contractor shall in a timely fashion modify or amend the plan based on the Department's response to the plan. The Contractor shall submit a plan acceptable to the Office of Client and Legal Services by no later than October 31, 2014. Failure to submit an acceptable Quality Assurance Plan shall constitute an Event of Default. Payments will not continue until receipt of the plan.
- 2.6.1. The Contractor agrees to include a representative, to be named by the Office of Client and Legal Services, to participate in the design and implementation of the Contractors Quality Assurance Plan.
- 2.6.2. The Contractor will submit, on a monthly basis a report on Quality Assurance activities no later than the 5th day of the following month.
- 2.7. The quarterly service payment due shall not be made until and unless the "Quarterly Computation and Authorization, Tri-County Community Action Program " form for the service quarter has been received by the Department.
- 2.8. The Contractor also agrees that full payment for the final quarter of the program period shall not be made by the Department until and unless the Contractor submits the "Quarterly Payment Computation and Authorization, Tri-County Community Action Program " form for the final quarter of the program period and "Summary Report of Quality Assurance Activities" of activities for the agreement period.
3. 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 noncompliance with any federal or state law, rule, or regulation applicable to the services provided, or if the said services have not been satisfactorily completed in accordance with the terms and conditions of this Agreement.



## Special Provisions

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

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
3. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
  - 3.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
  - 3.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;
  - 3.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.
4. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period, or for a longer period where noted below:
  - 4.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period. Said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, between the Effective Date and a date six years after the Completion Date of this Agreement, 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.
    - 4.1.1. Access to Records. Between the Effective Date and a date six years after the Completion Date, at any time during the Contractor's normal business hours, and as often as the State shall reasonably demand, the Contractor shall make available to the State its fiscal records



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related to this Agreement and any books, records, documents, papers or reports maintained by the Contractor which relate to such fiscal matters. The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or an affiliate of, the entity identified as the Contractor in block 1.3 of the General Provisions of this Agreement.

- 4.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
- 4.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
5. **Audit:** Contractor shall submit an annual audit to the Department within 90 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
  - 5.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
  - 5.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
6. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian. Notwithstanding anything to the contrary contained herein the covenants contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.
7. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
  - 7.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
  - 7.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
8. **Completion of Services:** Disallowance of Costs: Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation



Exhibit C Amendment #1

hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

9. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
10. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, bylaws and regulations.
11. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Nonprofit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.
12. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
13. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

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

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



Exhibit C Amendment #1

- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

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

- 14.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 14.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 14.3. Monitor the subcontractor's performance on an ongoing basis
- 14.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed.
- 14.5. DHHS shall, at its discretion, review and approve all subcontracts.

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

- 15. **Data -- Access by State:** Between the Effective Date and a date six years after the Completion Date, at any time during the Contractor's normal business hours, and as often as the State shall reasonably demand, the Contractor shall make available to the State all data for examination, duplication, publication, translation, or for any other purpose. Nothing in this subparagraph shall require the Contractor to make available data which would violate any statute, other provisions of this Agreement, or agreements with unrelated third parties. The term "Contractor" includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, or an affiliate of, the entity identified as the Contractor in block 1.3. of the General Provisions of this Agreement.
- 16. **Time Study:** The parties agree to pilot different reporting indicators. The Contractor agrees to perform a time study for all State funded clients. The time study shall be performed in accordance with procedures established by the State. The Contractor shall provide the State with "Quarterly Statistical Reporting" forms within thirty days after the end of each quarter. The parties further acknowledge that said forms may undergo changes to refine the data collected and may be modified by mutual agreement.
- 17. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Agreement to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Agreement. The State may terminate this Agreement and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
- 18. **Retroactive Payments-Individual Services:** Notwithstanding anything to the contrary contained in this Agreement or in any other document, agreement or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for any services provided to any individual prior to the Effective Date of this Agreement and no payments shall be made for expenses incurred by the Contractor for any services provided prior to



Exhibit C Amendment #1

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the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

19. **Retroactive Payments-Contractor Services:** Notwithstanding anything to the contrary contained in this Agreement or in any other document, agreement or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for any costs incurred for any purposes prior to the Effective Date of the Agreement.
20. **Credits:** All documents, notices, press releases, research reports, and other materials prepared during or resulting from the performance of the services or the Agreement shall include the following statement: "The preparation of this (report, document, etc.) was financed under an Agreement with the State of New Hampshire, Department of Health and Human Services, with funds provided in part or in whole by the (State of New Hampshire and/or United States Department of Health and Human Services.)"
21. **Criminal Background Check:** The Contractor shall conduct criminal background checks if a potential applicant for employment or volunteer, funded under this contract, may have client contact in the client's place of residence.
22. **Adult Protective Service Registry:** The Contractor shall meet the requirements of RSA 161-F: 49 Registry, VII, which requires the submission of the name of a prospective employee who may have client contact, for review against the State Adult Protective Service Registry, effective July 1, 2007.
23. **Complaint Resolution Policy:** The Contractor shall develop a written policy with regard to the intake, investigation, resolution, and reporting of complaints received from wards, families of wards, or providers of services to wards. Said policy shall be available for distribution to interested parties as needed.



## Additional Special Provisions

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
  4. **CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.
2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language:
  - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
  - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
  - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
  - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
  - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.
  - 10.6 In the event of termination under paragraph 10. of the General Provisions, the approval of such a Termination Report by the State shall entitle the Contractor to receive that portion of the Contract Price earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by the State.
  - 10.7 In the event of termination under paragraph 10. of the General Provisions, the approval of a Termination Report by the State shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by the State as a result of the Contractor's breach of its obligations hereunder.



Exhibit C-1 Amendment #1

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3. Subparagraph 14.1. of the General Provisions of this contract, is amended by adding the following subparagraph 14.1.3:

14.1.3 During the term of this Agreement, the Contractor shall maintain professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services hereunder.

4. The Division reserves the right to annually renew the Contract up to five times, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.



**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- Amendment #1

Contractor Initials B129

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 – Amendment #1



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:

Tri-County Community Action Program, Inc.

05/28/15  
Date

  
Name: Robert G. Boschen, Jr.  
Title: Chief Financial Officer

Exhibit G- Amendment #1

Contractor Initials RGB

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



Exhibit I - Amendment #1

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

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

**(1) Definitions.**

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



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

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

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



Exhibit I Amendment #1

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

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

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

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

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

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



Exhibit I Amendment #1

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

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



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

**(4) Obligations of Covered Entity**

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

**(5) Termination for Cause**

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

**(6) Miscellaneous**

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



Exhibit I Amendment #1

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

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

NH Dept of Health & Human Services  
The State

Kathleen Alvan  
Signature of Authorized Representative

Kathleen A. Dunn  
Name of Authorized Representative

Associate Commissioner  
Title of Authorized Representative

6/4/15  
Date

Tri-Country Community Action Progra, Inc.  
Name of the Contractor

[Signature]  
Signature of Authorized Representative

Robert G. Boschen, Jr.  
Name of Authorized Representative

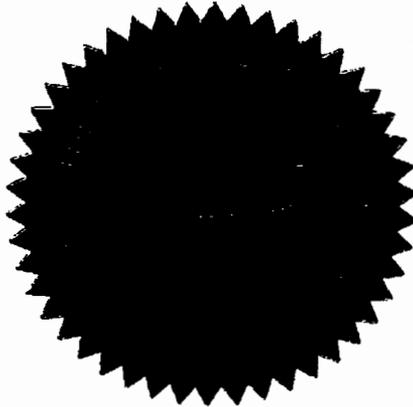
Chief Financial Officer  
Title of Authorized Representative

May 28, 2015  
Date

State of New Hampshire  
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (TRI-COUNTY CAP) is a New Hampshire nonprofit corporation formed May 18, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 27<sup>th</sup> day of April, A.D. 2015

A handwritten signature in black ink, appearing to read "William M. Gardner", written in a cursive style.

William M. Gardner  
Secretary of State

# CERTIFICATE OF VOTE

I, Gary Coulombe, Secretary, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Tri-County Community Action Program, Inc.  
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of  
the Agency duly held on 9/23/2014:  
(Date)

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

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

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of  
the 28th day of May, 2015.  
(Date Contract Signed)

4. Robert G. Boschen, Jr. is the duly elected Chief Financial Official  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

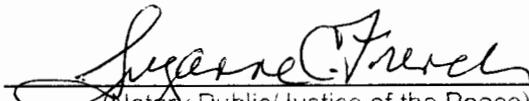
  
\_\_\_\_\_  
(Signature of the Elected Officer)  
Gary Coulombe, Secretary

STATE OF NEW HAMPSHIRE

County of COOS

The forgoing instrument was acknowledged before me this 28th day of May, 2015.

By Gary Coulombe, Secretary  
(Name of Elected Officer of the Agency)

  
\_\_\_\_\_  
(Notary Public/Justice of the Peace)  
Suzanne C. French, Notary Public

(NOTARY SEAL)

Commission Expires: 6/19/2018

**SUZANNE C. FRENCH**  
Notary Public - New Hampshire  
My Commission Expires June 19, 2018  
NH DHHS, Office of Business Operations  
Bureau of Provider Relationship Management  
Certificate of Vote Without Seal

July 1, 2005



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
4/24/2015

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> FIAI/Cross Insurance 1100 Elm Street  Manchester NH 03101		<b>CONTACT NAME:</b> Karen Shaughnessy <b>PHONE (A/C No. Ext):</b> (603) 669-3218 <b>FAX (A/C No.):</b> (603) 645-4331 <b>E-MAIL ADDRESS:</b> kshaughnessy@crossagency.com	
<b>INSURED</b> Tri-County Community Action Program, Inc 30 Exchange Street  Berlin NH 03570		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Arch Ins Co <b>INSURER B:</b> Maine Employers Mutual Ins Co. <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	<b>NAIC #</b> 11150

**COVERAGES**      **CERTIFICATE NUMBER:** CL1471714530      **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	<b>GENERAL LIABILITY</b>			NCPCKG0328200	7/22/2014	7/1/2015	EACH OCCURRENCE \$ 1,000,000	
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000	
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 5,000	
	GEN'L AGGREGATE LIMIT APPLIES PER:							PERSONAL & ADV INJURY \$ 1,000,000
	<input checked="" type="checkbox"/> POLICY	<input type="checkbox"/> PRO-JECT	<input type="checkbox"/> LOC				GENERAL AGGREGATE \$ 3,000,000	
							PRODUCTS - COMP/OP AGG \$ 3,000,000	
							\$	
A	<b>AUTOMOBILE LIABILITY</b>			NCAUT0328200	7/22/2014	7/1/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000	
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$	
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per accident) \$	
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS					PROPERTY DAMAGE (Per accident) \$	
							Underinsured motorist \$ 1,000,000	
B	<b>UMBRELLA LIAB</b>			NCFX50328200	7/22/2014	7/1/2015	EACH OCCURRENCE \$ 2,000,000	
	<input checked="" type="checkbox"/> EXCESS LIAB						AGGREGATE \$ 2,000,000	
	<input type="checkbox"/> OCCUR						\$	
	<input type="checkbox"/> CLAIMS-MADE						\$	
	DED	RETENTION \$					\$	
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>			3102801186			<input checked="" type="checkbox"/> WC STATUTORY LIMITS	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	(3a.) NH			OTH-ER	
				All officers included	7/1/2014	7/1/2015	E.L. EACH ACCIDENT \$ 500,000	
							E.L. DISEASE - EA EMPLOYEE \$ 500,000	
							E.L. DISEASE - POLICY LIMIT \$ 500,000	
A	<b>Professional Liability</b>			NCPCKG0328200	7/22/2014	7/22/2015	Per Occurrence \$1,000,000	
							Aggregate \$3,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 Re: Guardianship Services - W/C. Refer to policy for exclusionary endorsements and special provisions.

<b>CERTIFICATE HOLDER</b>  State of NH Dept Health Human Services 105 Pleasant Street 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  Laura Perrin/KS5 <i>Laura Perrin</i>
------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

# **Guardianship Services**

A TRI-COUNTY COMMUNITY ACTION PROGRAM

## **Mission Statement:**

It is the mission of Tri-County CAP, Inc./GS to provide quality GUARDIANSHIP, PROTECTIVE AND FIDUCIARY SERVICES to incapacitated residents of New Hampshire.

## **Tri-County Community Action Program, Inc.**

**Helping people, changing lives... in the North Country of New Hampshire**

### **Mission**

Tri-County CAP is a group of people and projects dedicated to improving the lives and well-being of New Hampshire's people and communities.

We provide opportunities and support for people to learn and grow in self-sufficiency, and to get involved in helping their neighbors and improving the conditions in their communities.

Tri-County Community Action Programs...  
Helping people, changing lives.

*Financial Statements*

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**TRI-COUNTY  
COMMUNITY ACTION PROGRAM, INC.**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
JUNE 30, 2014  
AND  
INDEPENDENT AUDITORS' REPORT**

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

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To the Board of Directors of  
Tri-County Community Action Program, Inc.  
Berlin, New Hampshire



## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of Tri-County Community Action Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

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

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

### ***Auditors' Responsibility***

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tri-County Community Action Program, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Prior Period Adjustment*

The financial statements of Tri-County Community Action Program, Inc. as of June 30, 2013, were audited by other auditors whose report dated March 31, 2014 expressed a qualified opinion on those financial statements. The reason for the qualified opinion on the fiscal year 2013 statements was that the Organization had not previously classified the difference between its assets and liabilities as unrestricted net assets, temporarily restricted net assets and permanently restricted net assets based on the existence or absence of donor-imposed restrictions. The previous auditor stated that the effects on the financial statements of that departure were not readily determinable. As discussed in **Note 14** to the financial statements, the Organization has adjusted its 2013 financial statements to retrospectively apply the change in temporarily restricted net assets. The other auditors reported on the financial statements before the retrospective adjustment.

As part of our audit of the fiscal year 2014 financial statements, we also audited the adjustments described in **Note 14** that were recorded to restate the fiscal year 2013 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2013 financial statements of the Organization other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2013 financial statements as a whole.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2015, on our consideration of Tri-County Community Action Program, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tri-County Community Action Program, Inc.'s internal control over financial reporting and compliance.

*Leanne McDonnell & Roberts  
Professional Association*

January 19, 2015  
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2014

ASSETS

<b>CURRENT ASSETS</b>	
Cash	\$ 375,399
Accounts receivable	833,677
Inventories	66,039
Prepaid expenses	27,286
Other assets	<u>818</u>
Total current assets	<u>1,303,219</u>
<b>PROPERTY</b>	
Property, plant, and equipment	10,782,988
Less accumulated depreciation	<u>(4,018,976)</u>
Property, net	<u>6,764,012</u>
<b>OTHER ASSETS</b>	
Restricted cash	704,665
Building refinance costs, net	<u>16,252</u>
Total other assets	<u>720,917</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 8,788,148</u></b>

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>	
Current portion of long term debt	\$ 315,312
Demand note payable	501,051
Accounts payable	652,705
Accrued compensated absences	277,779
Accrued salaries	111,486
Accrued expenses	112,335
Refundable advances	224,571
Other liabilities	<u>405,593</u>
Total current liabilities	<u>2,600,832</u>
<b>LONG TERM DEBT</b>	
Long term debt, net of current portion	4,253,893
Interest rate swap at fair value	<u>49,713</u>
Total liabilities	<u>6,904,438</u>
<b>NET ASSETS</b>	
Unrestricted	1,220,497
Temporarily restricted	<u>663,213</u>
Total net assets	<u>1,883,710</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 8,788,148</u></b>

See Notes to Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUES AND OTHER SUPPORT</b>			
Grant and contracts	\$ 14,550,759	\$ -	\$ 14,550,759
Program funding	1,430,906	-	1,430,906
Utility programs	1,235,250	-	1,235,250
In-kind contributions	141,303	-	141,303
Contributions	253,696	-	253,696
Fundraising	48,388	-	48,388
Rental income	742,117	-	742,117
Interest income	877	-	877
Gain on disposal	4,404	-	4,404
Other revenue	256,500	-	256,500
	<u>18,664,200</u>	<u>-</u>	<u>18,664,200</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u>59,923</u>	<u>(59,923)</u>	<u>-</u>
Total revenues, other support, and net assets released from restrictions	<u>18,724,123</u>	<u>(59,923)</u>	<u>18,664,200</u>
<b>FUNCTIONAL EXPENSES</b>			
Program Services:			
Agency fund	1,020,464	-	1,020,464
Head Start	2,004,565	-	2,004,565
Guardianship	725,590	-	725,590
Transportation	974,583	-	974,583
Volunteer	103,631	-	103,631
Workforce development	520,858	-	520,858
Alcohol and other drugs	1,032,132	-	1,032,132
Carroll County dental	484,898	-	484,898
Carroll County restorative justice	160,275	-	160,275
Support center	238,519	-	238,519
Homeless	468,841	-	468,841
Energy and community development	7,750,706	-	7,750,706
Elder	1,069,155	-	1,069,155
	<u>16,554,217</u>	<u>-</u>	<u>16,554,217</u>
Supporting Activities:			
General and administrative	1,227,656	-	1,227,656
Fundraising	5,678	-	5,678
	<u>1,233,334</u>	<u>-</u>	<u>1,233,334</u>
Total functional expenses	<u>17,787,551</u>	<u>-</u>	<u>17,787,551</u>
<b>CHANGES IN NET ASSETS FROM OPERATIONS</b>	936,572	(59,923)	876,649
<b>OTHER INCOME AND (EXPENSE)</b>			
Gain on interest rate swap	32,937	-	32,937
<b>TOTAL CHANGES IN NET ASSETS</b>	<u>969,509</u>	<u>(59,923)</u>	<u>909,586</u>
<b>NET ASSETS, BEGINNING OF YEAR (AS ORIGINALLY STATED)</b>	(227,714)	1,125,522	897,808
<b>PRIOR PERIOD ADJUSTMENT (NOTE 14)</b>	<u>478,702</u>	<u>(402,386)</u>	<u>76,316</u>
<b>NET ASSETS, BEGINNING OF YEAR (RESTATEd)</b>	<u>250,988</u>	<u>723,136</u>	<u>974,124</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 1,220,497</u>	<u>\$ 663,213</u>	<u>\$ 1,883,710</u>

See Notes to Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2014**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ 909,586
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	379,543
Gain on disposal of property	(4,404)
Gain on interest rate swap	(32,937)
(Increase) decrease in assets:	
Restricted cash	(73,140)
Accounts receivable	132,610
Inventories	(1,016)
Due from insurance	41,353
Prepaid expenses	(11,234)
Other assets	502
Increase (decrease) in liabilities:	
Accounts payable	(505,581)
Accrued compensated absences	17,426
Accrued salaries	34,078
Accrued expenses	(5,322)
Refundable advances	213,275
Other liabilities	<u>(62,247)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>1,032,492</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from disposal of property	4,404
Purchase of property and equipment	<u>(177,038)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(172,634)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Net repayment of demand note payable	(184,536)
Repayment of long-term debt	(347,318)
Repayment of capital lease obligation	<u>(41,284)</u>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(573,138)</u>
<b>NET INCREASE IN CASH</b>	286,720
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>88,679</u>
<b>CASH AND CASH EQUIVALENTS BALANCE, END OF YEAR</b>	<u>\$ 375,399</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>	
Cash paid during the year for:	
Interest	<u>\$ 247,825</u>

See Notes to Financial Statements

**JULY COUNTY COMMUNITY ACTION PROGRAM, INC.**  
**STATEMENT OF FINANCIAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	Agency Fund	Head Fund	Grant/Contract	Interfund	Unassigned	Warranty	Accounts and	Capital	General	Reserve	Asset	Inventory	Energy and	State	Total	General &	Subsidies	Other
						Development	Other Funds	Project	County	Account	Account	Account	Development			Administrative		
Direct expenses																		
Payroll	\$ 73,574	\$ 207,190	\$ 416,434	\$ 440,849	\$ 70,860	\$ 276,047	\$ 597,309	\$ 284,874	\$ 64,731	\$ 134,912	\$ 274,897	\$ 1,174,431	\$ 477,138	\$ 5,085,716	\$ 537,910	\$ -	\$ -	\$ 5,854,254
Payroll taxes and benefits	18,281	50,182	104,264	104,379	24,744	82,443	187,385	87,471	20,820	44,040	81,848	387,098	118,308	1,345,073	144,733	-	-	1,726,970
Assistance to clients	474	-	-	-	-	13,432	-	-	-	-	2,224	30,481	11,898	4,932,952	-	-	-	4,953,655
Consultants and contractors	26,498	48,296	11,837	28,218	-	-	1,237	11,814	2,747	14,158	3,824	17,208	34,749	231,884	233,972	-	-	476,886
Fuel and administrative	16,321	42,844	6,254	1,878	732	348	8,214	8,838	294	728	3,184	34,744	7,315	138,444	11,228	-	-	157,899
Supplies and materials	7,728	198,490	47,347	12,307	8,147	128,473	20,448	-	31,975	-	22,502	189,219	73,842	734,204	189,868	-	-	964,880
Consumable supplies	1,045	141,724	14,880	39,332	285	3,123	79,138	3,480	128	2,388	4,743	321,943	284,288	408,874	18,178	-	-	622,132
Rent, lease, purchase and maintenance of equipment	68,227	73	12,772	64	-	-	-	-	-	-	-	-	-	83,918	85	-	-	84,043
Building and grounds maintenance	97,842	85,714	180	8,345	-	-	42,785	7,388	-	4,745	4,732	1,002	3,981	238,431	798	-	-	239,629
Utilities	142,123	38,412	15,889	18,222	1,058	8,072	44,782	8,714	3,381	18,657	27,315	54,528	32,761	448,744	3,864	-	-	452,608
Phone bills	23	-	-	-	-	-	-	-	-	-	-	-	-	1,847	3,085	-	-	4,932
Travel and meetings	1,108	82,394	29,222	41,527	605	15,423	14,132	8,348	-	6,841	11,789	8,820	29,888	228,417	32,479	-	-	258,696
Vehicle expenses	1,447	-	-	181,804	-	-	1,824	-	-	-	4,120	89,284	-	228,349	8,219	-	-	299,267
Insurance	186,851	24,041	921	95,436	712	-	24,841	-	541	7,848	17,189	33,308	-	282,384	1,965	-	-	292,680
Interest expense	124,971	-	-	-	-	-	7,234	64,742	-	-	-	-	-	479	-	-	-	74,436
Other debt program costs	82,371	6,384	36,057	5,585	-	6,257	5,078	4,987	-	200	8,851	2,351	481	101,318	13,077	-	-	117,074
Depreciation and amortization expense	284,173	4,964	3,842	74,438	-	-	21,047	48,801	-	18,028	1,781	7,803	39,840	374,444	-	-	-	378,443
Indirect expenses	-	647,822	-	-	-	-	-	-	-	-	-	-	-	141,223	-	-	-	141,223
<b>Total Direct Expenses</b>	<b>1,026,184</b>	<b>2,054,486</b>	<b>726,340</b>	<b>674,349</b>	<b>103,831</b>	<b>525,928</b>	<b>1,032,182</b>	<b>481,648</b>	<b>165,273</b>	<b>228,610</b>	<b>498,841</b>	<b>2,755,705</b>	<b>1,249,155</b>	<b>18,504,217</b>	<b>1,227,496</b>	<b>6,678</b>	<b>-</b>	<b>17,787,821</b>
Indirect Expenses																		
Indirect costs	108,444	715,136	83,816	110,871	12,885	47,892	194,871	32,880	13,194	28,720	47,887	204,269	114,638	1,727,284	1,227,464	-	-	2,954,857
<b>Total Direct &amp; Indirect Expenses</b>	<b>\$ 1,134,628</b>	<b>\$ 2,769,622</b>	<b>\$ 810,156</b>	<b>\$ 785,220</b>	<b>\$ 116,716</b>	<b>\$ 573,820</b>	<b>\$ 1,227,053</b>	<b>\$ 514,528</b>	<b>\$ 178,467</b>	<b>\$ 257,330</b>	<b>\$ 546,728</b>	<b>\$ 3,059,974</b>	<b>\$ 1,363,793</b>	<b>\$ 19,231,501</b>	<b>\$ 2,454,960</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,686,681</b>

See Notes to Financial Statements

**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014**

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

**Nature of activities**

Tri-County Community Action Program, Inc. (the Organization) is a New Hampshire non-profit corporation that operates a wide variety of community service programs which are funded primarily through grants or contracts from various federal, state, and local agencies.

The Organization's programs consist of the following:

**Agency**

Tri-County CAP Administration provides central program management support and oversight to our many individual programs. This includes planning and budget development, bookkeeping and accounting, payroll and HR services, legal and audit services, IT support, management support, financial support and central policy development.

Tri-County CAP Administration is the liaison between Tri-County Community Action Program, Inc., Board of Directors and its programs, ensuring that programs comply with agreements made by the Board to funding sources and vendors.

Other responsibilities include the management and allocation of funding received through a Community Services Block Grant, as well as management of the Organization's real estate property.

An example is The Northern Forest Heritage Park (the Park), which provides hundreds of individuals with an educational experience as they visit a full-size replica logging camp, interactive exhibits, the Brown Company House Museum, the Artisans' Display Gallery and gift shop, as well as boat tours, cultural festivals, demonstrations, and competitions. The Park is also available for community and family events.

**Head Start**

Head Start serves hundreds of children and their families in multiple classrooms and locations throughout three counties. Research demonstrates that children who are healthy learn better. Due to this fact, parents in our program receive assistance in completing medical and dental exams for their children. To further assist in breaking the cycle of poverty, each family enrolled in Head Start receives assistance in completing a family needs assessment, and subsequent support in achieving their self-sufficiency and personal improvement goals.

### **Guardianship**

The Organization's Guardianship program provides advocacy and guardian services for the vulnerable population of New Hampshire residents (developmentally disabled, chronically mentally ill, traumatic brain injury, and the elderly suffering from Alzheimer's, dementia, and multiple medical issues) who need a guardian and who have no family member or friend willing, able, or suitable to serve in that capacity.

### **Transportation**

The Organization's transit program provides various transportation services: public bus routes, door-to-door service by request, long distance medical travel to medical facilities outside our regular service area, and special trips for the elderly to go shopping and enjoy other activities that are located outside the regular service area. The Organization's fleet of 18 wheelchair accessible vehicles offers transportation options to the elderly and disabled, as well as to the general public.

### **Volunteer**

Coos County Retired & Senior Volunteers Program (RSVP) maintains a minimum corps of 330 volunteers, ages 55 and older. These volunteers share their skills, life experiences, and time with over 50 local non-profit and public agencies throughout Coos County that depend on volunteer assistance to meet the needs of their constituents. Our volunteers donate over 50,000 hours yearly.

### **Workforce Development**

The Organization is assisting transitional and displaced workers as they prepare for new jobs, and also assisting currently-employed workers to gain the skills required for better jobs.

The Organization is helping to implement New Hampshire's Unified State Plan for Workforce Development, in line with the federal Workforce Investment Act. Workforce training programs, with training facilities in three towns, provide temporary assistance for needy family (TANF) recipients with 20-30 hours per week of training in the areas of employment skills, computer skills, and business experience, and also place participating TANF recipients in community-based work experience sites.

### **Alcohol & Other Drugs (AOD)**

Services provided through the AOD program include assisting the alcoholic/addicted person on the road to recovery, through three phases: Crisis Intervention, Sobriety Maintenance, and Assessment and Referral to appropriate treatment facilities. The Residential Treatment Programs (Friendship House) provide chemically dependent individuals with the fundamental tools of recovery, including educational classes, group and individual counseling, work and recreational therapy, and attendance at in-house and community-based alcoholics anonymous and narcotics anonymous meetings. The AOD program also offers assistance with its impaired driver programs.

The Friendship House, in December of 2014, had approximately \$130,000 worth of investments and improvements due to assistance from Public Services of New Hampshire.

#### **Carroll County Dental**

The Tamworth Dental Center (the Center) offers high quality oral health care to children with NH Medicaid coverage. The Organization also serves uninsured and underinsured children and adults using a sliding fee scale that offers income-based discounts for care. The Center accepts most common dental insurances for those who have commercial dental insurance coverage. A school-based project of the Dental Center, School Smiles, offers oral health education, screening, treatment and referrals for treatment to over 1,000 children in 9 schools in the vicinity of the Center.

#### **Carroll County Restorative Justice**

The Organization's restorative justice program provides comprehensive alternatives to traditional court sentencing and dispute resolution within the framework of Balanced and Restorative Justice. Two key components of this process are personal accountability for one's actions (diversion) and alternative conflict resolution (mediation). Services are provided by in-house staff, volunteers, and partnered relations with other local service providers.

#### **Support Center**

The Organization's Support Center at Burch House is a domestic and sexual violence crisis center that provides direct service and shelter to victims of domestic and sexual violence in Northern Grafton County. Support groups for victims and survivors are provided all year long. Violence prevention programs reach out to students in grades 4-12 and to civic and community groups, as well as to other health and human service professionals in the area.

Supports groups for victims and survivors are provided all year long. Open 24 hours a day, services include: Crisis intervention, emergency shelter, court, hospital and police advocacy and accompaniment, support groups, violence prevention programs reach out to students in grades 4-12 and community outreach trainings and professional presentations to civic and community groups, as well as to other health and human service professionals in the area.

#### **Homeless**

Homeless services include an outreach intervention and prevention project that strives to prevent individuals and families from becoming homeless, and assists the already homeless in securing safe, affordable housing. The Organization provides temporary shelter space for homeless clients. The Organization also provides some housing rehabilitation services to help preserve older housing stock.

### **Energy and Development, and Community Contact**

Energy programs provide fuel assistance, electric assistance, utility conservation, and weatherization measures including insulation, air-sealing, energy efficient lighting and refrigerators, hot water conservation measures, minor home repairs, and replacement windows and doors.

Eight Community Contact sites allow for local participant access. Applications for energy assistance program, rental security deposit assistance and other emergency services are taken at these community contact offices. These offices also provide information to the Organization's clients about their other programs and programs available through other organizations in the community.

### **Elder**

The Organization's Elder program provides senior meals in 12 community dining sites, home-delivered meals (Meals on Wheels) to the frail and homebound elderly, and senior nutrition education and related programming. Adult Day Services including respite for those caring for an adult who requires assistance with activities of daily living, support groups, caregiver education, and in-home assessments. The Coos County ServiceLink Aging & Disability Resource Center assists with Medicare counseling, Medicaid assistance, long-term care counseling services, and caregiver supports.

### **Method of accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under this basis, revenues, other than contributions, and expenses are reported when incurred without regard to the date of receipt or payment of cash.

### **Basis of presentation**

Financial statement presentation follows the recommendations of the FASB in its Accounting Standard Codification No. 958 *Financial Statements of Not-For-Profit Organizations*. Under FASB ASC No. 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization had no permanently restricted net assets at June 30, 2014. The Organization had temporarily restricted net assets of \$663,213 at June 30, 2014 after the prior period adjustment as described in **Note 14**.

### **Restricted and unrestricted support**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Unrestricted net assets** include revenues and expenses and contributions which are not subject to any donor imposed restrictions. Unrestricted net assets can be board designated by the Board of Directors for special projects and expenditures.

**Temporarily restricted net assets** include contributions for which time restrictions or donor-imposed restrictions have not yet been met. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

**Permanently restricted net assets** include gifts which require, by donor restriction, that the corpus be invested in perpetuity and only the income or a portion thereof (excluding capital gains restricted by State statute) be made available for program operations in accordance with donor restrictions. The Organization had no permanently restricted net assets at June 30, 2014.

#### **Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date. The accounting standards for fair values establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Organization. Unobservable inputs are inputs that reflect the Organization's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is classified into three levels based on the reliability of inputs as follows:

**Level 1:** Valuations based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

**Level 2:** Valuation is determined from quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in markets that are not active or by model-based techniques in which all significant inputs are observable in the market.

**Level 3:** Valuations based on inputs that are unobservable and significant to the overall fair value measurement. The degree of judgment exercised in determining fair value is greatest for instruments categorized as Level 3.

The availability of observable inputs can vary and is affected by a wide variety of factors, including, the type of asset/liability, whether the asset/liability is established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, assumptions are required to reflect those that market participants would use in pricing the asset or liability at the measurement date.

As disclosed in **Note 6**, the note payable which bears monthly interest of 69% of the sum of the one month London Interbank Offered Rate (LIBOR) plus 3.25%, when the Organization's debt service coverage ratio is 1.10; or 3.00% when the Organization's debt service coverage ratio is 1.20. The Organization's purpose in entering into a swap arrangement was to hedge against the risk of interest rate increases on the related variable rate debt and not to hold the instrument for trading purposes. The Organization pays interest at a fixed 3.85%. The arrangement is scheduled to expire on August 2040. The notional amount of the contract was \$3,145,412. Accordingly, the swap arrangement, which is a derivative financial instrument, is classified as a cash flow hedge.

For the year ended June 30, 2014, the fair value of the interest rate swap was \$49,713 and the unrealized gain was \$32,937. The fair value of the swap is included on the balance sheet as a long term liability. No amounts have been reclassified as interest expense and based upon the Organization's intent to hold the derivative until expiration they do not expect to reclassify any unrealized gains or losses to interest expense.

### **Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Most of the receivables are amounts due from federal and state awarding agencies and are based upon reimbursement for expenditures made under specific grants or contracts. A portion of the accounts receivable balance represents amounts due from patients at Carroll County Dental and participants in the alcohol and other drug treatment programs. Past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United State because the effects of the direct write method approximate those of the allowance method. Management selects accounts to be written off after analyzing past payment history, the age of the accounts receivable, and collection rates for receivables with similar characteristics, such as length of time outstanding.

The Organization does not charge interest on outstanding accounts receivable.

**Property and Depreciation**

Acquisitions of buildings, equipment, and improvements in excess of \$5,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Buildings, equipment, and improvements are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. Depreciation expense related to assets used solely by an individual program is charged directly to the related program. Depreciation expense for assets used by more than one program is charged to the program based upon a square footage or other similar allocation. Depreciation expense related to administrative assets is included in the indirect cost pool and charged to the programs in accordance with the indirect cost plan. Maintenance and repairs are charged to expense as incurred.

Estimated useful lives are as follows:

Buildings and Improvements	20 to 40 years
Vehicles	5 to 8 years
Furniture and Equipment	5 to 15 years

**Refundable Advances**

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or incurred. Funds received in advance of grantor conditions being met aggregated \$224,571 as of June 30, 2014.

**Nonprofit tax status**

The Organization is a *not-for-profit* Section 501(c) (3) organization of the Internal Revenue Code. It has been classified as an Organization that is not a private foundation under the Internal Revenue Code and qualifies for a charitable contribution deduction for individual donors. The Organization files information returns in the United States. The Organization is no longer subject to examinations by tax authorities for years prior to 2009.

The Organization follows FASB ASC, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Organization does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized.

The Organization's Federal Form 990 (Return of Organization Exempt from Income Tax), subject to examination by the IRS, generally for three years after it is filed.

### **Retirement plan**

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the Internal Revenue Code. All employees are eligible to contribute to the plan beginning on the date they are employed. Each employee may elect salary reduction agreement contributions in accordance with limits allowed in the Internal Revenue Code. Employer contributions are at the Organization's annual discretion. In January 2013, payments had ceased, therefore as of June 30, 2014, there were no discretionary contributions recorded. Further information can be obtained from the Organization's 403(b) audited financial statements.

### **Donated services and goods**

Contributed noncash assets are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of noncash assets are recorded as unrestricted support.

### **Donated property and equipment**

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

### **Use of estimates**

The presentation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

### **Functional allocation of expenses**

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

**Program salaries and related expenses** are allocated to the various program and supporting services based on actual or estimated time employees spend on each function as reported on a timesheet.

**Workers Compensation expenses** are charged to each program based upon the classification of the each employee and allocated to the various program based upon the time employees spend on each function as noted above.

**Paid Leave** is charged to a leave pool and is allocated to each program as a percentage of total salaries.

**Fringe Benefits** are charged to a Fringe Benefit Pool. These expenses include employer payroll taxes, pension expenses, health and dental insurance and unemployment compensation. The pool is allocated to each program based upon a percentage of salaries.

**Depreciation expense** is allocated to each program based upon specific assets used by the program and is reported as depreciation expense on the supplemental statements of functional expenses. Depreciation applicable to assets which are used by multiple programs, primarily buildings, is charged to the benefiting program based upon an analysis of square footage. The same calculation is used to allocate other building costs including insurance. These costs are reported as space costs on the supplemental statements of functional expenses.

**Insurance:** automobile insurance is allocated to programs based on vehicle usage; building liability insurance is allocated to programs based on square footage of the buildings; and insurance for furniture and equipment is allocated to programs using the book basis of the insured assets.

**The remaining shared expenses** are charged to an Indirect Cost Pool and are allocated to each program based upon a percentage of program expenses. The expenses include items such as administrative salaries, general liability insurance, administrative travel, professional fees and other expenses which cannot be specifically identified and charged to a program.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human Services. The proposal effective for the fiscal year beginning July 1, 2013 received provisional approval and is effective until amended. The rate is 12.3%.

**Advertising policy**

The Organization uses advertising to inform the community about the programs it offers and the availability of services. Advertising is expensed as incurred. The total cost of advertising for the year ended June 30, 2014 was \$11,778.

**NOTE 2. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of cash on hand, funds on deposit with financial institutions, and investments with original maturities of three months or less. At year end and throughout the year, the Organization's cash balances were deposited with multiple financial institutions. At June 30, 2014, the balances on interest and non-interest bearing accounts were insured by the FDIC up to \$250,000. At June 30, 2014, there was approximately \$487,000 of deposits held in excess of the FDIC limit. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents and considers this a normal business risk.

**Cash Restrictions**

The Organization is required to maintain a deposit account with a bank as part of the loan security agreement disclosed at **Note 6**. The required balance in the account is \$52,497 and is restricted from withdrawal except to make payments of debt service or as approved by the US Department of Agriculture. Amounts withdrawn to make payments of debt service must be replenished with monthly deposits until the maximum required deposit balance is achieved.

The balance as of June 30, 2014 was \$6,219. The Organization was not in compliance with this requirement however, in May 2013, the client began making the required monthly deposits of \$437. This amount is included in restricted cash on the Statement of Financial Position.

The Organization is required to maintain a deposit account with another bank as part of a bond issue (see bond payable in **Note 6**). The required balance in the account is \$186,516 and is equal to the interest payments on the bond for a 12 month period. The balance as of June 30, 2014 was \$187,107, and the Organization was in compliance with this requirement. This amount is included in restricted cash on the Statement of Financial Position.

The Organization maintains a deposit account on behalf of clients who participate in the Guardianship Services Program. The balance in the account is restricted for use on behalf of these clients and an offsetting liability is reported on the financial statements as other current liabilities. The total current liability related to this withdrawal at June 30, 2014 was \$403,598. These amounts are included in other liabilities on the Statement of Financial Position. The total restricted cash within this account at June 30, 2014 was \$398,354, and is included in the restricted cash balance on the Statement of Financial Position.

During fiscal year 2013, the Court Appointed Special Trustee requested and received \$225,000 from private donors. These funds were restricted to use by the Special Trustee under his individual authority. As of June 30, 2014, the remaining balance of these funds is \$112,985. This amount is included in restricted cash on the Statement of Financial Position.

**NOTE 3. INVENTORY**

In 2014, inventory included weatherization materials which have been purchased in bulk. These items are valued at the most recent cost. A physical inventory is taken annually. Cost is determined using the first-in, first-out (FIFO) method.

**NOTE 4. PROPERTY**

Property consists of the following at June 30, 2014:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$7,972,540	\$ 2,448,604	\$ 5,523,936
Equipment	2,214,981	1,570,372	3,785,353
Land	<u>595,467</u>	<u>-</u>	<u>595,467</u>
	<u>\$10,782,988</u>	<u>\$ 4,018,976</u>	<u>\$ 6,764,012</u>

The Organization has use of computers and equipment which are the property of state and federal agencies under grant agreements. The equipment, whose book value is immaterial to the financial statements, is not included in the Organization's property and equipment totals.

Depreciation expense for the year ended June 30, 2014 was \$378,065.

The Organization also had building refinancing costs of \$17,730. Amortization expense for the year ended June 30, 2014 was \$1,478.

**NOTE 5. ACCRUED EARNED TIME**

Employees of the Organization are eligible to accrue vacation for a maximum of 240 hours. At June 30, 2014, the Organization had accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$277,779.

**NOTE 6. LONG TERM DEBT**

The long term debt of the Organization as of June 30, 2014 consisted of the following:

Note payable requiring 360 monthly installments of \$484 including interest at 5% per annum. Secured by general business assets. Final installment due March 2024. \$ 44,319

Note payable requiring 360 monthly installments of \$1,746 including interest at 4.5% per annum. Secured by general business assets. Final installment due June 2024. 144,785

Note payable requiring 360 monthly installments of \$1,664 including interest at 5% per annum. Secured by general business assets. Final installment due January 2027. 185,470

Note payable requiring 360 monthly installments of \$292 including interest at 4.75% per annum. Secured by general business assets. Final installment due April 2030. 38,753

Note payable requiring 360 monthly installments of \$74 including interest at 4.75% per annum. Secured by general business assets. Final installment due June 2029. 9,507

Note payable requiring 120 monthly installments of \$475 including interest at 4.25% per annum. Secured by a first mortgage on a business condo. Final installment due December 2015. 8,340

Note payable requiring 120 monthly installments of \$3,799 including interest at 6.75% per annum. Secured by first mortgages on two commercial properties. Final installment due April 2021. 459,945

Note payable to a related party, interest accrues 6% per annum, no monthly installments, full principal amount plus interest is due August 2012, informally extended. 26,170

Note payable to a non-profit organization (related party), interest accrues 6% per annum, no monthly installments, full principal plus interest due during the Organization's fiscal year end 2013, informally extended. 149,866

Bond payable requiring monthly installments of \$15,260 including interest adjusted by a swap agreement with a fixed rate of 3.85%, adjusted by the difference between the fixed amount and a rate of interest equal to 69% of the sum of the 1 month LIBOR rate plus 3.25% (when the Organization's debt service coverage ratio is 1.10) or 3.00% (when the Organization's debt service coverage ratio is 1.20). Secured by first commercial real estate mortgage on various properties and assignment of rents at various properties. Final installment due August 2040. 3,016,868

Note payable requiring 240 monthly installments of \$4,518 including interest at 4.16% per annum. Secured by second mortgage on commercial property. Final installment due December 2032. 485,182

Less current portion due within one year 4,569,205 (315,312)

Total long term debt \$ 4,253,893

The scheduled maturities of long term debt as of June 30, 2014 were as follows:

<u>Years ending</u> <u>June 30</u>	<u>Amount</u>
2015	\$ 315,312
2016	142,626
2017	146,154
2018	545,938
2019	134,263
Thereafter	<u>3,284,912</u>
	<u>\$ 4,569,205</u>

As described at **Note 2**, the Organization is required to maintain a reserve account with a bank for the first six notes payable listed above. In May 2013, the Organization began making monthly deposits to the reserve account, but had not yet accumulated the required balance.

Failure to meet this requirement may be construed by the Government to constitute default; however, the awarding agency is aware of this issue and has not made a request for advanced payment. The balance in this account as of June 30, 2014 was \$6,219.

As described at **Note 2**, the Organization is required to maintain a reserve account with a bank related to the bond payable listed above. Additionally, the Organization is required to maintain a debt coverage ratio of 1:1.10 as stipulated in the loan agreement.

**NOTE 7. DEMAND NOTE PAYABLE**

The Organization has available a \$45,000 unsecured line of credit with Northway Bank, at June 30, 2014. Borrowings under the line bear interest at 6.50% per annum, and totaled \$33,611 at June 30, 2014, respectively. The line of credit is unsecured.

The Organization has available a \$750,000 line of credit with TD Bank which was secured with real estate mortgages and assignments of leases and rents on various properties as disclosed in the line of credit agreement. Borrowings under the line bear interest at 4.25% per annum, and totaled \$400,000 at June 30, 2014. The line is subject to renewal each January.

The Organization has available a \$25,000 line of credit with Bank of New Hampshire which is secured with all business assets of the Northern Forest Heritage Park. Borrowings under the line bear interest at 4.25% per annum, and totaled \$16,601 at June 30, 2014.

The Organization was issued a revolving line of credit in 2014 with the New Hampshire Department of Administration Services. On June 30, 2014, the outstanding debt totaled \$50,839, which included accrued interest of \$839.

**NOTE 8. LEASES**

**Capital Leases**

The Organization leased equipment from Leaf Financial Corporation under the terms of a capital lease. The economic substance of the lease was that the Organization was financing the acquisition of the assets through the lease, and accordingly, it was recorded in the Organization's assets and liabilities. In 2014, the remaining balance was paid off and the balance was subsequently reduced to zero.

**Operating Leases**

The Organization has entered into numerous lease commitments for space. Leases under non-cancelable lease agreements have various starting dates, lengths, and terms of payment and renewal. Additionally, the Organization has several facilities which are leased on a month to month basis. For the year ended June 30, 2014, the annual rent expense for leased facilities was \$188,455.

Minimum future rental payments under non-cancelable operating leases having initial terms in excess of one year as of June 30, 2014, are as follows:

<u>Years ending June 30</u>	<u>Amount</u>
2015	\$ 171,566
2016	93,116
2017	81,757
2018	83,531
2019	70,936
Thereafter	<u>282,000</u>
	<u>\$ 782,906</u>

Rent expense for the year ended June 30, 2014 totaled \$714,004.

**NOTE 9. IN-KIND CONTRIBUTIONS**

Contributions of donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

The Organization records the value of in-kind contributions according to the accounting policy described in **Note 1**. The Head Start, Transportation and Elder Programs rely heavily on volunteers who donate their services to the Organization. These services are valued based upon the comparative market wage for similar paid positions. The Organization is also the beneficiary of a donation of in kind in the form of below market rent for some of the facilities utilized by the Head Start and Elder Programs. The value of the in-kind rent is recorded at the difference between the rental payment and the market rate for the property based upon a recent appraisal.

Many other individuals have donated significant amounts of time to the activities of the Organization. The financial statements do not reflect any value for these donated services since there is no reliable basis for making a reasonable determination.

**NOTE 10. CONCENTRATION OF RISK**

The Organization receives a large majority of its support from federal and state governments. For the year ended June 30, 2014 approximately \$14,018,226 (73%) of the Organization's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have an effect on the Organization's programs and activities.

**NOTE 11. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following specific program services as of June 30, 2014:

NH Charitable Foundation Grant, Mt. Jasper	\$ 32,653
Donations to Special Trustees	50,000
Champagne Family Rescue	616
Berlin Area Renewable Energy Initiative	19,838
Transitions in Caregiving Plus	3,235
10 Bricks Shelter Funds	107,221
Fuel Assistance Emergency Fund	8,689
Donations to Mahoosuc Trail	1,842
Carroll County Transit Program	7,954
Community Contact	3,543
Donations to Maple Fund	1,825
Private Funding for Fuel Assistance Program	149,178
Pellet Stove Program	25,000
Private Funding for Head Start	26,028
Loan Programs	153
Private Funding for Alcohol and Other Drug Program	50,000
Funding for Tyler Blain House	12,595
North Country Transit Other	22,041
Restricted Buildings	<u>140,802</u>
Total temporarily restricted net assets	<u>\$ 663,213</u>

**NOTE 12. COMMITMENTS AND CONTINGENCIES**

**Grant Compliance**

The Organization received funds under several federal and state grants. Under the terms of the grants the Organization is required to comply with various stipulations including use and time restrictions. If the Organization was found to be noncompliant with the provisions of the grant agreements, the Organization could be liable to the grantor or face discontinuation of funding.

**Environmental Contingencies**

On March 30, 2009 the Organization's Board of Directors agreed to secure ownership of a 1.2-acre site located in Berlin, New Hampshire. There are 2 buildings on this site designated as the East Wing and West Wing Buildings which were formerly used as a research and development facility for the Berlin Mills Company. The exterior soil and interior parts of the East Wing Building contained contaminants which required environmental remediation. In a letter dated May 2, 2012, the State of New Hampshire Department of Environment Services (the Department) noted that the remedial actions for the exterior soils and parts of the East Wing Building had been completed to the Department's satisfaction.

In addition, the Department noted that the contaminants related to the West Wing Building did not pose an exposure hazard to site occupants, area residents, and the environment provided the West Wing Building is maintained to prevent further structural deterioration. If further deterioration occurs and contaminants are released into the environment, the Organization could be required to take additional action including containment and remediation.

**Other Liabilities**

During fiscal year 2012, the Organization withdrew \$375,000 from an account entrusted to the Organization as part of the Guardianship Program (see **Note 2**). This unauthorized withdrawal was reported to the New Hampshire Assistant Attorney General of the Charitable Trust Division and an agreement was reached to replenish the account. The Organization returned \$191,000 during the fiscal year ended June 30, 2013 and \$184,000 during the fiscal year ended June 30, 2014 to the Guardianship Services Program account.

In addition to the requirement to return the funds, the Organization was assessed a fee of \$5,244 related to the unauthorized use of these funds. This amount was still outstanding at June 30, 2014 as no official notice or request for payment had been received by the Organization.

**NOTE 13. RELATED PARTY TRANSACTIONS**

As disclosed in **Note 6**, the Organization has a loan payable to the wife of the former Chief Executive Officer. Also in **Note 6**, the Organization has a loan payable to a non-profit organization which also provides pass-through state and federal funding for some of the Organization's programs. See **Note 6** for terms of the note payables. Total note payables to related parties for the year ended June 30, 2014 was \$176,036.

**NOTE 14. PRIOR PERIOD ADJUSTMENTS**

The beginning net assets for 2014 have been restated to correctly classify unrestricted and temporarily restricted net assets. The prior auditors had modified their audit opinion for the year ended June 30, 2013 with regards to these balances stating that the Organization had previously not classified these net asset balances appropriately. They also stated that the effects on the financial statements were not reasonably determinable. During the year ended June 30, 2014, the Organization reviewed their entire unrestricted and temporarily restricted net asset balances and corrected this issue. The effect of the restatement was to increase unrestricted net assets and decrease temporarily restricted net assets for 2013 by \$402,386.

There was also another adjustment, totaling a net amount of \$76,316, related to refundable advances not recorded at June 30, 2013.

**NOTE 15. SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Non-recognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through January 19, 2015, the date the financial statements were available to be issued.

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass Through Grantor/Program Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
<b>U.S. Department of Health and Human Services</b>			
<i>Direct</i>			
Head Start	01CH1041/47	93.600	\$ 1,174,745
Head Start	01CH1041/48	93.600	854,328
<i>Passed through New Hampshire Office of Energy and Planning</i>			
Low-Income Home Energy Assistance (Admin.)	1025875	93.568	86,709
Low-Income Home Energy Assistance (Assurance 16)	1025875	93.568	31,324
Low-Income Home Energy Assistance (Admin.)	1033340	93.568	384,079
Low-Income Home Energy Assistance (Program)	1033340	93.568	5,322,937
Low-Income Home Energy Assistance (Assurance 16)	1033340	93.568	103,369
Low-Income Home Energy Assistance (HRRP)	1025855	93.568	17,353
Low-Income Home Energy Assistance (HRRP)	1033553	93.568	72,444
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (SEAS)	14AANH3SP	93.044	10,780
<i>Passed through New Hampshire Health and Human Services</i>			
Community Services Block Grant	1026089	93.569	112,288
Community Services Block Grant	102500731	93.569	486,833
Temporary Assistance for Needy Families (NHEP Workplace Success)		93.558	332,099
Temporary Assistance for Needy Families (JARC)		93.558	24,300
Preventative Health and Health Services Block Grant (Oral Health Program)	90072003	93.991	10,617
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services (Sr Oral Health)	102-500731	93.043	210
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (Adult Medical)	1016495	93.044	2,449
Special Programs for the Aging - Title III, Part C - Nutrition Services (HD Meals)	1016499	93.045	157,945
National Family Caregiver Support, Title III, Part E	1008784	93.052	8,591
National Family Caregiver Support, Title III, Part E	14AANH3FC	93.052	10,738
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (Sr Wheels)	1016495	93.044	50,593
Medical Assistance Program (Assessment & Counseling #1)	1008784	93.778	20,909
Medical Assistance Program (Options Counseling and I&R #7)		93.778	33,902
Medical Assistance Program (Transportation)		93.778	48,032
Nutrition Services Incentive Program (NSIP)		93.053	71,604
Social Services Block Grant (Title XX I&R)	G-1301NHSOSR	93.667	5,199
Social Services Block Grant (Title XX I&R)	1008784	93.667	2,063
Social Services Block Grant (Title XX Adult Daycare)	1016503	93.667	2,134
Social Services Block Grant (Title XX HD Meals APS)	1016496	93.667	2,857
Social Services Block Grant (Title XX HD Meals)	1016495	93.667	59,754
Special Programs for the Aging - Title III, Part C - Nutrition Services (Congregate Meals)	1016501	93.045	66,556
Affordable Care Act - Aging and Disability Resource Center (ADRC Optional)	90RO0028	93.517	14,544
Centers for Medicare and Medicaid Services (SHIP)	1008784	93.779	7,325
Centers for Medicare and Medicaid Services (SHIP)	1NOCMS020220	93.779	4,197
Special Programs for the Aging - Title IV and Title II - Discretionary Projects (SMPP)	1008784	93.046	3,084
Special Programs for the Aging - Title IV and Title II - Discretionary Projects (SMPP)	90MP0176	93.048	7,354
Administration for Community Living - Medicare Enrollment Assistance Program (MPPA)		93.071	2,818
Centers for Medicare and Medicaid Services (Marketplace Assistance Services)		93.525	24,957
<i>Passed Through New Hampshire Coalition against Domestic and Sexual Violence</i>			
Family Violence Prevention and Services/Battered Women's Shelters - Grants to States and Indian Tribes (SPIROV)		93.671	26,638
Family Violence Prevention and Services/Battered Women's Shelters - Grants to States and Indian Tribes (DVS)		93.671	22,884
<i>Passed through New Hampshire Division of Public Health Services</i>			
Block Grants for Prevention and Treatment of Substance Abuse		93.958	260,450
<i>Passed through New Hampshire Division of Child Support Services</i>			
Projects for Assistance in Transition from Homelessness (PATH)		93.150	79,829
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			10,021,622
<b>U.S. Department of Energy</b>			
<i>Passed through Governor's Office of Energy and Community Services</i>			
Weatherization Assistance for Low-Income Persons	1033409	81.042	209,433
<i>Passed through NH Community Development Finance Authority</i>			
Energy Efficiency and Conservation Block Grant Program (Better Buildings)		81.128	72,291
TOTAL U.S. DEPARTMENT OF ENERGY:			281,724
<b>U.S. Corporation for National and Community Service</b>			
<i>Direct</i>			
Retired and Senior Volunteer Program	13SRANH001	94.002	72,754
TOTAL U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:			72,754

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - (CONTINUED)  
 FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass Through Grantor/Program Title	Pass-through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
<b><u>U.S. Department of Agriculture</u></b>			
<i>Direct</i>			
Supplemental Nutrition Assistance Program (food stamps)		10.551	6,520
Rural Housing Preservation Grants		10.433	4,392
<i>Passed Through New Hampshire Department of Education</i>			
Child and Adult Care Food Program		10.558	105,782
TOTAL U.S. DEPARTMENT OF AGRICULTURE:			<u>116,694</u>
<b><u>U.S. Department of Homeland Security</u></b>			
<i>Direct</i>			
Emergency Management Performance Grants (FEMA)	128735	97.042	21,889
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY:			<u>21,889</u>
<b><u>U.S. Department of Justice</u></b>			
<i>Passed through New Hampshire Coalition Against Domestic and Sexual Violence</i>			
Crime Victim Assistance (VOCA)		16.575	66,702
Sexual Assault Services Formula Program (SASP)	2012-KF-AX-0021	15.017	7,878
TOTAL U.S. DEPARTMENT OF JUSTICE:			<u>74,580</u>
<b><u>U.S. Department of Transportation</u></b>			
<i>Passed through New Hampshire Department of Transportation</i>			
Formula Grants for Rural Areas (Section 5311)	NH-18-X044	20.509	283,798
Job Access and Reverse Commute Program (FTA- Section 5316)		20.516	37,386
Enhanced Mobility of Seniors and Individuals with Disabilities (5310 POS, NCC)	NH-85-X002	20.513	47,225
Enhanced Mobility of Seniors and Individuals with Disabilities (5310 POS, MWVEC)		20.513	29,258
TOTAL U.S. DEPARTMENT OF TRANSPORTATION:			<u>407,666</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
<i>Passed through New Hampshire Office of Family Services</i>			
Emergency Solutions Grant Program		14.231	32,512
Supportive Housing Program (HOIP)		14.235	130,188
<i>Passed through New Hampshire Health and Human Services then Southwestern Community Services</i>			
Emergency Solutions Grant Program (Rapid Re-Housing and Prevention)		14.231	40,126
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			<u>202,826</u>
<b><u>U.S. Department of Labor</u></b>			
<i>Passed through New Hampshire Department of Labor</i>			
WIA Adult Program	2009-005	17.258	64,919
WIA Dislocated Worker Formula Grants	2008-005	17.278	77,328
TOTAL U.S. DEPARTMENT OF LABOR:			<u>142,247</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 11,342,002</u>

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Tri-County Community Action Program, Inc. under programs of the federal government for the year ended June 30, 2014. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of Tri-County Community Action Program, Inc., it is



TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of  
Tri-County Community Action Program, Inc.  
Berlin, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Tri-County Community Action Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 19, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Tri-County Community Action Program Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Tri-County Community Action Program Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies: FS-2014-001, FS-2014-002, and FS-2014-003.

### Compliance and Other Matters

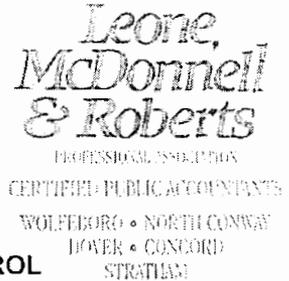
As part of obtaining reasonable assurance about whether Tri-County Community Action Program Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could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

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Leone McDonnell: Roberts  
Professional Association

North Conway, New Hampshire  
January 19, 2015



**TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.**

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

To the Board of Directors of  
Tri-County Community Action Program, Inc.  
Berlin, New Hampshire

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

We have audited Tri-County Community Action Program Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Tri-County Community Action Program Inc.'s major federal programs for the year ended June 30, 2014. Tri-County Community Action Program Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Tri-County Community Action Program Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Tri-County Community Action Program Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Tri-County Community Action Program Inc.'s compliance.

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

In our opinion, Tri-County Community Action Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

## Report on Internal Control Over Compliance

Management of Tri-County Community Action Program, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Tri-County Community Action Program Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Tri-County Community Action Program, Inc.'s internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Leone, Mc Donnell & Roberts  
Professional Association*

North Conway, New Hampshire  
January 19, 2015

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2014

1. The auditors' report expresses an unmodified opinion on the financial statements of Tri-County Community Action Program, Inc.
2. Three significant deficiencies relating to the audit of the financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* and are included in the Findings – Financial Statement Audit below.
3. No instances of noncompliance material to the financial statements of Tri-County Community Action Program, Inc. which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs during the audit are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditors' report on compliance for the major federal award programs for Tri-County Community Action Program, Inc. expresses an unmodified opinion on all major programs.
6. There were no audit findings which the auditor would be required to report under section 510(a) of OMB Circular A-133.
7. The programs tested as major programs included:
  - Low Income Home Energy Assistance – CFDA #93.568
  - Aging Cluster:
    - Special Programs for the Aging – Title III, Part B – CFDA #93.044
    - Special Programs for the Aging – Title III, Part C – CFDA #93.045
    - Nutrition Services Incentive Program – CFDA #93.053
  - Community Services Bock Grant – CFDA #93.569
  - Head Start – CFDA #93.600
  - Temporary Assistance for Needy Families – CFDA #93.558
8. The threshold for distinguishing Type A and B programs was \$340,260.
9. Tri-County Community Action Program, Inc. was determined not to be a low-risk auditee.

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

FS-2014-001

**Condition:** The Organization records their monthly receivables based on the invoicing done by the Program Directors. The non-contract billings are recorded as miscellaneous receivables for the year-end balance. Management reviews subsequent cash receipts to capture any payments that may have been overlooked by a Program Director when completing their reports for year end.

**Criteria:** A system needs to be developed to ensure that all financial information, including the receivable balances and estimates for allowance for doubtful accounts, is captured and reported in the financial statements.

**Cause:** Procedures have not been fully designed and implemented over the accounts receivable in order to safeguard the assets.

**Effect:** Although we did not encounter receivables that were not properly recorded, there is the risk that the miscellaneous receivables balance would be misstated.

**Recommendation:** The Organization should design and implement policies and procedures for the recording, reporting and collection of all receivables.

**Management Response:** Management agrees with this finding. Due to the structure of the Organization, billing needs to be initiated by the program departments after reviewing their monthly results from their records and the Organization's accounting system. The Finance Department reviews the revenue and expense reports to review for flags (such as budget variances) that indicate possible unbilled items due to an unexpected revenue and expense imbalance. Monthly inquiries are made of Department Directors to ask about potential unbilled items. Written procedures will be created for Directors and/or their designees to follow to help prevent missed billings, receivable adjustments, and/or the accrual of as yet unbilled but earned receivables.

#### FS-2014-002

**Condition:** The Organization failed to comply with the requirements to report net assets as unrestricted, temporarily restricted, and permanently restricted.

**Criteria:** The Organization needs to have a process in place to identify restrictions on grants and donations, as well as monies received from Federal funds.

**Cause:** The predecessor auditor provided guidance to management on how to record the net assets.

**Effect:** The Organization required assistance and guidance on how to calculate the amount of Federal funds included in temporarily restricted net assets, resulting in a prior period adjustment.

**Recommendation:** The Organization needs to develop a policy to properly record the donations and grants to the appropriate net asset classification.

**Management Response:** Management agrees with this finding. The predecessor auditor and former fiscal management had discussions related to the treatment of the net asset section. The Organization decided to seek and utilize the guidance of the predecessor auditor. Before this finding current management was reviewing and questioning the prior recommended net asset classifications. After review of documentation and consulting with the current auditors, the current management concurs that net assets need to be classified differently and that specific written instructions are required to insure proper classification in the future. Subsequent to June 30, 2014, management analyzed the net asset balances and posted adjustments to properly classify net assets by restriction at June 30 2014.

#### FS-2014-003

**Condition:** The Organization failed to design and implement procedures to control and monitor the use of a certain bank account and the proper recording of another account.

**Criteria:** Controls over the bank accounts must be designed and implemented to prevent, or detect and correct, errors including misappropriations.

**Cause:** A lack of internal control procedures over the Organization's bank accounts, noted above, and the reconciliation of those accounts.

**Effect:** One bank account was not properly recorded in the Organization's general ledger, resulting in an adjustment to the trial balance. Another bank account was reported on a cash basis, rather than an accrual basis, and had to be adjusted accordingly.

**Recommendation:** Management should further improve controls over the bank accounts in order to ensure that they are being reported properly.

**Management Response:** Management agrees with this finding. Although immaterial to the financial statements in this instance, Management agrees that all bank accounts need to be recorded and reconciled properly due to the responsibility related to the custody of these cash assets. The Organization has corrected the issue related to both referenced accounts above and is performing further research to ensure no other such accounts have been omitted.

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

None

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE YEAR ENDED JUNE 30, 2013

*Financial Statement Audit*

FS-2013-01

**Condition:** Although some improvements have been made since the prior year audit, the financial reporting system continues to be inadequate in its ability to identify, capture, and record information. Procedures to prevent, or detect and correct material misstatements in the financial statements are not effective. Customary accounting procedures were not fully implemented and those procedures which did exist were not consistently done in a timely manner.

Audit fieldwork was scheduled to begin on September 30, 2013, three months after the fiscal year end. Although we held a pre-audit conference on June 13, 2013 and provided the Chief Financial Officer with specific requests for information, we did not receive an adjusted trial balance until September 26, 2013 which, when received, was labeled as "Draft".

When we arrived to perform audit procedures, the client was in still in the process of reconciling revenues and total expenditures to a worksheet used to prepare the draft Schedule of Expenditures of Federal Awards (SEFA). This process was required, because as noted in the prior year audit deficiencies letter, there were many inaccuracies in the posting of revenue throughout the year. Many adjustments were required before the financial reporting system accurately reported the total revenues by program. Therefore a final SEFA could not be prepared until January 2014. This also made it difficult for program managers to manage their programs since the revenue as reported to them during the year was incorrectly allocated by source.

The financial reporting system was closed on a monthly basis without ensuring all accounts payable invoices relating to the period were posted. Entries for internal expenses such as depreciation and occupancy costs were missing from several month end reports. These errors not only caused an issue for program managers during the fiscal year because financial information used to support reimbursement requests frequently changed when these adjustments were finally calculated and posted, but also caused determining final expenditures by program extremely difficult.

Additionally, although reconciliations of most balance sheet accounts had been prepared at year end, there had been little to no effort made to reconcile the annual amounts for payroll, depreciation, or occupancy costs to the trial balance. Our audit procedures found issues with the depreciation and occupancy costs as reported on the trial balance which were later corrected through adjusting entries.

It was also noted that on the Aging Cluster quarterly program service reports, that the amounts reported as expenditures of the program were incorrect because the departments are not receiving timely financial reports with correct financial information.

**Recommendation:** The Organization should continue its efforts to further enhance and refine the financial reporting system so that information can be obtained in a timely manner.

**Prior Year Management Response:** Management agrees with this finding.

The Organization did have difficulty with completing the preparation for the audit and closing out the year. The prior year audit was not finished until March 31st, and it appears that the new Chief Financial Officer and Senior Accountant, who started in May 2013 and June 2013 respectively, spent their time acclimating themselves as best they could.

The Organization was struggling to keep its doors open and much activity and effort was being placed on survival activities like cash management. Management expects that closing out the fiscal year and audit preparation will be much quicker in FY14 as the Organization's financial stability has improved significantly and less staff time and energy is diverted to survival efforts.

Management agrees with the finding that not all accounts payable expenses were being properly recorded by the end of the posting period. Because the Organization was so strapped for cash, it would close the monthly quickly, usually around the 5<sup>th</sup> of the month, so that it could send out billings. Some accounts payable invoicing was not being recorded in the monthly posting period, usually due to a lag in receiving invoices from vendors. The Organization would capture these payables in the next month.

Management sees this as a problematic process that frankly will probably continue until there is an adequate cash reserve. The Organization is currently working on improving cash reserves by selling off surplus real estate. The Lancaster property has already sold, an offer has been made on the Ashland property (contingent upon a vote at Town Meeting), and a proposal is being negotiated for the Northern Forest Heritage Park property. The School Street property in Berlin is actively on the market. As each property closes, a portion of the proceeds will move into a cash reserve account, so the Organization will be able to remedy this problem over time.

Starting late in fiscal 2013, and continuing to the present time, on the advice of a consultant, the Organization changed its methodology of posting depreciation, posting to the departments where the item is used, rather than to the whole agency. The posting is now done monthly, rather than annually, as previously done.

**Current Status:** We have found significant improvement over the Organization's ability to identify and record information, as well as the procedures to prevent, or detect and correct material misstatements. We have identified one item (FS-2014-002) that we would consider to be a significant deficiency that needs adjustment in order to produce financial statements.

#### FS-2013-02

**Condition:** Procedures for the recording of receivables are poorly designed and inadequate to ensure reporting in accordance with generally accepted accounting principles

In fiscal year 2013, the Organization began utilizing the accounts receivable module of the financial reporting system. This system was used for a portion of the year and was not used for all types of receivables. Programs with significant client activity such as the Dental Center, Restorative Justice, Alcohol and Other Drugs and Transportation track their receivables using a variety of systems which range from patient billing systems to excel worksheets. Because the fiscal department does not track receivables for these program areas, the finance department has no way to ensure that all receivables have been recorded, an allowance has been established for doubtful accounts, or that collection efforts are made to ensure payment is received.

**Recommendation:** The Organization should design and implement policies and procedures for the recording, reporting and collection of all receivables.

**Prior Year Management Response:** Management agrees with this finding.

In April, 2013 the Organization initiated the use of the "accounts receivable" module for contract receivables. Later that year, the Organization also began the process of recording receivables for non-contract billings, such as for Alcohol & Other Drugs and Dental receivables. This is a new process for the Organization, but staff seems to be taking it very seriously. Staff in the finance department now have a method to remind program directors when non-contract receivable information is due. This has been a work in progress, but management believes the information is much more accurate now.

Receivables for the Alcohol & Other Drugs and Dental programs require more intensive attention. The Chief Financial Officer is working with the leadership of those two programs, both to collect what is collectable from old accounts, and to put procedures in place to better assure payments in the future. It is likely that there will always be some accounts from both of these programs that will remain uncollectable, due to the population the Organization serves: low-income, transient, jail-bound in some cases. But we need to follow best practices to ensure as much as possible is collected at the point of service, and to stay in touch with clients after they have left.

**Current Status:** The Organization records their monthly receivables based on invoicing done by the Program Directors. The non-contract billings are recorded as miscellaneous receivables for the year-end balance. Management reviews subsequent cash receipts to capture any payments that may have been overlooked by a Program Director when completing their reports for year end. If there was a delay in payment to the Organization, there is the risk that the miscellaneous receivables would be misstated. During our testing in the current year, we noted the Organization had properly captured the appropriate receivables balance (FS-2014-001).

#### FS-2013-03

**Condition:** Although the Organization states in its accounting policies that it complies with the requirements to report net assets as unrestricted, temporarily restricted, and permanently restricted, it appears that finance department personnel did not fully understand the requirements related to each classification.

This was evidenced by the Chief Financial Officer closing all temporarily restricted net asset accounts from fiscal year 2012 into one summary account, thereby losing the detail of which grant had remaining temporarily restricted funds to be expended.

It was further evidenced by the entries related to the sale of vehicles by the transportation program, the proceeds of which have to be used to reacquire new vehicles. This amount was recorded as sales revenue and not identified as temporarily restricted proceeds until questioned by the auditor.

Furthermore, the Organization lacks a process to identify the amount of temporarily restricted net assets at year end because they are unable to correctly adjust the financial reporting system to report the total expenditures by program, do not have a mechanism in place to calculate the restricted revenues in excess of expenditures once correctly adjusted, and do not appear to be working toward developing a methodology to correct this deficiency.

**Recommendation:** The Organization should develop a policy regarding the acceptance of donations and other grants. This should be completed in conjunction with consideration of a risk management policy. The Organization should create a standard form which should include an identification of any restrictions imposed by the donors on the award since many private donors fail to stipulate this in their own documentation. The finance department employees, as well as other program staff, should be educated on the proper classification of net assets. The accounting system or other mechanism should be utilized to track revenues which are unexpended at the fiscal year end. If the donation is restricted as to the allowable time frame for expenditure, then the donation should be returned to the donor. If there is no time restriction then they should record these assets as temporarily restricted in the financial statements. These funds should be made available in the subsequent year for continuation of the donated purpose.

**Prior Year Management Response:** Management agrees with this finding.

There is a policy regarding the acceptance of donations and other grants, but it appears to be outdated, and does not include a standard form which would document the donor's restrictions as to the use of funds. Management will work with the finance department to ensure that the policy is updated and such a form is created. Moreover, the finance department will be directed to create a simple, less cumbersome system to track expended and unexpended grant and donation revenues, and record them accurately in the financial statements.

**Current Status:** We noted that there were some items within temporarily restricted net assets that related to programs and should be transferred to unrestricted, resulting in a prior period adjustment (FS-2014-002).

#### FS-2013-04

**Condition:** Procedures to allocate shared occupancy costs to the benefitting programs were inadequate and failed to allocate the costs accurately. Furthermore, reconciliation procedures that would have identified the errors were not performed.

**Recommendation:** Procedures to identify, allocate and reconcile occupancy costs to the benefitting programs should be refined to ensure that all costs are captured, properly allocated and posted to the financial reporting system.

**Prior Year Management Response:** Management agrees with this finding.

FY 2013 was the first year that the Organization moved to capture occupancy costs and assign them to benefitting programs, rather than to the agency as a whole. Naturally, with so many properties, and so many programs, there have been some errors in implementing this process. But it does seem to capture true programs costs much better than the previous method. Management's position is that the agency needs to get this right, so there is a process for cost allocation that can be used in future years.

Management plans to review occupancy costs regularly, to ensure that they are captured. Finance department now reconciles occupancy costs quarterly for accuracy, and this practice will continue.

**Current Status:** During our testing, we noted that the costs were allocated properly and that reconciliation procedures were performed.

#### FS-2013-05

**Condition:** The listing of property and equipment as originally received from the Organization did not include \$661,615 of assets which were included in the total assets per the trial balance. Further inquiry revealed that the Chief Financial Officer had removed the assets from the listing because they were fully depreciated and planned to post a journal entry to remove the asset balance and related depreciation from the accounts. However, no procedures were performed to identify if the assets were still in existence and still being used by the Organization.

**Recommendation:** Design and implement a policy for property and equipment which includes the requirement to periodically take a physical inventory of assets currently in use and to update the fixed asset as needed for additions and disposals.

**Prior Year Management Response:** Management agrees with this finding.

In the new Accounting Policy and Procedure Manual, there is a process for property and equipment that allows the Organization to dispose of or write off fully depreciated assets.

During FY 2014, the Chief Operating Officer assigned an employee to list all property and equipment in existence, and there is a draft that needs to be reviewed, so there is a listing of all the Organization's assets in one place. This list will be reviewed at least annually in the future.

**Current Status:** The assets mentioned were added back to the schedule and the full listing was reviewed by management. Those assets that were no longer in existence, or in service, were removed from the listing and the accounts were reconciled to the trial balance.

#### FS-2013-06

**Condition:** The Organization failed to design and implement procedures to control and monitor the use of the organizations bank accounts.

A test of the controls over the bank reconciliation process identified missing reconciliations for July 2013 for nine bank accounts used for the senior meal site locations, senior wheels program and the Head Start policy council. These bank accounts are reconciled at the individual site/program locations and a copy of the reconciliation is to be sent to the fiscal department for review. The July reconciliations had not been received by the fiscal department as of September 30, 2013, the first date of audit fieldwork. Although the reconciliation had been identified as missing by the Accounting Manager, the Chief Financial Officer had not requested or obtained the missing items. The balances in the account were immaterial however; failure to monitor and enforce controls may create opportunities for fraud or errors to go undetected.

Confirmations of account balances with banking institutions revealed two accounts with the Woodsville Guaranty Savings Bank which were not listed in the financial reporting system and appeared to have been overlooked. The accounts balances were immaterial however, the accounts should be closed if no longer being used. Bank accounts which are not monitored and reconciled may create opportunities for fraudulent activity.

Examination of the operating bank account reconciliation revealed an unusual adjustment related to the line of credit. The operating account is tied to a line of credit which is automatically drawn upon when checks presented for payment exceed the available bank balance. At fiscal year end, the organization had \$96,818 in outstanding checks against a bank balance of \$5,832. The checks had not been presented for payment and therefore the line of credit had not been accessed to cover the overdraft, however, the Organization recorded a reconciliation adjustment to increase cash by the amount of available credit on the line of credit. As a result, the bank balance and the line of credit balance were overstated by the available credit line of \$122,648.

**Recommendation:** Because of the liquid nature of cash, preventative controls should be the first area of focus because controls often identify the error too late to prevent the loss of resources. Management should further refine controls over the bank accounts to strengthen the internal control system.

**Prior Year Management Response:** Management agrees with this finding.

The need for better controls of cash and bank accounts is a priority for the Organization's management. In FY 2014, the Organization closed several smaller, problematic accounts, where getting programs managers to reconcile was a challenge.

The finance department will now reconcile all bank accounts monthly, before the month is closed. The Organization management commits to ensuring that unusual practice, such as writing checks that exceed the available cash, will not take place.

**Current Status:** There were bank reconciliations prepared monthly for all bank accounts and amounts agreed to the trial balance; however, we did note that the Head Start Policy Council bank account was not properly recorded on the trial balance of the Organization and the Guardianship account was being reported on a cash basis, rather than accrual basis, creating two adjusting entries (FS-2014-003).

FS-2013-07

**Condition:** Although the client is preparing a worksheet to reconcile the payroll reports from the payroll module of the accounting system to the quarterly 941 reports, the reconciliation process did not include a reconciliation to the totals per the general ledger accounts. Reconciling to the general ledger is an important control which helps to identify miss-postings which may otherwise go unnoticed due to the large dollar amount and transaction volume processed through the payroll general ledger accounts. This control is especially important at the Organization because the accounting system includes an additional step of posting to a summary account and then allocating the costs to the individual program general ledger accounts. Assuming that the amount posted to the summary account equals the amount posted to the individual program general ledger accounts without verification could create an opportunity for errors or fraud to be undetected.

**Recommendation:** Management should implement procedures to include a quarterly reconciliation of the payroll information to the general ledger accounts.

**Prior Year Management Response:** Management agrees with this finding.

The Organization now has a process for reconciliation of payroll at every payroll period. This reconciliation is conducted by the Organization's senior accountant, and his work is overseen by the Chief Financial Officer. Payroll is now being reconciled down to the individual program general account level through the year-to-date time sheet charges, by the activity report in our accounting system.

**Current Status:** During our testing, we noted that the payroll accounts were properly reconciled to the 941 returns with no exceptions.

FS-2013-08

**Condition:** A general journal entry was posted to record the liability for credit card transactions which were included on a statement which spanned the fiscal year end. The entry correctly recorded the liability, however the expenses were posted to a summary account which was included in miscellaneous expenses rather than posting each expense to the appropriate expense account. As a result, although the liability is correctly recorded, the expense is not reported by natural classification or by function. Additionally, the expense will not be included in expenses which were eligible for grant reimbursement.

**Recommendation:** Procedures should be implemented to ensure that all expenses are posted to the correct general ledger account including those posted through general journal entries.

**Prior Year Management Response:** Management agrees with this finding.

During FY 2014, the Organization created a new credit card policy designed to provide better internal controls, and direct expenses to the programs where they belong. Beginning in FY 2014, the Finance department is recording all outstanding payables down to the grant award level. This should ensure more accurate accounting of expenses, and also allow the Organization to capture all allowable federal and state reimbursements.

**Current Status:** During our testing, we noted that the credit card transactions were appropriately recorded to the proper expense accounts and by function.

FS-2013-09

**Condition:** Procedures over the control of the weatherization/better buildings materials inventory are inadequate.

The Organization purchases inventory in bulk for use by all of the weatherization programs. The materials used by the Better Buildings program are recorded on a worksheet and an entry should be posted at year end to transfer the expense related to the program from a general expense account to a Better Buildings program specific account. The Organization failed to post this entry which caused the Better Building program costs to be understated by approximately \$39,300.

Additionally, the finance department makes one entry at the end of the fiscal year to adjust the balance in the inventory account to agree to the value calculated from a physical count. However, no procedure exists to track and record the value of the items removed from inventory to ensure that all inventory has been accounted for and used for the weatherization programs.

**Recommendation:** The Organization should develop a system which would allow the tracking of items removed from inventory so that the expense can be properly recorded. In this manner, the ending inventory should require minimal adjustment at year end, costs can be properly allocated by program, and any errors or misappropriations can be detected.

**Prior Year Management Response:** Management agrees with this finding.

Prior to FY 2014 there does not seem to have been an adequate system for internal control of the Weatherization materials inventory. Since that time, there has been a change in leadership in the program, and new procedures for tracking inventory.

Currently, as items are removed from inventory and used to weatherize homes, the Weatherization Director tracks each job's actual use of materials, as well as labor and other expenses. The process of tracking expenses and revenues is overseen by the EHCCO Division Director and reported regularly to the Finance department. The CFO reviews these inventory uses, revenues and expenses, and makes value adjustments in the balance sheet quarterly. The Organization now conducts a physical count of materials each quarter, and captures these in journal entries. Finance department has also created a written policy and procedure regarding procurement and inventory management.

**Current Status:** During our testing we found that updated controls were in place over the inventory and that the inventory was being reconciled. The Organization has improved their internal controls over the last fiscal year and is still in the process of making updates to improve their procedures. We noted during our testing of internal controls that there were missing signatures of approval and signs-offs on routing sheets; however, these appear to be isolated incidents.

FS-2013-10

**Condition:** Management failed to design and implement a procedure to ensure that the drawdown of federal funds was only for immediate needs and that reimbursement was requested only after the costs had been incurred.

Advanced funding of \$533,667 for program costs for the fuel assistance program funded through federal CFDA 93.568 was received on 10/31/12. Expenditures for the grant period had not been incurred however the funds were spent on organizational operating expenses.

**Recommendation:** The Organization should continue in its efforts to design and implement procedures to ensure that funds advanced by an awarding agency are expended as closely as possible to receipt of the advance.

**Prior Year Management Response:** Management agrees with this finding.

This particular finding is vital for the Organization's future program integrity. The Organization MUST comply with cash management requirements regarding the drawdown of an awarding agency's funds. Management believes that the spirit of the Auditor's recommendation has been followed in FY 2014. For example, the Organization began a procedure of drawdowns with Head Start and RSVP that guaranteed that funds were not requested until payroll and accounts payable were completed and only represented costs to date. Other major federal accounts such as CSBG were drawn only on a 1/12<sup>th</sup> basis, and FAP monies were segregated into a separate restricted account which prohibited movement of funds without dual signatories from Senior Management.

However, Management commits to taking the additional step of creating a policy and procedure that contains language specifically referencing how monies advanced by an awarding agency are to be treated.

**Current Status:** Corrected.

#### *Single Audit*

#### SA-2013-01

**Condition:** Our audit of the controls over the Better Buildings Program revealed that the Organization failed to comply with Davis-Bacon Act wage requirements.

The current year issue was identified and reported by NH Community Development Finance Authority during a monitoring visit in July 2013 and related to the June 2013 payroll. Additionally, we identified issues with the May 2013. Both of these errors were after the fiscal 2012 deficiency letter was issued which identified a similar finding related to the Weatherization Program.

Additionally per the Better Buildings grant document, certified payrolls were to be sent to the NH Office of Energy and Planning within 7 days of payroll processing. The Organization did not comply with this requirement.

**Recommendation:** The Organization should design and implement a system to comply with Davis Bacon Wage requirements.

**Prior Year Management Response:** Management commits to complying with Davis-Bacon Act wage requirements.

As of FY 2014, the Better Buildings program no longer exists. In future, when the Organization takes on projects that are subject to Davis-Bacon, Management will ensure that all requirements under the Act will be met. The Organization will seek the guidance of an employment attorney to ensure its practices are designed to be fully compliant.

**Current Status:** Corrected.

#### SA 2013-02

**Condition:** The listing of property and equipment did not include any information regarding the source of funds used to acquire or improve each asset. Some of the assets were purchased with federal funds in accordance with grant requirements. However, depreciation related to those assets would not be an allowable expenditure for grant reimbursement. The Organization did not have a procedure in place to identify assets purchased with federal funds and to ensure that the depreciation related to the assets was charged to the correct program for proper financial reporting, but not included in expenses submitted for reimbursement for grant compliance.

**Recommendation:** Procedures should be implemented which would include the identification of assets purchased with federal funds and a mechanism for tracking and posting the related depreciation expense.

**Prior Year Management Response:** Management agrees with this finding.

In FY 2014, the Finance department created a "Federal, un-reimbursable" code in its accounting software, to keep track of non-allowable depreciation expenses.

Starting with a reminder to Program Directors in March, 2014, Management will take the additional step of making sure Program Directors and Finance staff are all well-versed in the requirement to identify assets purchased with federal funds.

**Current Status:** Corrected.

#### SA 2013-03

**Condition:** Procedures have not been designed or implemented to allocate expenses to grants with periods which differ from the Organization's fiscal year.

The Head Start grant year includes the period of February 1 to January 31 of each year. Because the Organization did not post depreciation on a monthly basis until March of 2013, no depreciation was posted to the grant year which ended on January 31, 2013. However, 12 months of depreciation was posted to the grant year ending January 31, 2014 although only 5 months of depreciation was attributable to this time frame.

Similarly, in-kind occupancy costs were not allocated to the correct grant year. No in-kind occupancy costs were charged to the grant year which ended on January 31, 2013. Instead all in-kind occupancy costs were charged to the grant year ended January 31, 2014.

**Recommendation:** Posting expenses on a monthly basis will help to alleviate issues related to differing grant periods. However, careful review of financial information by an individual independent of the preparation will help to identify errors with calculations and application of allocation methods.

**Prior Year Management Response:** Management agrees with this finding.

It appears that when the Organization began posting expenses on a monthly basis, this was a step in the right direction. But it also appears that initially, a careful review of the information reported was not done.

Management appreciates the Auditor's suggestion that the Organization should not only post expenses on a monthly basis, but also provide a careful review by someone not involved in the preparation, as a check against errors. The current process is that the Senior Accountant prepares the journal entries for grant accounts monthly, and these entries are reviewed and approved by the Chief Financial Officer monthly.

**Current Status:** Corrected.

#### SA 2013-04

**Condition:** Controls over the accumulation of allowable costs and related reimbursement requests for the Better Buildings program were inadequate.

Testing of reimbursement requests for 3 out of 10 requests submitted during the fiscal year identified 2 out of the 3 requests selected could not be reconciled to the financial reporting system. In both cases, the administrative costs did not agree to the financial reports. Additionally, in one case the program costs did not agree to the financial reports. Of the 3 requests tested, 2 requests were not approved by the appropriate personnel.

Because the grant remained open after the current fiscal year end, the Organization had an opportunity to research and correct the issue prior to the grant close out.

**Recommendation:** Procedures must be designed and implemented which provide for the accumulation of information which will allow for an accurate reimbursement request, supported by verifiable data to be prepared.

**Prior Year Management Response:** Management agrees with this finding.

The new Weatherization Director has begun a reconciling process using accounting software to put together reimbursements. He also obtains signatures of senior staff, who review his work prior to transmission of billing. This practice was begun October 2013 and continues today.

**Current Status:** Corrected.

SA 2013-05

**Condition:** In testing expenditures for the Head Start program, we noted numerous reimbursement requests which lacked the employee's signature and the approval of the supervisor.

**Recommendation:** We recommend that procedures be implemented which would require proper approval of all invoices, including expense reimbursements prior to payment.

**Prior Year Management Response:** Management agrees with this finding.

In FY 14 a process was created where any employee requesting reimbursement is required to prepare and sign the employee reimbursement form. A supervisor is required to review and approve the reimbursement, and the Payroll Accountant is required to review the reimbursement and make sure it was free of error, charged to the correct expense and element codes, accompanied by adequate backup documents and appropriately approved. The Payroll Accountant then requests the Chief Financial Officer signature on the document before release of payment.

**Current Status:** Corrected.

SA 2013-06

**Condition:** In testing reporting required for the Aging cluster, we noted that the reports for the quarter ended June 2013 were filed late for both the transportation program as well as the senior meals program. Additionally we noted that the number of trips reported on the March quarterly report for transportation reported 64 fewer trips than were actually reimbursed. Further inquiry with the Program Director revealed that the trips were properly reimbursed but were mistakenly left off the quarterly report.

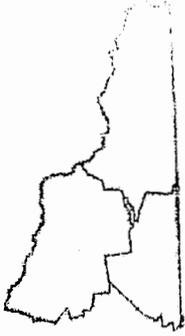
It was also noted that on the Aging cluster quarterly program service reports, the amounts reported as expenditures of the program were incorrect.

**Recommendation:** We recommend that procedures be implemented which would require a reconciliation of supporting data to the quarterly reports. We also recommend that a schedule be developed to ensure timely filing of reports.

**Prior Year Management Response:** Management agrees with this finding.

In FY14 a process will be developed to ensure the timely filing of accurate reports.

**Current Status:** Corrected.



# **TRI-COUNTY COMMUNITY ACTION PROGRAM Inc.**

**Serving Coos, Carroll & Grafton Counties**

30 Exchange Street, Berlin, NH 03570 • (603) 752-7001 • Toll Free: 1-800-552-4817 • Fax: (603) 752-7607  
Website: <http://www.tccap.org> • E-mail: [admin@tccap.org](mailto:admin@tccap.org)  
Chief Executive Officer: Michael W. Coughlin

## **BOARD OF DIRECTORS FY2015**

### COOS COUNTY

Board Chair  
Sandy Alonzo

[salonzo@myfairpoint.net](mailto:salonzo@myfairpoint.net)

Secretary  
Gary Coulombe

[berlinrep1@gmail.com](mailto:berlinrep1@gmail.com)

Treasurer  
Cathy Conway

[cconway@ncic.org](mailto:cconway@ncic.org)

Andrew Lefebvre  
[spc1efebvre@yahoo.com](mailto:spc1efebvre@yahoo.com)

### CARROLL COUNTY

Anne Barber  
[atty.abarber@yahoo.com](mailto:atty.abarber@yahoo.com)

Michael Dewar  
[mdewar@roadrunner.com](mailto:mdewar@roadrunner.com)

Vice Chair  
Dino Scala  
[Dino@hayesrealestate.net](mailto:Dino@hayesrealestate.net)

Karolina Brzozowska  
[karolibrzozowska@gmail.com](mailto:karolibrzozowska@gmail.com)

### GRAFTON COUNTY

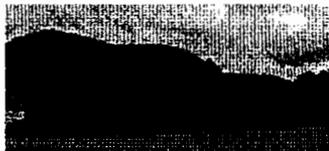
Nancy Kitchen  
S L Nat. Science Ctr  
23 Science Ctr Rd.  
Holderness, NH 03245  
968-7194, ext 38  
[nancy.kitchen@nhnature.org](mailto:nancy.kitchen@nhnature.org)

Linda Massamilla  
[Linda.Massimilla@leg.state.nh.us](mailto:Linda.Massimilla@leg.state.nh.us)

Weatherization  
(603) 752-7105

Administration  
(603) 752-7001

AOD  
(603) 752-7941



Community Contact  
(603) 752-3248

R.S.V.P.  
(603) 752-4103

Energy Programs  
(603) 752-7100

# MICHAEL W. COUGHLIN, M.S.

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## Chief Executive - Nonprofit Sector

Complex, Multi-Site Operations ✧ Revenue & Margin Growth  
Strategic Partnerships  
Community & Public Engagement

### *Motivating and results driven; recognized for:*

- |                                               |                                      |
|-----------------------------------------------|--------------------------------------|
| ✓ Strategic planning and financial management | ✓ Entrepreneurial spirit             |
| ✓ Mentoring & developing inspired leaders     | ✓ Assuring highest quality standards |
| ✓ Innovation, marketing and branding          | ✓ Passionate advocacy for mission    |

## EDUCATION

Master of Science, Social Work - Columbia University, New York, New York  
Bachelor of Arts - Quinnipiac University, Hamden, Connecticut

## PROFESSIONAL EXPERIENCE

### TRI-COUNTY COMMUNITY ACTION PROGRAM, INC., Berlin, NH

Oct, 2013-Current

- **CEO**

Serving Coos, Carroll and Grafton Counties.

### REHABILITATIVE RESOURCES, INC.

2012-2013

One of the larger agencies providing services to people with developmental disabilities in Massachusetts. Serving hundreds of clients in 44 residential facilities, employment supports and day habilitation programs. \$25 million in annual revenue and over 600 full and part-time staff.

- **CEO**

Recruited to this position at an agency in need of change, in a time of distress. Followed a 31-year CEO, and reporting to a Board of Directors that expects transformation. Re-configured the senior leadership team, designed a five-year strategic planning process, and began agency-wide healing .

- **Organizational Development:** Leveraged the agency's considerable reputational and financial assets into distinct advantages in preparing for its 5-year strategic plan.
  - Met nearly every employee directly, either through individual team meeting visits, or through three regional town hall-style events, the first time this has happened.
  - Launched company-wide strategic planning process, involving stakeholders at every level and region of the organization.
  - **Executive Development:** Reorganized senior management team into a streamlined, truly decision-making group. Set the conditions and expectations to become a high performing team. Secured executive coaching for leaders where necessary.
  - **Community and Market Development:** Met with all major funders to understand their perceptions of the company, and to re-set a new focus on customer.

### ARIZONA'S CHILDREN ASSOCIATION

2012 to 2012

Arizona's oldest multi-service nonprofit, located in every county in the state, serving over 45,000 children and families every year in over 20 different programs, including behavioral health, substance abuse, foster care. \$40 million in annual revenue and nearly 750 full and part-time staff.

- **CEO**

Recruited to this position as successor to a 20-year CEO. Executed a financial turnaround: moving a projected \$750,000 deficit to break-even status within five months.

- **Organizational Development:** Stabilized financials and worked with Board and staff to create an aggressive five-year plan for growth:
  - Engaged program leaders, Finance team and fundraising to overcome previous year's losses and improve performance in turning around current year financials.
  - Re-organized senior program leaders from regional structure to lines of business, resulting in much better program consistency and communication with staff.
- **Executive Development:** Empowered Executive team to make decisions without micro-managing. Created an environment where creativity and execution exist side by side.
- **Community Relations:** Reached out to community leaders, funders, donors, competitors and potential partners. Made sure to be accessible, to offer our agency's support.

**GOODWILL INDUSTRIES OF NORTHERN NEW ENGLAND**

2007 to 2010

Serving Maine, New Hampshire and Vermont, with \$60 million in annual revenue. Employing 1400 people and serving over 20,000 individuals per year with services including developmental disability, brain injury and behavioral health. 25 stores and 30 program locations in three states.

➤ **CEO**

Recruited to this position to create and execute a new strategic plan. Increased annual revenue by \$20 million in three years to \$60 million. Doubled the number of clients served during the same period. Greatly improved employee and community relations.

- **Organizational Development:** Created Goodwill's strategic plan for Board approval, carried out its plans and achieved exceptional results:
  - Grew state and federal revenue by \$10 million per year through increases in grants, fees and philanthropy.
  - Maximized growth of retail business, earning \$10 million in new profitable revenue annually within three years.
  - Initiated and implemented two acquisitions of other nonprofits.
  - Increased agency margins each year, exceeding \$1.9 million in F.Y. 2010.
  - Championed new initiatives in quality improvement, employee relations and safety.
- **Executive Development:** Stabilized and grew a strong executive team, breaking down silos to achieve trust and true team performance. Created learning opportunities and career development for staff at all levels.
- **Community and Government Relations:** Increased Goodwill's profile through improved marketing, branding and partnerships with other organizations. Built strong relations with Departments of Health and Human Services, Attorney General's Office and Congressional delegations. Greatly expanded engagement with volunteers.

**GENESIS BEHAVIORAL HEALTH, Laconia, New Hampshire**

2002 to 2007

One of ten community mental health programs licensed by the Division of Behavioral Health in New Hampshire. \$8 million organization provides comprehensive mental health care.

➤ **Executive Director**

Recruited to this organization to assume management responsibility and implement an aggressive turnaround. Guided management team to drive growth and service quality. Grew revenue by 35%, generating over \$1 million in new margins, in a time of shrinking state funds.

- **Organizational Development:** Directed organizational analysis, strategic planning and company-wide initiatives. Returned organization and balance sheet to fiscal health.
- **Executive Development:** Led a successful management restructuring, stabilizing the executive team. Helped Board of Directors become a stronger, more cohesive group.
- **Community & Government Relations:** Built a bridge to community and government through marketing and education events as well as personal contacts.

**WARREN SHEPELL CONSULTANTS, Toronto, Ontario**

2000 to 2002

One of Canada's leading behavioral health firms, supporting 1500+ client organizations and generating \$35 million annually. Ranked one of "50 best managed private companies in Canada" by Arthur Andersen and Financial Post.

➤ **Vice President, Operations**

Managed nation-wide counseling operations provided by mental health professionals and para-professionals. Managed a \$19 million budget.

- **Staffing:** Led a national network of over 1100 Doctorate and Master's level professionals, providing service to over 70,000 clients per year
- **Service / Network Management & Expansion:** Directed the management of 28 offices coast to coast, to support new contracts. Played key role in 18% one-year revenue growth and 20% profit margins.
- **Business Development & PR:** Participated in sales efforts, resulting in winning key accounts. Represented company as a media spokesperson.

**CHC- WORKING WELL, Mississauga, Ontario**

1989 to 2000

One of Canada's largest behavioral health providers. Contracts with 1200+ client organizations, generating \$30 million annually.

- **Vice President, Research & Development -** 1998 to 2000
- **National Director, Client Services -** 1995 to 1998
- **Regional Manager, Client Services -** 1993 to 1995
- **Area Manager, Client Services -** 1991 to 1993
- **Employee Assistance Counselor -** 1989 to 1991

Extensive Board service involvement

STM



G+C  
6-18-14  
95  
SAC

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF COMMUNITY BASED CARE SERVICES

Nicholas A. Toumpas  
Commissioner

Diane Langley  
Director

Sheri Rockburn  
Director

BUREAU OF BEHAVIORAL HEALTH

105 PLEASANT STREET, CONCORD, NH 03301  
603-271-5000 1-800-852-3345 Ext. 5000  
Fax: 603-271-5058 TDD Access: 1-800-735-2964

May 28, 2014

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

100% General

Requested Action

1. Authorize the Department of Health and Human Services, Division of Community Based Care Services to amend an agreement, purchase order number 1009018, with Tri-County Community Action Program, Inc., 30 Exchange Street, Berlin, New Hampshire 03570, vendor code 177195, to provide public guardianship services by increasing the price limit by \$402,142.09 from \$1,598,081 to an amount not to exceed \$2,000,223.09, and extending the completion date to June 30, 2015, effective July 1, 2014 or date of Governor and Council approval, whichever is later. This agreement was originally approved by Governor and Council on June 23, 2010, item # 129, and subsequently amended on June 8, 2011, item # 125, June 20, 2012, item # 81, and June 19, 2013, item # 111. Funds are available in the following account in State Fiscal Year 2015:

05-95-92-920010-7002 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS:BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, LEGAL-GUARDIANSHIP SVCS

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Budget</u>	<u>Increase (Decrease) Amount</u>	<u>Revised Modified Budget</u>
2011	102-500731	Contracts for Program Services	\$ 391,261.57	\$ 0.00	\$ 391,261.57
2012	102-500731	Contracts for Program Services	\$ 402,536.02	\$ 0.00	\$ 402,536.02
2013	102-500731	Contracts for Program Services	\$ 402,141.32	\$ 0.00	\$ 402,141.32
2014	102-500731	Contracts for Program Services	\$ 402,142.09	\$ 0.00	\$ 402,142.09
2015	102-500731	Contracts for Program Services	\$ 0.00	\$ 402,142.09	\$ 402,142.09
			\$ 1,598,081.00	\$ 402,142.09	\$ 2,000,223.09

2. Contingent upon approval of Requested Action #1, authorize an advance payment up to a maximum of one-sixth of the contract price limitation, equal to \$64,180.

Explanation

The purpose of this request is to extend an agreement with Tri-County Community Action Program, Inc. to provide guardianship and protection, on a statewide basis, to persons with mental illness and developmental impairments whose incapacities leave them at risk of substantial harm because of their inability to provide for their own food, shelter, health care, safety, or to manage their personal affairs. These services are needed to meet the State's statutory obligations to safeguard incapacitated persons in the state institutions as well as in

community mental health and developmental service programs. It also carries out the requirements of RSA 135-C: 60, and RSA 171-A: 10, II. Tri-County Community Action Program, Inc. pursuant to RSA 547-B: 6 has been designated by the New Hampshire Supreme Court as an approved organization for the purpose of providing guardianship and protection services pursuant to RSA 464-A. This contract shall provide for guardianship services for up to 288 cases during the contract period. The emphasis in providing such services shall be to ensure that the guardianships maintained and sought shall be limited in accordance with the standards embodied in RSA 464-A.

The advance payment shall allow Tri-County Community Action Program, Inc. to meet its operating obligations while providing services during the initial two months of this agreement.

Using a public notice posted on the Department of Health and Human Services website on February 22, 2010, as RFP Number 11-DCBCS-GPS-01, the Division of Community Based Care Services requested proposals for providing public guardianship services in the State. Five renewals of one year each are possible at the Department's discretion. Tri-County Community Action Program, Inc. responded by submitting a proposal to provide public guardianship services to people with a mental illness, or a developmental disability who are eligible for State-funded services. Tri-County Community Action Program, Inc. was one of two agencies to apply to provide public guardianship services.

A competitive review process was utilized to evaluate all proposals submitted by the deadline. Participants in the review process included DHHS staff from the Bureau of Behavioral Health, the Bureau of Developmental Services, and the Office of Client and Legal Services. This process involved an assessment of the proposals submitted including an evaluation of scope of work, bidder background and experience, and the cost proposal. Both proposals submitted for fiscal year 2011 scored over the required minimum.

Based on a favorable review of the above by the review team, and because Tri-County Community Action Program, Inc. has in previous contracts amply demonstrated its ability to provide high-level public guardianship services to clients and the community served, DCBCS requests this contract be extended for one year to allow Tri-County Community Action Program, Inc. to continue providing services. This will serve as the fourth renewal allowed under this contract.

This agreement also includes a line item for mentoring services and training. Mentoring services are provided to family members who are willing to serve as guardian but who require a period of support. Providing this support shall obviate need for a public guardian in these cases and shall thereby save the State from paying the cost of a permanent public guardianship.

Should Governor and Council determine not to approve this request, the Division of Community Based Care Services would be out of compliance with the requirements of RSA 135-C: 60, and RSA 171-A: 10, II and persons with mental illness and developmental impairments whose incapacities leave them at risk of substantial harm because of their inability to provide for their own food, shelter, health care, safety, or to manage their personal affairs would be harmed.

Area served: statewide.

Source of funds: 100% general funds.

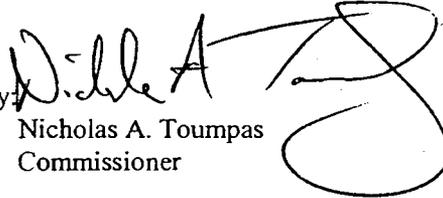
Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
May 28, 2014  
Page 3 of 3

Respectfully submitted,



Sheri L. Rockburn  
Director

Approved by:



Nicholas A. Toumpas  
Commissioner

RSP/pbr/sl

Attachments

## AMENDMENT TO AGREEMENT

This Amendment to Agreement (hereinafter called the "Amendment"), dated this 16th day of May, 2014, between the State of New Hampshire, acting by and through the Division of Community Based Care Services, and **Tri-County Community Action Program, Inc.**, a nonprofit organization organized under the laws of the State of New Hampshire with a place of business at 30 Exchange Street, Berlin, New Hampshire 03570 (hereinafter referred to as the "Contractor").

**WHEREAS**, on February 22, 2010, the Division of Community Based Care Services issued a public notice for a Request For Proposal for "Guardianship and Protective Services in New Hampshire" which cited the following:

"Contracted services shall commence on July 1, 2010 or on the Governor and Council approval date, whichever is later, and shall continue until June 30, 2011. Five renewals of one year each may be possible at the Department's discretion", and

**WHEREAS**, the Contractor was one of two selected contractors, and

---

**WHEREAS**, pursuant to an Agreement approved June 23, 2010, the Contractor agreed to provide certain services upon the terms and conditions specified in the Agreement, in consideration of payment by the Division of Community Based Care Services of certain sums specified therein; and

**WHEREAS**, pursuant to paragraph 17 of the Agreement, the Agreement may be amended, waived, or discharged only by an instrument in writing signed by the parties thereto and only after the approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire;

**WHEREAS**, the Division of Community Based Care Services and the Contractor have agreed to extend the Agreement for one year in certain respects;

**NOW THEREFORE**, in consideration of the foregoing and of the covenants and conditions contained in the Agreement and set forth herein, the parties do hereby agree as follows:

1. **Amendments and Modifications of Agreement.**

The contract is hereby amended as follows:

By deleting, in subparagraph 1.7. of the General Provisions the date June 30, 2014 and substituting therefore the date June 30, 2015.

By deleting, in subparagraph 1.8. of the General Provisions the number \$1,598,081.00 and substituting therefore the number \$2,000,223.09.

Contractor Initials: MC  
Date: 5/16/14

2. **Amendment and Modification of Exhibit A, Scope of Work.**

- 2.1. Delete in sub-paragraph 1.2.2. the date August 1, 2013 and substituting therefore the date August 1, 2014.
- 2.2. Change Paragraph 3.3. to read as follows:
- 3.3. The Contractor agrees to serve the current total of 284 persons receiving guardianship and protection services plus any new persons referred in accordance with paragraphs 1.4. above. However, the Contractor shall not be obligated to accept more than 288 cases during the contract period. While the Bureau shall provide the Contractor with letters of approval for each new case assigned to the Contractor, the Contractor may not bill for services until the Contractor is actually appointed as guardian by a probate court. In addition, payments under this contract constitute payment in full for guardianship over the person services and the Contractor shall not accept any additional payments from the ward or from other funds of the ward.
- 2.3. Change Paragraph 3.4. to read as follows:
- 3.4. The Commencement Date of this Agreement shall be the Effective Date, July 1, 2014, or the date of Governor and Council of the State of New Hampshire approval, whichever is later. The Contractor shall not be paid for any services, which may be provided prior to the Effective Date.

3. **Amendments and Modifications of Exhibit B, Methods of Payment**

- 3.1. Change Paragraph 1. to read as follows:
1. Subject to the availability of State funds, and in consideration for the satisfactory completion of the services to be performed under this Agreement, the State shall pay the Contractor a per diem per case rate approved by the Office of Client and Legal Services. However, regardless of the number of persons served by the Contractor during the program period, specified in paragraphs 3.1. and 3.2. of the General Provisions of this Agreement, the State shall pay the Contractor a minimum amount of \$1,915,214.00 during the program period. The total of all payments authorized or actually made hereunder shall not exceed the amount of \$2,000,223.09, the Price Limitation set forth in block 1.8. of the General Provisions.
- 1.1. The per diem reimbursement rate for the provision of services to persons served under this Agreement shall be:
- \$3.85 for up to 288 clients whose guardianship services are requested by the Bureaus of Behavioral Health and Developmental Services.
- 1.2. The hourly reimbursement rate for the provision of technical assistance to private guardians shall be \$60.00, not to exceed the amount of \$2,000.00.
- 1.3. The hourly reimbursement rate for the provision of training to area agency, mental health, and elderly and adult agency staff and probate court personnel shall be \$60.00, not to exceed the amount of \$1,500.00.

Contractor Initials: VMC  
Date: 5/16/14

3.2. Change Paragraph 2.1. to read as follows:

2.1. The State shall at the beginning of the Agreement period make a payment of \$64,180, the estimated fee for service payment due to the Contractor for providing services for a period of two months. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period. This initial payment is the amount the State has determined is necessary to initiate the services.

3.3. Change Paragraph 2.2. to read as follows:

2.2. A monthly payment equal to \$32,087.53 will be made to the Contractor at the beginning of September and continuing through the end of the Agreement or until the maximum amount of the contract has been reached. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period and continue at the end of subsequent quarters through June 30, 2015. The per diem rate will be extended to the last day of the month following the month in which the client dies or for whom the guardianship/protection service is terminated.

3.4. Change Sub-paragraph 2.4.e. to read as follows:

2.4. e. Calculation of the total authorized payment due for the service quarter in accordance with 2.3. above:

---

The first "Quarterly Payment Computation and Authorization, Tri-County Community Action Program, Inc." report shall be submitted by no later than October 5, 2014 and the final report by July 10, 2015. Failure to submit such reports shall constitute an Event of Default.

3.5. Change Sub-paragraph 2.5.1. to read as follows:

2.5.1. The Contractor shall notify the State in its October "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through September is less than \$570,993.58, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$570,993.58.

3.6. Change Sub-paragraph 2.5.2. to read as follows:

2.5.2. The Contractor shall notify the State in its January "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through December is less than \$1,141,988.16, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$1,141,988.16.

3.7. Change Sub-paragraph 2.5.3. to read as follows:

2.5.3. The Contractor shall notify the State in its April "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through March is less than \$1,712,981.74, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$1,712,981.74.

Contractor Initials: MAC  
Date: 5/16/14

3.8. Change Paragraph 4. to read as follows:

4. This contract is funded by the New Hampshire General Fund as follows:

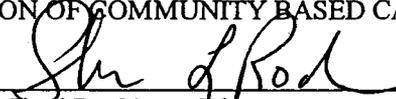
	<u>Current Modified Budget</u>	<u>Increase (Decrease) Amount</u>	<u>Revised Modified Budget</u>
<u>NH General Fund:</u>	\$1,598,081.	\$402,142.09	\$2,000,223.09

4. **Effective Date of Amendment:** The Effective Date of this action is July 1, 2014, or the date of Governor and Council approval, whichever is later.

5. **Continuance of Agreement:** Except as specifically amended and modified by the terms and conditions of the Agreement, the Agreement and the obligation of the parties hereunder shall remain in full force and effect in accordance with the terms and conditions set forth therein.

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

THE STATE OF NEW HAMPSHIRE  
DIVISION OF COMMUNITY BASED CARE SERVICES

By:   
Sheri Rockburn, Director

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

By:   
Signature  
Print Name: Michael Coughlin

STATE OF NEW HAMPSHIRE

County of Coos

The foregoing instrument was acknowledged before me this 16th day of May, 2014, by

Michael Coughlin

(Seal)  
(Notary Public)

  
Signature  
Print Name: Suzanne C. French  
Title: Notary Public/Justice of the Peace  
Commission Expires: 6-19-18

Contractor Initials: STC/WC  
Date: 5/14/14

Approved as to form, execution, and substance:

OFFICE OF THE ATTORNEY GENERAL

By M. K. Brown

Assistant Attorney General

Date: 5/28/14

Contractor Initials: MC  
Date: 5/10/14

### Sources of Revenue Form

New Hampshire Department of Health and Human Services Division of Community Based Care Services Bidder Name: Tri-County CAP, Inc. Name of Program: Guardianship Services Budget Period: 7/01/2014 through 6/30/2015				
A	B	C	D	E
Revenue from Current Budget Period	Revenue from Current Budget Period	Projected Revenue from Budget Period	Projected Revenue from Budget Period	Percentage
Dollar Amount	Dollar Amount	Dollar Amount	Dollar Amount	Percentage
State Funds (Specify program below)	\$0.00	0%	\$ 385,050.00 minimum	47%
Department of Corrections	\$0.00	0%	\$ 10,950.00	1%
City/Town Funds	\$0.00	0%	\$0.00	0%
Other Federal Funds	\$0.00	0%	\$0.00	0%
United Way	\$0.00	0%	\$0.00	0%
Other Funds	\$0.00	0%	\$ 429,306.87	52%
Fundraising	\$0.00	0%	\$0.00	0%
Consulting Services	\$0.00	0%	\$ -	0%
<b>TOTAL</b>	<b>\$0.00</b>	<b>0%</b>	<b>\$ 825,306.87</b>	<b>0%</b>
In-kind (specify below)	\$0.00	0%	\$0.00	0%
<b>TOTAL</b>	<b>\$0.00</b>	<b>0%</b>	<b>\$ 825,306.87</b>	<b>100.00%</b>

New Hampshire Department of Health and Human Services  
 Division of Community Based Care Services  
 Budget Form

**COMPLETE ONE BUDGET FORM FOR EACH PROGRAM YEAR**

Tri-County CAP, Inc., Guardianship Services

Budget Request for: Guardianship Services

(Name of Section)

Budget Period 7/1/2014 through 6/30/15

Line Item	Program Funds Requested	Other Funds	Total
1. Total Salary/Wages	\$227,982.58	\$262,140.22	\$490,122.80
2. Employee Benefits	\$74,918.77	\$86,437.01	\$161,355.78
3. Consultant	\$0.00	\$0.00	\$0.00
4. Equipment			
Rental	\$0.00	\$2,300.00	\$2,300.00
Repair and Maintenance	\$0.00	\$0.00	\$0.00
Purchase/Depreciation	\$0.00	\$1,500.00	\$1,500.00
5. Supplies:			
Education	\$0.00	\$0.00	\$0.00
Office	\$9,692.07	\$5,334.39	\$15,026.46
6. Travel	\$13,790.10	\$7,589.90	\$21,380.00
7. Occupancy	\$15,000.00	\$15,000.00	\$30,000.00
8. Current Expenses			
Telephone	\$9,675.00	\$5,325.00	\$15,000.00
Postage	\$4,515.00	\$2,485.00	\$7,000.00
Subscriptions	\$677.25	\$372.75	\$1,050.00
Audit and Legal	\$1,677.00	\$923.00	\$2,600.00
Insurance	\$0.00	\$0.00	\$0.00
Board Expenses	\$0.00	\$0.00	\$0.00
9. Software	\$0.00	\$0.00	\$0.00
10. Marketing/Communications	\$0.00	\$500.00	\$500.00
11. Staff Education and Training	\$1,935.00	\$1,065.00	\$3,000.00
12. Subcontracts/Agreements	\$0.00	\$3,000.00	\$3,000.00
13. Indirect	\$28,588.73	\$42,883.10	\$71,471.83
14. Other (specific details mandatory):			
<b>TOTAL</b>	<b>\$388,451.50</b>	<b>\$436,855.37</b>	<b>\$825,306.87</b>

TRI-COUNTY COMMUNITY ACTION, INC./GUARDIANSHIP SERVICES

BUDGET FISCAL YEAR 2015  
 July 1st, 2014 through June 30th 2015

REVENUE

DHHS/Guardianship/Protection	288 @ \$3.85 per diem x 365 days	\$404,712.00	
Technical Assistance \$60/hr. Training		\$2,000.00 \$1,500.00	
Vacancy Rate -1.5%		-\$6,070.68	\$385,050.00
<b>MINIMUM DIVISION CONTRACT (Guaranteed)</b>		<b>\$385,050.00</b>	
<b>TOTAL DIVISION</b>	288 Maximum Slots	\$402,141.32	<b>\$385,050.00</b>
<b>CONTRACT - NH DEPARTMENT OF CORRECTIONS *Partial</b>	5 @ \$6.00 per diem x 365 days		<b>\$10,950.00</b>
<b>TOTAL DOC</b>	15 Maximum Slots	\$32,850.00	
<b>PRIVATE PAY CLIENTS:</b>			
Person Only *Community Based \$240.00/Month	45 Slots @ \$7.89 per diem x 365 day	\$129,593.25	
Person Only *Nursing Home Based \$235.00/Month	30 Slots @ \$7.73 per diem x 365 days	\$84,643.50	
Person Only *Varied Rates Average Calculation	10 Slots @ \$174.73 Per Month	\$16,774.08	
DD MEDICAID CLIENTS	48 Slots @ \$2.22 per diem x 365 days	\$38,894.40	
<b>PRIVATE CLIENTS/PERSON</b>			<b>\$269,905.23</b>

PRIVATE ESTATE AND FINANCIAL MANAGEMENT SERVICES			
EST/BILLABLE TIME	225 @ \$140/hr.	\$31,500.00	
EST/BILLABLE TIME	224 @ \$85/hr.	\$19,040.00	
EST/BILLABLE TIME	185 @ \$60/hr.	\$11,100.00	
EST/BILLABLE TIME	248 @ \$40/hr.	\$9,920.00	
TRUST/BILLABLE TIME	Average Annual	\$6,050.00	
PAYEE SERVICES	164 @ \$40.00/mo.	\$78,720.00	
PAYEE SERVICES	11 @ \$23.27/month	\$3,071.64	
NET ESTATE/TRUST/PAYEE			\$159,401.64
TOTAL PRIVATE REVENUE			\$429,306.87
TOTAL REVENUE			\$825,306.87



STATE OF NEW HAMPSHIRE  
 DEPARTMENT OF HEALTH AND HUMAN SERVICES  
 DIVISION OF COMMUNITY BASED CARE SERVICES

COPY

BUREAU OF BEHAVIORAL HEALTH

Nicholas A. Toumpas  
 Commissioner

105 PLEASANT STREET, CONCORD, NH 03301  
 603-271-5000 1-800-852-3346 Ext. 5000  
 Fax: 603-271-5058 TDD Access: 1-800-735-2964

Nancy L. Rollins  
 Associate Commissioner

May 17, 2013

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

Approved by GTC

Date 6/19/13

Requested Action

Item No. 111

1. Authorize the Department of Health and Human Services, Division of Community Based Care Services to amend an agreement, purchase order number 1009018, with Tri-County Community Action Program, Inc., 30 Exchange Street, Berlin, New Hampshire 03570, vendor code 177195, to provide public guardianship services by increasing the price limit \$402,142.09 from \$1,195,938.91 to an amount not to exceed \$1,598,081, and extending the completion date to June 30, 2014, effective July 1, 2013 or date of Governor and Council approval, whichever is later. This agreement was originally approved by Governor and Council on June 23, 2010, item number 129, and subsequently amended on June 8, 2011, item number 125, and June 20, 2012, item number 81. Funds are anticipated to be available in the following account in State Fiscal Year 2014 based upon the availability and continued appropriation of funds in the future operating budget:

05-95-92-920010-7002 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS:BEHAVIORAL HEALTH DIV OF, DIV OF BEHAVIORAL HEALTH, LEGAL-GUARDIANSHIP SVCS

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Budget</u>	<u>Increase (Decrease) Amount</u>	<u>Revised Modified Budget</u>
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2014	102-500731	Contracts for Program Services	\$ 0.00	\$ 402,142.09	\$ 402,142.09
			\$ 1,195,938.91	\$ 402,142.09	\$ 1,598,081.00

2. Authorize an advance payment up to a maximum of \$64,180 of the contract price limitation.

Explanation

The purpose of this request is to extend an agreement with Tri-County Community Action Program, Inc. to provide guardianship and protection, on a statewide basis, to persons with mental illness and developmental impairments whose incapacities leave them at risk of substantial harm because of their inability to provide for their own food, shelter, health care, safety, or to manage their personal affairs. These services are needed to meet the State's statutory obligations to safeguard incapacitated persons in the state institutions as well as in community mental health and developmental service programs. It also carries out the requirements of RSA 135-C: 60, and RSA 171-A: 10, II. Tri-County Community Action Program, Inc. pursuant to RSA 547-B: 6 has been designated by the New Hampshire Supreme Court as an approved organization for the purpose of providing guardianship and protection services pursuant to RSA 464-A. This contract shall provide for guardianship services for up to 288 cases during the contract period. The emphasis in providing such services shall be to ensure that the guardianships maintained and sought shall be limited in accordance with the standards embodied in RSA 464-A.

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Using a public notice posted on the Department of Health and Human Services website on February 22, 2010, as RFP Number 11-DCBCS-GPS-01, the Division of Community Based Care Services requested proposals for providing public guardianship services in the State. Five renewals of one year each are possible at the Department's discretion. Tri-County Community Action Program, Inc. responded by submitting a proposal to provide public guardianship services to people with a mental illness, or a developmental disability who are eligible for State-funded services. Tri-County Community Action Program, Inc. was one of two agencies to apply to provide public guardianship services.

A competitive review process was utilized to evaluate all proposals submitted by the deadline. Participants in the review process included DHHS staff from the Bureau of Behavioral Health, the Bureau of Developmental Services, and the Office of Client and Legal Services. This process involved an assessment of the proposals submitted including an evaluation of scope of work, bidder background and experience, and the cost proposal. Both proposals submitted for fiscal year 2011 scored over the required minimum.

Based on a favorable review of the above by the review team, and because Tri-County Community Action Program, Inc. has in previous contracts amply demonstrated its ability to provide high-level public guardianship services to clients and the community served, DCBCS requests this contract be extended for one year to allow Tri-County Community Action Program, Inc. to continue providing services.

The agreement for State Fiscal Year 2013 served up to 288 cases. In State Fiscal Year 2014 this agreement will also serve up to 288 cases.

This agreement also includes a line item for mentoring services and training. Mentoring services are provided to family members who are willing to serve as guardian but who require a period of support. Providing this support shall obviate need for a public guardian in these cases and shall thereby save the State from paying the cost of a permanent public guardianship.

The total agreement price is \$1,598,081, which is an increase of \$402,142.09 from the contract price of \$1,195,938.91.

Attached is a copy of the previously approved letter to the Governor and Council. Additionally, the Request for Proposal contained a provision allowing for five one-year extensions at the Department's discretion and approval by the Governor and Council.

Should Governor and Council determine not to approve this request, the Division of Community Based Care Services would be out of compliance with the requirements of RSA 135-C: 60, and RSA 171-A: 10, II and persons with mental illness and developmental impairments whose incapacities leave them at risk of substantial harm because of their inability to provide for their own food, shelter, health care, safety, or to manage their personal affairs would be harmed.

Area served: statewide.

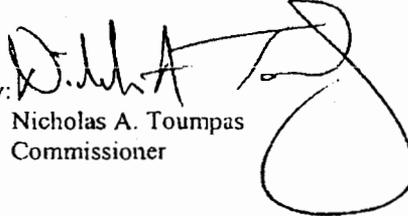
Source of funds: 100% general funds.

Respectfully submitted,



Nancy L. Rollins  
Associate Commissioner

Approved by:



Nicholas A. Toumpas  
Commissioner

RSP/pbr/sl

Attachments

## AMENDMENT TO AGREEMENT

This Amendment to Agreement (hereinafter called the "Amendment"), dated this 21 day of May, 2013, between the State of New Hampshire, acting by and through the Division of Community Based Care Services, and **Tri-County Community Action Program, Inc.**, a nonprofit organization organized under the laws of the State of New Hampshire with a place of business at 30 Exchange Street, Berlin, New Hampshire 03570 (hereinafter referred to as the "Contractor").

**WHEREAS**, on February 22, 2010, the Division of Community Based Care Services issued a public notice for a Request For Proposal for "Guardianship and Protective Services in New Hampshire" which cited the following:

"Contracted services shall commence on July 1, 2010 or on the Governor and Council approval date, whichever is later, and shall continue until June 30, 2011. Five renewals of one year each may be possible at the Department's discretion", and

**WHEREAS**, the Contractor was one of two selected contractors, and

**WHEREAS**, pursuant to an Agreement approved June 23, 2010, the Contractor agreed to provide certain services upon the terms and conditions specified in the Agreement, in consideration of payment by the Division of Community Based Care Services of certain sums specified therein; and

**WHEREAS**, pursuant to paragraph 17 of the Agreement, the Agreement may be amended, waived, or discharged only by an instrument in writing signed by the parties thereto and only after the approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire;

**WHEREAS**, the Division of Community Based Care Services and the Contractor have agreed to extend the Agreement for one year in certain respects;

**NOW THEREFORE**, in consideration of the foregoing and of the covenants and conditions contained in the Agreement and set forth herein, the parties do hereby agree as follows:

1. Amendments and Modifications of Agreement

The contract is hereby amended as follows:

By deleting, in subparagraph 1.7. of the General Provisions the date June 30, 2013 and substituting therefore the date June 30, 2014.

By deleting, in subparagraph 1.8. of the General Provisions the number \$1,195,938.91 and substituting therefore the number \$1,598,081.00.

2. Amendment and Modification of Exhibit A, Scope of Work

2.1. Delete in sub-paragraph 1.2.2 the date August 1, 2013 and substituting therefore the date August 1, 2014.

Contractor Initials P.H.  
Date 5-21-13

2.2. Change Paragraph 3.3. to read as follows:

3.3. The Contractor agrees to serve the current total of 284 persons receiving guardianship and protection services plus any new persons referred in accordance with paragraphs 1.4 above. However, the Contractor shall not be obligated to accept more than 288 cases during the contract period. While the Bureau shall provide the Contractor with letters of approval for each new case assigned to the Contractor, the Contractor may not bill for services until the Contractor is actually appointed as guardian by a probate court. In addition payments under this contract constitute payment in full for guardianship over the person services and the contractor shall not accept any additional payments from the ward or from other funds of the ward.

2.3. Change Paragraph 3.4. to read as follows:

3.4. The Commencement date of this agreement shall be July 1, 2013, or the date of Governor and Council approval, whichever is later.

3. Amendments and Modifications of Exhibit B. Methods of Payment

3.1. Change Paragraph 1. to read as follows:

1. Subject to the availability of State funds, and in consideration for the satisfactory completion of the services to be performed under this Agreement, the State shall pay the Contractor a per diem per case rate approved by the Office of Client and Legal Services. However, regardless of the number of persons served by the Contractor during the program period, specified in paragraphs 3.1. and 3.2. of the General Provisions of this Agreement, the State shall pay the Contractor a minimum amount of \$1,580,990 during the program period. The total of all payments authorized or actually made hereunder shall not exceed the amount of \$1,598,081, the price limitation set forth in block 1.8. of the General Provisions.

1.1. The per diem reimbursement rate for the provision of services to persons served under this Agreement shall be:

\$3.85 for up to 288 clients whose guardianship services are requested by the Bureaus of Behavioral Health and Developmental Services.

1.2. The hourly reimbursement rate for the provision of technical assistance to private guardians shall be \$60.00, not to exceed the amount of \$2,000.00.

1.3. The hourly reimbursement rate for the provision of training to area agency, mental health and elderly and adult agency staff and probate court personnel shall be \$60.00, not to exceed the amount of \$1,500.00.

3.2. Change Paragraph 2.1. to read as follows:

2.1. The State shall at the beginning of the Agreement period make a payment of \$64,180, the estimated fee for service payment due to the Contractor for providing services for a period of two months. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period. This initial payment is the amount the State has determined is necessary to initiate the services.

3.3. Change Paragraph 2.2. to read as follows:

Contractor Initials: P.H.  
Date: 5-2-13

2.2. A monthly payment equal to \$32,087 will be made to the Contractor at the beginning of September and continuing through the end of the agreement or until the maximum amount of the contract has been reached. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period and continue at the end of subsequent quarters through June 30, 2014. The per diem rate will be extended to the last day of the month following the month in which the client dies or for whom the guardianship/protection service is terminated.

3.4. Change Sub-paragraph 2.4.e. to read as follows:

2.4. e. Calculation of the total authorized payment due for the service quarter in accordance with 2.3. above:

The first "Quarterly Payment Computation and Authorization, Tri-County Community Action Program, Inc." report shall be submitted by no later than October 5, 2013 and the final report by July 10, 2014. Failure to submit such reports shall constitute an Event of Default.

3.5. Change Sub-paragraph 2.5.1. to read as follows:

2.5.1. The Contractor shall notify the State in its October "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through September is less than \$474,731, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$474,731.

3.6. Change Sub-paragraph 2.5.2. to read as follows:

2.5.2. The Contractor shall notify the State in its January "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through December is less than \$949,463, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$949,463.

3.7. Change Sub-paragraph 2.5.3. to read as follows:

2.5.3. The Contractor shall notify the State in its April "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through March is less than \$1,424,194, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$1,424,194.

3.8. Change Paragraph 4. to read as follows:

4. This contract is funded by the New Hampshire General Fund as follows:

	<u>Current</u> <u>Modified</u> <u>Budget</u>	<u>Increase</u> <u>(Decrease)</u> <u>Amount</u>	<u>Revised</u> <u>Modified</u> <u>Budget</u>
NH General Fund:	\$1,195,938.91	\$402,142.09	\$1,598,081.00

4. Effective Date of Amendment: The effective date of this action is July 1, 2013, or the date of Governor and Council approval, whichever is later.

Contractor Initials: *P.H.*  
Date: *5.26.13*

5. Continuance of Agreement: Except as specifically amended and modified by the terms and conditions of the Agreement, the Agreement and the obligation of the parties hereunder shall remain in full force and effect in accordance with the terms and conditions set forth therein.

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

THE STATE OF NEW HAMPSHIRE  
DIVISION OF COMMUNITY BASED CARE SERVICES

By: Nancy L. Rollins  
Nancy L. Rollins, Associate Commissioner

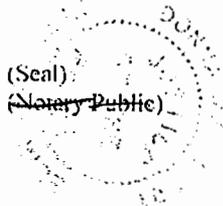
TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

By: Peter Higbee  
Peter Higbee, Chief Operating Officer

STATE OF NEW HAMPSHIRE

County of Coos

The foregoing instrument was acknowledged before me this 21 day of May, 2013, by  
Peter Higbee



Donna M.C. Keddy  
Signature  
Print Name: Donna M.C. Keddy  
Title: ~~Notary Public~~/Justice of the Peace  
Commission Expires: 8/19/2014  
For: Peter Higbee

Approved as to form, execution, and substance:

OFFICE OF THE ATTORNEY GENERAL

By: Jeanne P. Herrick  
Jeanne P. Herrick, Attorney

Date: 4 June 2013

Contractor Initials RH  
Date 5.21.13



TRI-COUNTY COMMUNITY ACTION, INC./GUARDIANSHIP SERVICES

BUDGET FISCAL YEAR 2013  
July 1st, 2013 through June 30th 2014

REVENUE

DHHS/Guardianship/Protection	288 @ \$3.85 per diem x 365 days	\$404,712.00	
Technical Assistance \$60/hr.		\$2,000.00	
Training		\$1,500.00	
Vacancy Rate -1.5%		-\$6,069.91	\$385,050.00
<b>MINIMUM DIVISION CONTRACT (Guaranteed)</b>		<b>\$385,050.00</b>	
<b>TOTAL DIVISION</b>	288 Maximum Slots	<b>\$402,142.09</b>	<b>\$385,050.00</b>
<b>CONTRACT - NH DEPARTMENT OF CORRECTIONS *Partial</b>	5 @ \$6.00 per diem x 365 days		<b>\$10,950.00</b>
<b>TOTAL DOC</b>	15 Maximum Slots	<b>\$32,850.00</b>	
<b>CONTRACT - NH BUREAU OF ELDERLY AND ADULT SERVICES</b>	3 Slots 1/12th per month		<b>\$5,694.00</b>
<b>PRIVATE PAY CLIENTS:</b>			
Person Only *Community Based \$240.00/Month	47 Slots @ \$7.89 per diem x 365 day	<b>\$135,352.95</b>	
Person Only *Nursing Home Based \$235.00/Month	32 Slots @ \$7.73 per diem x 365 days	<b>\$90,286.40</b>	
Person Only *Varied Rates Average Calculation	8 Slots @ \$177.63 Per Month	<b>\$17,052.48</b>	
DD MEDICAID CLIENTS	48 Slots @ \$2.22 per diem x 365 days	<b>\$38,894.40</b>	
<b>PRIVATE CLIENTS/PERSON</b>			<b>\$281,586.23</b>

**EXPENSES**

<b>SALARIES</b>			
<b>Position</b>	<b>Rate</b>	<b>Annual</b>	
Director dk	\$30.00	\$62,400.00	
Associate Director jm	\$24.00	\$49,920.00	
Staff Guardian pg	\$17.50	\$36,400.00	
Staff Guardian jg 35 hrs.	\$17.50	\$31,850.00	
Client Services System Admin. st	\$17.00	\$35,360.00	
Staff Guardian OPEN	\$13.50	\$28,080.00	
Staff Guardian sl	\$15.00	\$31,200.00	
Staff Guardian mt	\$13.50	\$28,080.00	
Estate Guardian/Conservator ks	\$15.00	\$31,200.00	
Payee Administrator lj	\$14.75	\$30,680.00	
Program Associate dc	\$14.00	\$29,120.00	
Benefits Administrator OPEN	\$12.00	\$18,720.00	
Administrative Associate jp	\$12.00	\$24,960.00	
Admin/Payee Associate sleslie 30 hrs.	\$10.00	\$15,600.00	
Receptionist/Clerk pgerman 35 hrs.	\$11.00	\$20,020.00	
Bookkeeper 12hrs/month	\$15.00	\$2,160.00	
Receptionist /Clerk ab 20 hrs.	\$9.07	\$9,432.80	
Receptionist/Clerk sv 20 hrs.	\$8.00	\$8,320.00	

<b>Total Salaries</b>			<b>\$493,502.80</b>
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<b>FRINGE BENEFITS:</b>			
FICA @ .062%		\$30,597.17	
Medicare @ .0145%		\$7,155.79	
Unempl. Comp.		\$12,240.00	
Health Insurance		\$82,500.00	
Dental Insurance		\$7,608.84	
Worker's Comp. @ .0357%		\$17,618.05	
Annuity Expense		\$10,748.00	
<b>TOTAL FRINGE BENEFITS</b>			<b>\$168,467.85</b>

<b>ADMINISTRATIVE COSTS:</b>			
TRI-COUNTY COMMUNITY	9.50%		<b>\$72,432.41</b>
ACTION, INC. Indirect costs			

<b>PRIVATE ESTATE AND FINANCIAL MANAGEMENT SERVICES</b>			
<b>EST/BILLABLE TIME</b>	200 @ \$140/hr.	\$28,000.00	
<b>EST/BILLABLE TIME</b>	40 @ \$95/hr.	\$3,800.00	
<b>EST/BILLABLE TIME</b>	250 @ \$85/hr.	\$21,250.00	
<b>EST/BILLABLE TIME</b>	185 @ \$55/hr.	\$10,175.00	
<b>EST/BILLABLE TIME</b>	248 @ \$35/hr.	\$8,680.00	
<b>TRUST/BILLABLE TIME</b>	Average Annual	\$6,050.00	
<b>PAYEE SERVICES</b>	154 @ \$39.00/mo.	\$72,072.00	
<b>PAYEE SERVICES</b>	11 @ \$23.27/month	\$3,071.64	
<b>NET ESTATE/TRUST/PAYEE</b>			\$153,098.64
<b>TOTAL PRIVATE REVENUE</b>			\$434,684.87
<b>TOTAL REVENUE</b>			\$836,378.87

<b>OFFICE MANAGEMENT:</b>			
OFFICE SPACE/GARAGE RENT	Concord	\$15,000.00	
OFFICE SPACE/INTERNAL	Whitefield	\$15,000.00	
TELEPHONE		\$15,000.00	
POSTAGE		\$7,000.00	
OFFICE SUPPLIES		\$15,000.39	
REPRODUCTION-Admin Office		\$25.41	
PUBLICATION/MEMBERSHIPS		\$1,050.00	
ADVERTISEMENT		\$500.00	
TRAINING		\$2,000.00	
CONFERENCES/REGISTRATIONS		\$1,000.00	
LEGAL FEES		\$2,000.00	
BANK FEES/CFUND ACCOUNT		\$600.00	
TRAVEL/MILEAGE		\$21,000.00	
CONTRACTED SERVICES		\$3,000.00	
LEASED EQUIPMENT		\$2,300.00	
EQUIPMENT PURCHASES		\$1,500.00	
<b>TOTAL OFFICE MANAGEMENT</b>			<b>\$101,975.80</b>

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<b>% CONTRACT</b>		<b>46%</b>
<b>TOTAL INCOME</b>	<b>\$836,378.87</b>	
<b>TOTAL EXPENSES</b>	<b>\$836,378.87</b>	
<b>BALANCE</b>	<b>\$0.00</b>	

NH Department of Health and Human Services

STANDARD EXHIBIT D

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

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

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

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

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

- (A) The grantee certifies that it will or will continue to provide a drug-free workplace by:
- (a) 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;
  - (b) Establishing an ongoing drug-free awareness program to inform employees about
    - (1) The dangers of drug abuse in the workplace;
    - (2) The grantee's policy of maintaining a drug-free workplace;
    - (3) Any available drug counseling, rehabilitation, and employee assistance programs;  
and
    - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

- (c) 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);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
  - (1) Abide by the terms of the statement; and
  - (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;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted
  - (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
  - (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;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

(B) 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)

34 Jefferson Road, Whitefield, NH 03598, Main Guardianship Office  
18 Low Avenue, Concord, NH 03301, Satellite Guardianship Office

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

Tri-County Community Action Program, Inc.

From: 7/1/2013 To: 6/30/2014

(Contractor Name)

(Period Covered by this Certification)

Peter Higbee, Chief Operating Officer

(Name & Title of Authorized Contractor Representative)

  
(Contractor Representative Signature)

May 21, 2013

(Date)

Contractor Initials: P.H.

Date: 5.21.13

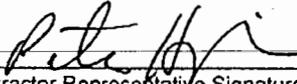
NH Department of Health and Human Services

STANDARD EXHIBIT G

CERTIFICATION REGARDING  
THE AMERICANS WITH DISABILITIES ACT COMPLIANCE

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 make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

  
(Contractor Representative Signature)

Peter Higbee, Chief Operating Officer  
(Authorized Contractor Representative Name & Title)

Tri-County Community Action Program, Inc.  
(Contractor Name)

May 21, 2013  
(Date)

NH Department of Health and Human Services

**STANDARD 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 and those parts of the HITECH Act 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.

**BUSINESS ASSOCIATE AGREEMENT**

**(1) Definitions.**

- a. "Breach" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D, Sec. 13400.
- 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.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 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 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
- 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, unreasonable, 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) 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, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do 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 HITECH Act, Subtitle D, Part 1, Sec. 13402 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 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. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.
- b. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec.13404.
- c. 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.
- d. 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)b and (3)k herein. 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 pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
- e. 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.
- f. 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.
- g. 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.

- h. 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.
- i. 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.
- j. 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.
- k. 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 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 standard provision #10 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, and the HITECH Act as 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 and the HITECH Act.
- 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 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, 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  
Division of Community Based Care Services  
The State Agency Name

Tri-County Community Action Program  
Name of the Contractor

Nancy L. Rollins  
Signature of Authorized Representative

Peter Higbee  
Signature of Authorized Representative

Nancy L. Rollins  
Name of Authorized Representative

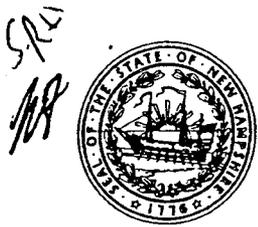
Peter Higbee  
Name of Authorized Representative

Associate Commissioner  
Title of Authorized Representative

Chief Operating Officer  
Title of Authorized Representative

31 May 2013  
Date

May 21, 2013  
Date



STATE OF NEW HAMPSHIRE  
 DEPARTMENT OF HEALTH AND HUMAN SERVICES  
 DIVISION OF COMMUNITY BASED CARE SERVICES

*BUREAU OF BEHAVIORAL HEALTH*

Nicholas A. Toumpas  
 Commissioner

105 PLEASANT STREET, CONCORD, NH 03301  
 603-271-5000 1-800-852-3345 Ext. 5000  
 Fax: 603-271-5058 TDD Access: 1-800-735-2964

Nancy L. Rollins  
 Associate Commissioner

May 1, 2012

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

Order: G+C  
 Date: 6/20/12  
 Item No. 81

**Requested Action**

1. Authorize the Department of Health and Human Services, Division of Community Based Care Services to amend an agreement, purchase order number 1009018, with Tri-County Community Action Program, Inc., 30 Exchange Street, Berlin, New Hampshire 03570, vendor code 177195, to provide public guardianship services by increasing the price limitation by \$402,536.02 from \$793,797.59 to an amount not to exceed \$1,196,333.61, and extending the completion date to June 30, 2013, effective July 1, 2012 or date of Governor and Executive Council approval, whichever is later. This agreement was originally approved by Governor and Executive Council on June 23, 2010, item number 129, and subsequently amended on June 8, 2011, item number 125. Funds are available in the following account:

**05-95-92-920010-7002 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:BEHAVIORAL HEALTH-DIV OF, DIV OF BEHAVIORAL HEALTH, LEGAL-GUARDIANSHIP SVCS**

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Current Modified Amount</u>	<u>Increase Amount</u>	<u>Revised Modified Amount</u>
2011	102-500731	Contracts for Program Services	\$391,261.57		\$ 391,261.57
2012	102-500731	Contracts for Program Services	\$402,536.02		\$ 402,536.02
2013	102-500731	Contracts for Program Services	\$ 0.00	\$402,536.02	\$ 402,536.02
			\$793,797.59	\$402,536.02	\$1,196,333.61

2. Authorize an advance payment up to a maximum of \$64,238.04 of the contract price limitation.

**Explanation**

The purpose of this request is to extend an agreement with Tri-County Community Action Program, Inc. to provide guardianship and protection, on a statewide basis, to persons with mental illness and developmental impairments whose incapacities leave them at risk of substantial harm because of their inability to provide for their own food, shelter, health care, safety, or to manage their personal affairs. These services are needed to meet the State's statutory obligations to safeguard incapacitated persons in the state institutions as well as in community mental health and developmental service programs. It also carries out the requirements of RSA 135-C: 60, and RSA 171-A: 10, II. Tri-County Community Action Program, Inc. pursuant to RSA 547-B: 6 has been designated by the New Hampshire Supreme Court as an approved organization for the purpose of providing guardianship and

His Excellency, Governor John H. Lynch  
and the Honorable Executive Council  
May 1, 2012  
Page 2

protection services pursuant to RSA 464-A.. This contract shall provide for guardianship services for up to 298 cases during the contract period. The emphasis in providing such services shall be to ensure that the guardianships maintained and sought shall be limited in accordance with the standards embodied in RSA 464-A..

The advance payment shall allow Tri-County Community Action Program, Inc. to meet its operating obligations while providing services during the initial two months of this agreement.

Using a public notice posted on the Department of Health and Human Services website on February 22, 2010, as RFP Number 11-DCBCS-GPS-01, DCBCS requested proposals for providing public guardianship services in the State. Five renewals of one year each are possible at the Department's discretion. Tri-County Community Action Program, Inc. responded by submitting a proposal to provide public guardianship services to people with a mental illness, or a developmental disability who are eligible for State-funded services. Tri-County Community Action Program, Inc. was one of two agencies to apply to provide public guardianship services.

A competitive review process was utilized to evaluate all proposals submitted by the deadline. Participants in the review process included Department staff from the Bureau of Behavioral Health, the Bureau of Developmental Services, and the Office of Client and Legal Services. This process involved an assessment of the proposals submitted including an evaluation of scope of work, bidder background and experience, and the cost proposal. Both proposals submitted for fiscal year 2011 scored over the required minimum.

Based on a favorable review of the above by the review team, and because Tri-County Community Action Program, Inc. has in previous contracts amply demonstrated its ability to provide high-level public guardianship services to clients and the community served, the Division of Community Based Care Services requests this contract be extended for one year to allow Tri-County Community Action Program, Inc. to continue providing services.

The agreement for State Fiscal Year 2012 served up to 298 cases. In State Fiscal Year 2013 this agreement will also serve up to 298 cases.

This agreement also includes a line item for mentoring services and training. Mentoring services are provided to family members who are willing to serve as guardian but who require a period of support. Providing this support shall obviate need for a public guardian in these cases and shall thereby save the State from paying the cost of a permanent public guardianship.

Attached is a copy of the previously approved letter to the Governor and Executive Council. Additionally the Request for Proposal contained a provision allowing for five one year extensions at the Department's discretion and approval by the Governor and Executive Council.

Should Governor and Executive Council determine not to approve this request the Division of Community Based Care Services would be out of compliance with the requirements of RSA 135-C: 60, and RSA 171-A: 10, II and persons with mental illness and developmental impairments whose incapacities leave them at risk of substantial harm because of their inability to provide for their own food, shelter, health care, safety, or to manage their personal affairs would be harmed.

Area served: statewide.

His Excellency, Governor John H. Lynch  
and the Honorable Executive Council  
May 1, 2012  
Page 3

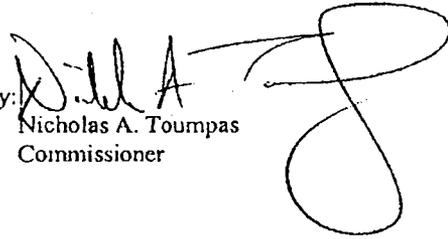
Source of funds: 100% general funds.

Respectfully submitted,



Nancy L. Rollins  
Associate Commissioner

Approved by:



Nicholas A. Toumpas  
Commissioner

RSP/pbr  
Attachments

AMENDMENT TO AGREEMENT

This Amendment to Agreement (hereinafter called the "Amendment"), dated this 26th day of April, 2012, between the State of New Hampshire, acting by and through the Division of Community Based Care Services, and Tri-County Community Action Program, Inc., a nonprofit organization organized under the laws of the State of New Hampshire with a place of business at 30 Exchange Street, Berlin, New Hampshire 03570 (hereinafter referred to as the "Contractor").

**WHEREAS**, on February 22, 2010, the Division of Community Based Care Services issued a public notice for a Request For Proposal for "Guardianship and Protective Services in New Hampshire" which cited the following:

"Contracted services shall commence on July 1, 2010 or on the Governor and Executive Council approval date, whichever is later, and shall continue until June 30, 2011. Five renewals of one year each may be possible at the Department's discretion". and

**WHEREAS**, the Contractor was one of two selected contractors, and

**WHEREAS**, pursuant to an Agreement approved June 23, 2010, the Contractor agreed to provide certain services upon the terms and conditions specified in the Agreement, in consideration of payment by the Division of Community Based Care Services of certain sums specified therein; and

**WHEREAS**, pursuant to paragraph 17 of the Agreement, the Agreement may be amended, waived, or discharged only by an instrument in writing signed by the parties thereto and only after the approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire;

**WHEREAS**, the Division of Community Based Care Services and the Contractor have agreed to extend the Agreement for one year in certain respects;

**NOW THEREFORE**, in consideration of the foregoing and of the covenants and conditions contained in the Agreement and set forth herein, the parties do hereby agree as follows:

1. Amendments and Modifications of Agreement

The contract is hereby amended as follows:

By deleting, in subparagraph 1.7. of the General Provisions the date June 30, 2012 and substituting therefore date June 30, 2013.

By deleting, in subparagraph 1.8. of the General Provisions the number \$793,797.59 and substituting therefore the number \$1,195,938.91.

2. Amendment and Modification of Exhibit A, Scope of Work

Delete in sub-paragraph 1.2.2 the date August 1, 2011 and substituting therefore date August 1, 2012.

Contractor Initials: DD

Date: 4/26/12

2.2. Change Paragraph 3.3. to read as follows:

3.3 The Contractor agrees to serve the current total of 284 persons receiving guardianship and protection services plus any new persons referred in accordance with paragraphs 1.4 above. However, the Contractor shall not be obligated to accept more than 288 cases during the contract period. While the Bureau shall provide the Contractor with letters of approval for each new case assigned to the Contractor, the Contractor may not bill for services until the Contractor is actually appointed as guardian by a probate court. In addition payments under this contract constitute payment in full for guardianship over the person services and the contractor shall not accept any additional payments from the ward or from other funds of the ward.

2.3. Change Paragraph 3.4. to read as follows:

3.4 The Commencement date of this agreement shall be July 1, 2012, or the date of Governor and Council approval, whichever is later.

3. Amendments and Modifications of Exhibit B, Methods of Payment

3.1. Change Paragraph 1. to read as follows:

1. Subject to the availability of State funds, and in consideration for the satisfactory completion of the services to be performed under this Agreement, the State shall pay the Contractor a per diem per case rate approved by the Office of Client and Legal Services. However, regardless of the number of persons served by the Contractor during the program period, specified in paragraphs 3.1. and 3.2. of the General Provisions of this Agreement, the State shall pay the Contractor a minimum amount of \$1,142,177.04 during the program period. The total of all payments authorized or actually made hereunder shall not exceed the amount of \$1,195,938.91, the price limitation set forth in block 1.8. of the General Provisions.

1.1. The per diem reimbursement rate for the provision of services to persons served under this Agreement shall be:

\$3.85 for up to 288 clients whose guardianship services are requested by the Bureaus of Behavioral Health and Developmental Services.

1.2. The hourly reimbursement rate for the provision of technical assistance to private guardians shall be \$60.00, not to exceed the amount of \$2,000.00.

1.3 The hourly reimbursement rate for the provision of training to area agency, mental health and elderly and adult agency staff and probate court personnel shall be \$60.00, not to exceed the amount of \$1,500.00.

3.2. Change Paragraph 2.1. to read as follows:

2.1. The State shall at the beginning of the Agreement period make a payment of \$64,175.05, the estimated fee for service payment due to the Contractor for providing services for a period of two months. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period. This initial payment is the amount the State has determined is necessary to initiate the services.

Contractor Initials: DD  
Date: 4/26/12

3.3. Change Paragraph 2.2. to read as follows:

2.2. A monthly payment equal to \$32,087.53 will be made to the Contractor at the beginning of September and continuing through the end of the agreement or until the maximum amount of the contract has been reached. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period and continue at the end of subsequent quarters through June 30, 2012. The per diem rate will be extended to the last day of the month following the month in which the client dies or for whom the guardianship/protection service is terminated.

3.4. Change Sub-paragraph 2.4 e. to read as follows:

e. Calculation of the total authorized payment due for the service quarter in accordance with 2.3. above;

The first "Quarterly Payment Computation and Authorization, Tri-County Community Action Program, Inc." report shall be submitted by no later than October 5, 2012 and the final report by July 10, 2013. Failure to submit such reports shall constitute an Event of Default.

3.5 Change Sub-paragraph 2.5.1. to read as follows:

2.5.1. The Contractor shall notify the State in its October "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through September is less than \$378,468.88, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$378,468.88.

3.6 Change Sub-paragraph 2.5.2 to read as follows:

2.5.2. The Contractor shall notify the State in its January "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through December is less than \$756,937.78, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$756,937.78.

Change Sub-paragraph 2.5.3. to read as follows:

2.5.3 The Contractor shall notify the State in its April "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through March is less than \$1,135,406.66, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$1,135,406.66.

Change Paragraph 4. to read as follows:

This contract is funded by the New Hampshire General Fund as follows:

	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
<u>NH General Fund:</u>	\$793,797.59	\$402,141.32	\$1,195,938.91

Contractor Initials: DD  
Date: 4/26/12

4. Effective Date of Amendment: The effective date of this action is July 1, 2012, or the date of Governor and Council approval, whichever is later.

5. Continuance of Agreement: Except as specifically amended and modified by the terms and conditions of the Agreement, the Agreement and the obligation of the parties hereunder shall remain in full force and effect in accordance with the terms and conditions set forth therein.

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

THE STATE OF NEW HAMPSHIRE  
DIVISION OF COMMUNITY BASED CARE SERVICES

By: Nancy L. Rollins  
Nancy L. Rollins, Associate Commissioner

Tri-County Community Action Program, Inc.

By: Dori Ducharme  
Dori Ducharme, Chief Financial Officer

STATE OF NEW HAMPSHIRE

County of Coos

The foregoing instrument was acknowledged before me this 26th day of  
April, 2012, by Dori Ducharme.

Donna M.C. Keddy  
Signature

(Seal)

Name Donna M.C. Keddy  
Title: Justice of the Peace

Commission Expires: 8/19/2014

Approved as to form, execution, and substance:

OFFICE OF THE ATTORNEY GENERAL

By: *Jeanne P. Herrick*  
Jeanne P. Herrick  
Attorney

Date: *29 May 2012*

Contractor Initials: *DD*  
Date: *4/26/12*



TRI-COUNTY COMMUNITY ACTION, INC./GUARDIANSHIP SERVICES

BUDGET FISCAL YEAR 2013  
July 1st, 2013 through June 30th 2014

REVENUE

DHHS/Guardianship/Protection	288 @ \$3.85 per diem x 365 days	\$404,712.00	
Technical Assistance \$60/hr. Training		\$2,000.00 \$1,500.00	
Vacancy Rate -1.5%		-\$6,069.91	\$385,050.00
MINIMUM DIVISION CONTRACT (Guaranteed)		\$385,050.00	
TOTAL DIVISION	288 Maximum Slots	\$402,142.09	\$385,050.00
CONTRACT - NH DEPARTMENT OF CORRECTIONS *Partial	5 @ \$6.00 per diem x 365 days		\$10,950.00
TOTAL DOC	15 Maximum Slots	\$32,850.00	
CONTRACT - NH BUREAU OF ELDERLY AND ADULT SERVICES	3 Slots 1/12th per month		\$5,694.00
PRIVATE PAY CLIENTS:			
Person Only *Community Based \$240.00/Month	47 Slots @ \$7.89 per diem x 365 day	\$135,352.95	
Person Only *Nursing Home Based \$235.00/Month	32 Slots @ \$7.73 per diem x 365 days	\$90,286.40	
Person Only *Varied Rates Average Calculation	8 Slots @ \$177.63 Per Month	\$17,052.48	
DD MEDICAID CLIENTS	48 Slots @ \$2.22 per diem x 365 days	\$38,894.40	
PRIVATE CLIENTS/PERSON			\$281,586.23

PRIVATE ESTATE AND FINANCIAL MANAGEMENT SERVICES			
EST/BILLABLE TIME	200 @ \$140/hr.	\$28,000.00	
EST/BILLABLE TIME	40 @ \$95/hr.	\$3,800.00	
EST/BILLABLE TIME	250 @ \$85/hr.	\$21,250.00	
EST/BILLABLE TIME	185 @ \$55/hr.	\$10,175.00	
EST/BILLABLE TIME	248 @ \$35/hr.	\$8,680.00	
TRUST/BILLABLE TIME	Average Annual	\$6,050.00	
PAYEE SERVICES	154 @ \$39.00/mo.	\$72,072.00	
PAYEE SERVICES	11 @ \$23.27/month	\$3,071.64	
NET ESTATE/TRUST/PAYEE			\$153,098.64
TOTAL PRIVATE REVENUE			\$434,684.87
TOTAL REVENUE			\$836,378.87

**EXPENSES**

<b>SALARIES</b>			
<b>Position</b>	<b>Rate</b>	<b>Annual</b>	
Director dk	\$30.00	\$62,400.00	
Associate Director jm	\$24.00	\$49,920.00	
Staff Guardian pg	\$17.50	\$36,400.00	
Staff Guardian jg 35 hrs.	\$17.50	\$31,850.00	
Client Services System Admin. st	\$17.00	\$35,360.00	
Staff Guardian OPEN	\$13.50	\$28,080.00	
Staff Guardian sl	\$15.00	\$31,200.00	
Staff Guardian mt	\$13.50	\$28,080.00	
Estate Guardian/Conservator ks	\$15.00	\$31,200.00	
Payee Administrator lj	\$14.75	\$30,680.00	
Program Associate dc	\$14.00	\$29,120.00	
Benefits Administrator OPEN	\$12.00	\$18,720.00	
Administrative Associate jp	\$12.00	\$24,960.00	
Admin/Payee Associate sleslie 30 hrs.	\$10.00	\$15,600.00	
Receptionist/Clerk pgerman 35 hrs.	\$11.00	\$20,020.00	
Bookkeeper 12hrs/month	\$15.00	\$2,160.00	
Receptionist /Clerk ab 20 hrs.	\$9.07	\$9,432.80	
Receptionist/Clerk sv 20 hrs.	\$8.00	\$8,320.00	
<b>Total Salaries</b>			<b>\$493,502.80</b>
<b>FRINGE BENEFITS:</b>			
FICA @ .062%		\$30,597.17	
Medicare @ .0145%		\$7,155.79	
Unempl. Comp.		\$12,240.00	
Health Insurance		\$82,500.00	
Dental Insurance		\$7,608.84	
Worker's Comp. @ .0357%		\$17,618.05	
Annuity Expense		\$10,748.00	
<b>TOTAL FRINGE BENEFITS</b>			<b>\$168,467.85</b>
<b>ADMINISTRATIVE COSTS:</b>			
TRI-COUNTY COMMUNITY	9.50%		<b>\$72,432.41</b>
ACTION, INC. Indirect costs			

<b>OFFICE MANAGEMENT:</b>			
OFFICE SPACE/GARAGE RENT	Concord	\$15,000.00	
OFFICE SPACE/INTERNAL	Whitefield	\$15,000.00	
TELEPHONE		\$15,000.00	
POSTAGE		\$7,000.00	
OFFICE SUPPLIES		\$15,000.39	
REPRODUCTION-Admin Office		\$25.41	
PUBLICATION/MEMBERSHIPS		\$1,050.00	
ADVERTISEMENT		\$500.00	
TRAINING		\$2,000.00	
CONFERENCES/REGISTRATIONS		\$1,000.00	
LEGAL FEES		• \$2,000.00	
BANK FEES/CFUND ACCOUNT		\$600.00	
TRAVEL/MILEAGE		\$21,000.00	
CONTRACTED SERVICES		\$3,000.00	
LEASED EQUIPMENT		\$2,300.00	
EQUIPMENT PURCHASES		\$1,500.00	
<b>TOTAL OFFICE MANAGEMENT</b>			<b>\$101,975.80</b>

**% CONTRACT  
TOTAL INCOME**

**\$836,378.87 46%**

**TOTAL EXPENSES**

**\$836,378.87**

**BALANCE**

**\$0.00**



STATE OF NEW HAMPSHIRE  
 DEPARTMENT OF HEALTH AND HUMAN SERVICES  
 DIVISION OF COMMUNITY BASED CARE SERVICES

BUREAU OF BEHAVIORAL HEALTH

Nicholas A. Toumpas  
 Commissioner

Nancy L. Rollins  
 Associate Commissioner

105 PLEASANT STREET, CONCORD, NH 03301  
 603-271-5000 1-800-852-3345 Ext. 6000  
 Fax: 603-271-5068 TDD Access: 1-800-736-2964

May 11, 2011

Approved by G+C

Date 6-8-11

Item # 125

Contract # 1009018

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

Requested Action

*1009018*

1. Authorize the Department of Health and Human Services, Division of Community Based Care Services to amend an agreement, purchase order number ~~102528~~, with Tri-County Community Action Program, Inc., 30 Exchange Street, Berlin, New Hampshire 03570, vendor code 177195, to provide public guardianship services by increasing the price limit by \$402,536.02 from \$391,261.57 to \$793,797.59, and extending the completion date to June 30, 2012, effective July 1, 2011 or date of Governor and Executive Council approval, whichever is later. This agreement was originally approved by Governor and Executive Council on June 23, 2010, item number 129. Funds are anticipated to be available in the following account in State Fiscal Year 2012 upon the availability and continued appropriation of funds in the future operating budget:

05-95-92-920010-7002 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:BEHAVIORAL HEALTH-DIV OF, DIV OF BEHAVIORAL HEALTH, LEGAL-GUARDIANSHIP SVCS

Fiscal Year	Class/Object	Class Title	Current Modified Amount	Increase Amount	Revised Modified Amount
2011	102-500731	Contracts for Program Services	\$391,261.57		\$391,261.57
2012	102-500731	Contracts for Program Services	\$ 0.00	\$402,536.02	\$402,536.02
			\$391,261.57	\$912,797.29	\$793,797.59

2. Authorize an advance payment up to a maximum of \$64,238.04 of the contract price limitation.

Explanation

The purpose of this request is to extend an agreement with Tri-County Community Action Program, Inc. to provide guardianship and protection, on a statewide basis, to persons with mental illness and developmental impairments whose incapacities leave them at risk of substantial harm because of their inability to provide for their own food, shelter, health care, safety, or to manage their personal affairs. These services are needed to meet the State's statutory obligations to safeguard incapacitated persons in the state institutions as well as in community mental health and developmental service programs. It also carries out the requirements of RSA 135-C: 60, and RSA 171-A: 10, II. Tri-County Community Action Program, Inc. pursuant to RSA 547-B: 6 has been designated by the New Hampshire Supreme Court as an approved organization for the purpose of providing guardianship and protection services pursuant to RSA 464-A. This contract shall provide for guardianship services for up to 298 cases during the contract period. The emphasis in providing such services shall be to ensure that the guardianships maintained and sought shall be limited in accordance with the standards embodied in RSA 464-A.

Using a public notice posted on the Department of Health and Human Services (DHHS) website on February 22, 2010, as RFP Number 11-DCBCS-GPS-01, DCBCS requested proposals for providing public guardianship services in the State. Five renewals of one year each are possible at the Department's discretion. Tri-County Community Action Program, Inc. responded by submitting a proposal to provide public guardianship services to people with a mental illness, or a developmental disability who are eligible for State-funded services. Tri-County Community Action Program, Inc. was one of two agencies to apply to provide public guardianship services.

A competitive review process was utilized to evaluate all proposals submitted by the deadline. Participants in the review process included DHHS staff from the Bureau of Behavioral Health, the Bureau of Developmental Services, and the Office of Client and Legal Services. This process involved an assessment of the proposals submitted including an evaluation of scope of work, bidder background and experience, and the cost proposal. Both proposals submitted for fiscal year 2011 scored over the required minimum.

Based on a favorable review of the above by the review team, and because Tri-County Community Action Program, Inc. has in previous contracts amply demonstrated its ability to provide high-level public guardianship services to clients and the community served, DCBCS requests this contract be funded to allow Tri-County Community Action Program, Inc. to continue providing services.

The contract for fiscal year 2010 is in the amount of \$391,261.57 to serve up to 290 cases. This proposed contract for fiscal year 2011 is level funded and shall serve up to 290 cases, which includes the current caseload of 288, plus 2 current pending cases. Based upon previous experience, it is anticipated that there shall be a need for this agency to assume additional cases from the Bureau of Behavioral Health or the Bureau of Developmental Services during this fiscal year. Due to client terminations during the year, there shall always be a certain number of vacant slots. The maximum contract amount includes a one and one-half (1½) percent reduction to the calculated number of client days to reflect this vacancy rate.

This contract includes a line item for mentoring services and training. Mentoring services are provided to family members who are willing to serve as guardian but who require a period of support. Providing this support shall obviate need for a public guardian in these cases and shall thereby save the State from paying the cost of a permanent public guardianship.

Area served: statewide.

Source of funds: 100% General Funds.

Your favorable consideration of this request shall be greatly appreciated.

Respectfully submitted,

  
Nancy L. Rollins  
Associate Commissioner

Approved by:   
Nicholas A. Youmpas  
Commissioner

KRN  
Contracts FY11/Guardianship/Tri-County Community Action Program, Inc.  
Enclosures

### AMENDMENT TO AGREEMENT

This Amendment to Agreement (hereinafter called the "Amendment"), dated this 20th day of April, 2011, between the State of New Hampshire, acting by and through the Division of Community Based Care Services, and Tri-County Community Action Program, Inc., a nonprofit organization organized under the laws of the State of New Hampshire with a place of business at 30 Exchange Street, Berlin, New Hampshire 03570 (hereinafter referred to as the "Contractor").

**WHEREAS**, on February 22, 2010, the Division of Community Based Care Services issued a public notice for a Request For Proposal for "Guardianship and Protective Services in New Hampshire" which cited the following:

"Contracted services shall commence on July 1, 2010 or on the Governor and Executive Council approval date, whichever is later, and shall continue until June 30, 2011. Five renewals of one year each may be possible at the Department's discretion", and

**WHEREAS**, the Contractor was one of two selected contractors, and

**WHEREAS**, pursuant to an Agreement approved June 23, 2010, the Contractor agreed to provide certain services upon the terms and conditions specified in the Agreement, in consideration of payment by the Division of Community Based Care Services of certain sums specified therein; and

**WHEREAS**, pursuant to paragraph 17 of the Agreement, the Agreement may be amended, waived, or discharged only by an instrument in writing signed by the parties thereto and only after the approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire;

**WHEREAS**, the Division of Community Based Care Services and the Contractor have agreed to extend the Agreement for one year in certain respects;

**NOW THEREFORE**, in consideration of the foregoing and of the covenants and conditions contained in the Agreement and set forth herein, the parties do hereby agree as follows:

1. Amendments and Modifications of Agreement

The contract is hereby amended as follows:

By deleting, in subparagraph 1.7. of the General Provisions the date June 30, 2011 and substituting therefore date June 30, 2012.

By deleting, in subparagraph 1.8. of the General Provisions the number \$391,261.57 and substituting therefore the number \$793,797.59.

2. Amendment and Modification of Exhibit A, Scope of Work

Delete in sub-paragraph 1.2.2 the date August 1, 2010 and substituting therefore date August 1, 2011.

2.2. Change Paragraph 3.3. to read as follows:

3.3 The Contractor agrees to serve the current total of 290 persons receiving guardianship and protection services, plus 2 pending cases, plus any new persons referred in accordance with paragraphs 1.4 above. However, the Contractor shall not be obligated to accept more than 298 cases during the contract period. While the Bureau shall provide the Contractor with letters of approval for each new case assigned to the Contractor, the Contractor may not bill for services until the Contractor is actually appointed as guardian by a probate court. In addition payments under this contract constitute payment in full for guardianship over the person services and the contractor shall not accept any additional payments from the ward or from other funds of the ward.

2.3. Change Paragraph 3.4. to read as follows:

3.4 The Commencement date of this agreement shall be July 1, 2011, or the date of Governor and Council approval, whichever is later.

3. Amendments and Modifications of Exhibit B, Methods of Payment

3.1. Change Paragraph 1. to read as follows:

1. Subject to the availability of State funds, and in consideration for the satisfactory completion of the services to be performed under this Agreement, the State shall pay the Contractor a per diem per case rate approved by the Office of Client and Legal Services. However, regardless of the number of persons served by the Contractor during the program period, specified in paragraphs 3.1. and 3.2. of the General Provisions of this Agreement, the State shall pay the Contractor a minimum amount of \$757,126.73 during the program period. The total of all payments authorized or actually made hereunder shall not exceed the amount of \$793,797.59, the price limitation set forth in block 1.8. of the General Provisions.

1.1. The per diem reimbursement rate for the provision of services to persons served under this Agreement shall be:

\$4.00 for up to 225 clients whose guardianship services are not subsidized in part by an area agency, and \$2.84 for the 48 clients whose guardianship services are subsidized in part by an area agency, and \$3.11 for up to 25 additional clients.

1.2. The hourly reimbursement rate for the provision of technical assistance to private guardians shall be \$60.00, not to exceed the amount of \$1,000.00.

1.3 The hourly reimbursement rate for the provision of training to area agency, mental health and elderly and adult agency staff and probate court personnel shall be \$60.00, not to exceed the amount of \$1,000.00.

3.2. Change Paragraph 2.1. to read as follows:

2.1. The State shall at the beginning of the Agreement period make a payment of \$64,238.04 the estimated fee for service payment due to the Contractor for providing services for a period of two months. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period. This initial payment is the amount the State has determined is necessary to initiate the services.

3.3. Change Paragraph 2.2. to read as follows:

2.2. A monthly payment equal to \$32,119.02 will be made to the Contractor at the beginning of September and continuing through the end of the agreement or until the maximum amount of the contract has been reached. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period and continue at the end of subsequent quarters through June 30, 2012. The per diem rate will be extended to the last day of the month following the month in which the client dies or for whom the guardianship/protection service is terminated.

3.4. Change Sub-paragraph 2.4 e. to read as follows:

e. Calculation of the total authorized payment due for the service quarter in accordance with 2.3. above;

The first "Quarterly Payment Computation and Authorization, Tri-County Community Action Program, Inc." report shall be submitted by no later than October 5, 2011 and the final report by July 10, 2012. Failure to submit such reports shall constitute an Event of Default.

3.5 Change Sub-paragraph 2.5.1. to read as follows:

2.5.1. The Contractor shall notify the State in its October "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through September is less than \$189,281.68, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$189,281.68.

3.6 Change Sub-paragraph 2.5.2 to read as follows:

2.5.2. The Contractor shall notify the State in its January "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through December is less than \$378,563.37, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$378,563.37.

Change Sub-paragraph 2.5.3. to read as follows:

2.5.3 The Contractor shall notify the State in its April "Quarterly Payment and Computation Report, Tri-County Community Action Program, Inc." in the event that payment for services for the months of July through March is less than \$567,845.05, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$567,845.05.

Change Paragraph 4. to read as follows:

This contract is funded by the New Hampshire General Fund as follows:

	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
<u>NH General Fund:</u>	\$391,261.57	\$402,536.02	\$793,797.59

Contractor Initials: *JAR*  
Date: *4/20/11*

4. Effective Date of Amendment: The effective date of this action is July 1, 2011, or the date of Governor and Council approval, whichever is later.

5. Continuance of Agreement: Except as specifically amended and modified by the terms and conditions of the Agreement, the Agreement and the obligation of the parties hereunder shall remain in full force and effect in accordance with the terms and conditions set forth therein.

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

THE STATE OF NEW HAMPSHIRE  
DIVISION OF COMMUNITY BASED CARE SERVICES

By: [Signature]  
Nancy L. Rollins, Associate Commissioner

Tri-County Community Action Program, Inc.

By: [Signature]  
Lawrence M. Kelly, Executive Director  
(type name & title of person from TCCAP here)

STATE OF NEW HAMPSHIRE

County of Coos

The foregoing instrument was acknowledged before me this 20th day of April, 2011, by Lawrence M. Kelly.

[Signature]  
Signature

(Seal)  
(Notary Public)  
Commission Expires:

Name Suzanne C. French  
Title: Notary Public/Justice of the Peace

Contractor Initials: [Signature]  
Date: [Signature]

Approved as to form, execution, and substance:

OFFICE OF THE ATTORNEY GENERAL

By: *Jeanne P. Herrick*  
Assistant Attorney General ~~PHB~~  
*Jeanne P. Herrick*

Date: *5/18/2011*

Contractor Initials: *KJK*  
Date: *7/20/11*

TRI-COUNTY COMMUNITY ACTION, INC./GUARDIANSHIP SERVICES

BUDGET FISCAL YEAR 2012  
July 1st, 2011 through June 30th 2012

REVENUE

DHHS/Guardianship/Protection TOP TIER	225 @ \$4.00 per diem x 365 days	\$328,500.00	
DD MEDICAID CLIENTS MIDDLE TIER *Unchanged	48 @ \$2.84 per diem x 365 days	\$49,756.80	
THIRD TIER *Springing Guardianships Lesser Restrictive Alternative	25 @ \$3.11 per diem x 365 days	\$28,378.75	\$406,635.55
Technical Assistance \$60/hr. Training		\$1,000.00 \$1,000.00	
1.5% Vacancy Rate *DHHS		-\$6,099.53	\$402,536.02
<b>MINIMUM DIVISION CONTRACT (Guaranteed)</b>		\$385,428.24	
<b>TOTAL DIVISION</b>	298 Maximum Slots	<b>\$402,536.02</b>	<b>\$385,428.24</b>
<b>CONTRACT - NH DEPARTMENT OF CORRECTIONS *Partial</b>	5 @ \$6.00 per diem x 365 days		<b>\$10,950.00</b>
<b>TOTAL DOC</b>	15 Maximum Slots	<b>\$32,850.00</b>	
<b>CONTRACT - NH BUREAU OF ELDERLY AND ADULT SERVICES</b>	3 Slots 1/12th per month		<b>\$5,694.00</b>
<b>PRIVATE PAY CLIENTS:</b>			
Person Only *Community Based \$240.00/Month	60 Slots @ \$7.89 per diem x 365 day	\$172,791.00	
Person Only *Nursing Home Based \$235.00/Month	42 Slots @ \$7.73 per diem x 365 days	\$118,500.90	
DD MEDICAID CLIENTS	48 Slots @ \$2.22 per diem x 365 days	\$38,894.40	
<b>PRIVATE CLIENTS/PERSON</b>			<b>\$330,186.30</b>

PRIVATE ESTATE AND FINANCIAL MANAGEMENT SERVICES			
EST/BILLABLE TIME	182 @ \$140/hr.		\$25,480.00
EST/BILLABLE TIME	300 @ \$85/hr.		\$25,500.00
EST/BILLABLE TIME	250 @ \$45/hr.		\$11,250.00
EST/BILLABLE TIME	150 @ \$25/hr.		\$3,750.00
TRUST/BILLABLE TIME	Average Annual		\$5,600.00
PRIVATE CLIENTS/ESTATE/TRUST			\$71,580.00
PAYEE SERVICES	140 @ \$37.00/mo.		\$62,160.00
PAYEE SERVICES	14 @ \$19.74/month		\$3,316.32
TOTAL PRIVATE/PAYEE FEES			\$65,476.32
TOTAL PRIVATE REVENUE			\$467,242.62
CLIENT OUT OF POCKET REIMB			\$16,904.32
TOTAL MISCELLANEOUS FY 2011			\$16,904.32
TOTAL REVENUE			\$886,219.18

**EXPENSES**

<b>SALARIES</b>			
<b>Position</b>	<b>Rate</b>	<b>Annual</b>	
Director dk	\$29.25	\$60,840.00	
Associate Director jm	\$22.50	\$46,800.00	
Client Services System Admin. st	\$17.00	\$35,360.00	
Program Administrator jsw	\$15.00	\$24,960.00	
Staff Guardian pg	\$17.50	\$36,400.00	
Staff Guardian rj	\$17.50	\$36,400.00	
Staff Guardian jg	\$17.00	\$35,360.00	
Staff Guardian sc	\$15.00	\$31,200.00	
Staff Guardian sl	\$14.00	\$29,120.00	
Staff Guardian /ptime	\$13.00	\$20,280.00	
Estate Guardian/Conservator ks	\$14.00	\$29,120.00	
Benefits Administrator cs/ptime	\$14.00	\$21,840.00	
Payee Administrator lj	\$13.75	\$28,600.00	
Program Associate dc	\$13.00	\$27,040.00	
Receptionist/Clerk pgerman/ptime	\$10.50	\$16,380.00	
Receptionist /Clerk ab/ptime	\$7.75	\$10,075.00	
Administrative/Clerk jr/ptime	\$7.75	\$12,090.00	
<b>Total Salaries</b>			<b>\$501,865.00</b>
<b>FRINGE BENEFITS:</b>			
FICA @ .062%		\$31,115.63	
Medicare @ .0145%		\$7,277.04	
Unempl. Comp.		\$13,872.00	
Health Insurance		\$113,716.51	
Dental Insurance		\$5,737.60	
Worker's Comp. @ .0357%		\$17,916.58	
Annuity Expense		\$17,113.60	
<b>TOTAL FRINGE BENEFITS</b>			<b>\$206,748.96</b>
<b>ADMINISTRATIVE COSTS:</b>			
TRI-COUNTY COMMUNITY ACTION, INC. Indirect costs	9.50%		<b>\$76,843.22</b>

<b>OFFICE MANAGEMENT:</b>			
OFFICE SPACE/GARAGE RENT	Concord	\$11,808.00	
OFFICE SPACE/INTERNAL	Whitefield	\$12,104.00	
TELEPHONE		\$16,000.00	
POSTAGE		\$5,100.00	
OFFICE SUPPLIES		\$10,000.00	
REPRODUCTION-Admin Office		\$30.00	
PUBLICATION/MEMBERSHIPS		\$1,050.00	
ADVERTISEMENT		\$300.00	
TRAINING		\$1,000.00	
CONFERENCES/REGISTRATIONS		\$2,300.00	
LEGAL FEES		\$2,500.00	
TRAVEL/MILEAGE		\$20,020.00	
VEHICLE FUEL		\$3,000.00	
VOLUNTEER TRAVEL		\$100.00	
VOLUNTEER RECOGNITION		\$50.00	
CONTRACTED SERVICES		\$10,000.00	
LEASED EQUIPMENT		\$4,900.00	
EQUIPMENT PURCHASES		\$500.00	
<b>TOTAL OFFICE MANAGEMENT</b>			<b>\$100,762.00</b>

<b>% CONTRACT</b>		<b>43%</b>
<b>TOTAL INCOME</b>	<b>\$886,219.18</b>	
<b>TOTAL EXPENSES</b>	<b>\$886,219.18</b>	
<b>BALANCE</b>	<b>\$0.00</b>	

## NH Department of Health and Human Services

**STANDARD 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 and those parts of the HITECH Act 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.

**BUSINESS ASSOCIATE AGREEMENT**

**(1) Definitions.**

- a. "Breach" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D. Sec. 13400.
- 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.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 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 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
- 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, unreasonable, 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) 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, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do 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 HITECH Act, Subtitle D, Part 1, Sec. 13402 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 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. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.
- b. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec.13404.
- c. 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.
- d. 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)b and (3)k herein. 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 pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
- e. 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.
- f. 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.
- g. 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.

Contractor Initials: ZAK  
Date: 4/22/11

- h. 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.
- i. 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.
- j. 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.
- k. 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 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 standard provision #10 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, and the HITECH Act as 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 and the HITECH Act.
- 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 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.

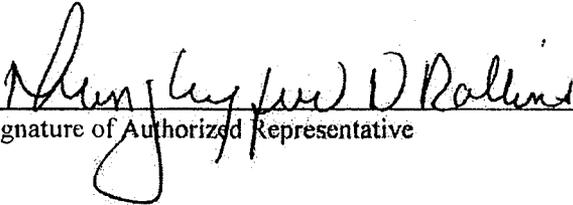
IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

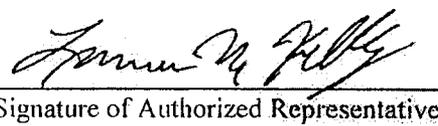
Dept. of Health & Human Svs.

Tri County Community Action Prog.

The State Agency Name

Name of the Contractor





Signature of Authorized Representative

Signature of Authorized Representative

Nancy L. Rollins

Lawrence M. Kelly, Executive Director

Name of Authorized Representative

Name of Authorized Representative

Associate Commissioner

Executive Director

Title of Authorized Representative

Title of Authorized Representative

Date

Date

April 20, 2011



COPY

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF COMMUNITY BASED CARE SERVICES

Nicholas A. Toumpas  
Commissioner  
  
Nancy L. Rollins  
Associate Commissioner

BUREAU OF BEHAVIORAL HEALTH  
105 PLEASANT STREET, CONCORD, NH 03301  
603-271-6000 1-800-852-3345 Ext. 5000  
Fax: 603-271-6068 TDD Access: 1-800-735-2964

May 14, 2010

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

G+C  
Date 6-23-10  
Form No. 129

**Requested Action**

1. Authorize the Department of Health and Human Services, Division of Community Based Care Services (DCBCS) to enter into a agreement with Tri-County Community Action Program, Inc., 30 Exchange Street, Berlin, New Hampshire 03570, vendor code 177195, to provide public guardianship services in an amount not to exceed \$391,261.57 for the period effective July 1, 2010, or date of Governor and Executive Council approval, whichever is later, through June 30, 2011. Funds are available in the following account in fiscal year 2011:

05-95-92-920010-7002 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:BEHAVIORAL HEALTH-DIV OF, DIV OF BEHAVIORAL HEALTH, LEGAL-GUARDIANSHIP SVCS

<u>Class/Object</u>	<u>Class Title</u>	<u>Activity Code</u>	<u>FY 2011</u>
102-0731	Contracts for Program Services	92107002	\$391,261.57
Total			\$391,261.57

2. Authorize an advance payment up to a maximum of \$61,949.75 of the contract price limitation.

**Explanation**

Tri-County Community Action Program, Inc. shall provide guardianship and protection, on a statewide basis, to mentally ill and developmentally impaired persons whose incapacities leave them at risk of substantial harm because of their inability to provide for their own food, shelter, health care, safety, or to manage their personal affairs. These services are needed to meet the State's statutory obligations to safeguard incapacitated persons in the state institutions as well as in community mental health and developmental service programs. It also carries out the requirements of RSA 135-C: 60, and RSA 171-A: 10, II. Tri-County Community Action Program, Inc. pursuant to RSA 547-B: 6 has been designated as an approved organization for the purpose of providing guardianship and protection services pursuant to RSA 464-A. This contract shall provide for guardianship services for up to 290 cases during the contract period.

The emphasis in providing such services shall be to ensure that the guardianships maintained and sought shall be limited in accordance with the standards embodied in RSA 464-A.

The advance payment shall allow Tri-County Community Action Program, Inc. to meet its operating obligations while providing services during the initial two months of this contract extension.

Using a public notice posted on the Department of Health and Human Services (DHHS) website on February 22, 2010, as RFP Number 11-DCBCS-GPS-01, DCBCS requested proposals for providing public guardianship services in the State. Five renewals of one year each are possible at the Department's discretion. Tri-County Community Action Program, Inc. responded by submitting a proposal to provide public guardianship services to people with a mental illness, or a developmental disability who are eligible for State-funded services. Tri-County Community Action Program, Inc. was one of two agencies to apply to provide public guardianship services.

A competitive review process was utilized to evaluate all proposals submitted by the deadline. Participants in the review process included DHHS staff from the Bureau of Behavioral Health, the Bureau of Developmental Services, and the Office of Client and Legal Services. This process involved an assessment of the proposals submitted including an evaluation of scope of work, bidder background and experience, and the cost proposal. Both proposals submitted for fiscal year 2011 scored over the required minimum.

Based on a favorable review of the above by the review team, and because Tri-County Community Action Program, Inc. has in previous contracts amply demonstrated its ability to provide high-level public guardianship services to clients and the community served, DCBCS requests this contract be funded to allow Tri-County Community Action Program, Inc. to continue providing services.

The contract for fiscal year 2010 is in the amount of \$391,261.57 to serve up to 290 cases. This proposed contract for fiscal year 2011 is level funded and shall serve up to 290 cases, which includes the current caseload of 288, plus 2 current pending cases. Based upon previous experience, it is anticipated that there shall be a need for this agency to assume additional cases from the Bureau of Behavioral Health or the Bureau of Developmental Services during this fiscal year. Due to client terminations during the year, there shall always be a certain number of vacant slots. The maximum contract amount includes a one and one-half (1½) percent reduction to the calculated number of client days to reflect this vacancy rate.

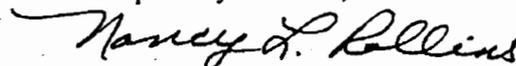
This contract includes a line item for mentoring services and training. Mentoring services are provided to family members who are willing to serve as guardian but who require a period of support. Providing this support shall obviate need for a public guardian in these cases and shall thereby save the State from paying the cost of a permanent public guardianship.

Area served: statewide.

Source of funds: 100% General Funds.

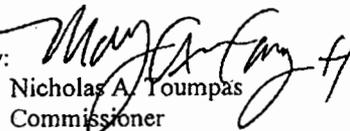
Your favorable consideration of this request shall be greatly appreciated.

Respectfully submitted,



Nancy L. Rollins  
Associate Commissioner

Approved by:



Nicholas A. Youmpas  
Commissioner

KRN

Contracts FY11/Guardianship/Tri-County Community Action Program, Inc.

Enclosures

## Bidder's List

### Public Guardianship Services *RFP 11-DCBCS-GPS-01*

Donna M.C. Keddy, Director  
Tri-County CAP, Inc., Guardianship Services  
34 Jefferson Road  
Whitefield NH 03598

290 cases for BBH and BDS clients  
Total cost: \$391,261.57

Linda Mallon  
Executive Director  
Office of Public Guardian  
2 Pillsbury Street, Suite 400  
Concord NH 03301

688 cases for BBH and BDS clients  
Total cost: \$878,656.80

# RFP11-DCBCS-GPS-01

## SCORING TOTALS

Reviewer	Bidder	Detailed Response &		Bidder Background & Experience	
		Scope of Work	Cost Proposal		
Joy Caderette	OPG	37	30	30	97
Ry Perry	OPG	40	30	30	100
Ken Nielsen	OPG	40	25	30	95
Ann Marie Driscoll	OPG	38	30	30	98
Kaarla Weston	OPG	38	28	30	96
		193	143	150	486
					97

Reviewer	Bidder	Detailed Response &		Bidder Background & Experience	
		Scope of Work	Cost Proposal		
Joy Caderette	Tri-County	33	29	28	90
Ry Perry	Tri-County	40	30	25	95
Ken Nielsen	Tri-County	38	26	30	94
Ann Marie Driscoll	Tri-County	39	16	30	85
Kaarla Weston	Tri-County	34	30	25	89
		184	131	138	453
					91

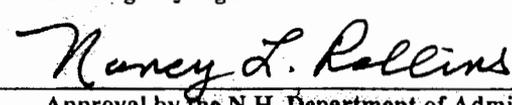
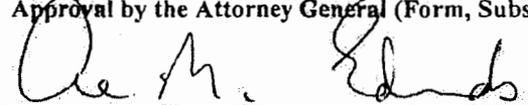
Subject: public guardianship services

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name Department of Health and Human Services		1.2 State Agency Address 105 Pleasant St Concord, NH 03301	
1.3 Contractor Name Tri-County Community Action Program, Inc.		1.4 Contractor Address 30 Exchange St., Berlin, NH 03570	
1.5 Contractor Phone Number 837-9561	1.6 Account Number 010-092-7002-096-0415	1.7 Completion Date 6/30/11	1.8 Price Limitation \$391,261.57
1.9 Contracting Officer for State Agency Nancy L. Rollins		1.10 State Agency Telephone Number 271-5144	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Lawrence M. Kelly, Executive Director	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Coos</u> On <u>5/4/12</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal]  SHELBA M. TETU, Notary Public My Commission Expires February 18, 2014			
1.13.2 Name and Title of Notary or Justice of the Peace			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Nancy L. Rollins, Associate Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: <u>NIA</u> Director, On:			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  On: <u>5/27/10</u>			
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.

## 8. EVENT OF DEFAULT/REMEDIES.

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

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

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

- 9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
- 9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.
- 9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

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

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

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

12. **ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written 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 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 attached and are incorporated herein by reference. Each

CERTIFICATE OF VOTE

I, Rudolph Urban, do hereby certify that:

1. I am the duly elected Clerk of TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (the "Corporation").
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on January 20, 2010.

**RESOLVED:** That this corporation enter into a contract with the State of New Hampshire, citing through its Department of Health and Human Services concerning the following matter: **GRANITE STATE GUARDIANSHIP SERVICES.**

**RESOLVED:** That the Executive Director hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as (s)he may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of May 4, 2010.

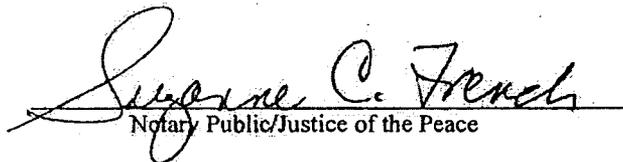
4. LAWRENCE M. KELLY is the duly elected **EXECUTIVE DIRECTOR** of the Corporation.

  
Signature

State of New Hampshire  
County of COOS

The foregoing instrument was acknowledged before me on this 4th day of  
May, 2010.

(Seal)

  
Notary Public/Justice of the Peace

My Commission Expires: 8-13-2013

SUZANNE C. FRENCH  
NOTARY PUBLIC  
State of New Hampshire  
My Commission Expires  
August 13, 2013

Exhibit A

Scope of Work

1. Provisions Applicable to All Services:

1.1. The purpose of this Agreement is to provide guardianship and protection services to safeguard the liberty and well-being of persons who, because of functional limitations, have suffered, are suffering, or are likely to suffer substantial harm due to an inability to provide for personal needs for food, clothing, shelter, health care, safety or an inability to manage their property or financial affairs. Guardianship and protection services under this Agreement are to be provided to persons at risk of harm to person or estate whom the state has a responsibility to safeguard pursuant to RSA 135-C: 60, and RSA 171-A: 10 II.

1.2. The Contractor agrees to provide guardianship and protection services to the persons enumerated in paragraphs 1.4. of Exhibit A. Guardianship services shall include those actions that are necessary to carry out the duties proscribed by RSA 464-A and RSA 547-B, including appointments as guardian, co-guardian, conservator, or temporary guardian of the person and/or estate of a ward. Protection services shall include those actions that are necessary to carry out the duties as duly designated representative or protective payee, client representative, attorney in fact, or other similar agent, as proscribed by applicable law, rule, or agreement.

1.2.1. The program shall have a sufficient number of staff to adequately carry out, for all clients, all the duties required by statute, the letters of authority, and the standards set forth in this document.

1.2.2. Upon employment professional program staff shall attend and successfully complete 20 or more hours of orientation training and, complete ten or more hours of annual continuing education for each subsequent year of employment. The Contractor shall report the number of professional continuing education hours obtained by each guardian by August 1, 2011.

1.3. The Contractor may provide technical assistance to private guardians whose wards are clients of the Department of Health and Human Services ("the Department"). In order to receive such technical assistance from the Contractor private guardians must receive prior approval from the Office of Client and Legal Services for a specified number of consultation hours.

1.4. The Contractor shall not accept or agree to provide services to any person under this Agreement without the prior approval of the State through the Office of Client and Legal Services of the Department. The Contractor may provide services to all persons approved for services by the State and shall not deny services to such persons. If the Contractor believes guardianship and protection services to be inappropriate, the Contractor shall refer the client to the New Hampshire Disabilities Rights Center, Inc., the New Hampshire Legal Assistance or other attorney so that an administrative appeal or other appropriate legal action can be taken on behalf of the client. Referrals of persons for guardianship and protection services from the Glencliff Home For The Elderly, the New Hampshire Hospital, and community agencies in the mental health system, developmental services system, and the adult and elderly system shall be made by the Contractor through the Office of Client and Legal Services, which shall review each referral to ensure compliance with the principles contained in RSA 464-A and paragraph 1.5. below.

1.4.1. If the Contractor provides services to persons who have not been screened and approved by the Office of Client and Legal Services, reimbursement for such services will not be provided for under this agreement.

1.4.1.1. In instances not within the control of the Contractor where guardianship appointments are made without approval granted from the Office of Client and Legal Services, the Contractor may receive reimbursement for guardianship services when the Contractor can provide documentation satisfactory to the Department that such circumstances occurred and the Contractor made reasonable efforts to decline such appointments. The Contractor shall include documentation of reasonable efforts made to decline such appointments with its Quarterly Payment Computation and Authorization reports. If the

documentation provided by the Contractor is satisfactory to the Department, the Department may make payments to the Contractor for appointments made without approval as long as the wards appointed to the Contractor are persons for whom the State has responsibility to safeguard pursuant to RSA 135-C: 60, and RSA 171-A:10, II.

1.5. In providing guardianship and protection services to persons under this Agreement, the Contractor shall adhere to the "Ethics and Standards for Guardians" as developed by the National Guardianship Association and shown in Exhibit D - The Department acknowledges that the Standards on monthly visits with wards is a guideline and that quarterly visits or more frequently as required in individual circumstances is the accepted practice of the Contractor.

1.6 In any action brought in Probate Court to limit or otherwise reduce the scope of a guardianship over a person served under this Agreement, the State agrees to appear with the Contractor where the State agrees that it is necessary to present the State's position on the action proposed.

1.7. The Contractor agrees that no "direct services" shall be provided to persons under this Agreement. Direct services include psychotherapy, case management, transportation, financial aid, or other social services available through state or other governmental or nonprofit agencies.

1.8. The State recognizes that the Contractor has responsibilities as an independent decision-maker acting in a fiduciary capacity with respect to the persons to be served under this Agreement and the decisions to be made on behalf of such persons shall not be directed or influenced by the State by any action taken under this Agreement.

1.9. The Contractor may elect to subcontract for such services as may be necessary to carry out guardianship and protection services under this Agreement with prior notification and approval of the State through the Office of Client and Legal Services of the Department.

1.10. Nothing in this Agreement shall prevent the Contractor from providing guardianship and protection services to persons other than those who are referred pursuant to this Agreement. However, the Contractor agrees that pursuant to RSA 547-B: 7, no funds provided under this Agreement shall be expended for such persons. Furthermore, the Contractor agrees to maintain sufficient records, which shall be subject to the Department's examination and be included as part of the Audit of Records required in paragraph 1.2. of the Special Provisions, to document that the funds received under this Agreement are expended in accordance with this paragraph.

1.11. If staff at any institution or developmental service or mental health or elderly and adult agency within the jurisdiction of the Department brings a complaint to the Department in reference to the services provided by the Contractor under this Agreement, the Department may refer the complaint to the Contractor and the Contractor shall investigate the circumstances pertaining to the complaint and shall respond in writing within thirty (30) days to the Department concerning the results of the investigation. The Contractor shall provide on a quarterly basis, a report of all written complaints filed against the Contractor and shall explain how each such complaint was resolved.

1.12 The Contractor recognizes the inherent value of the opinions of the wards they serve. If staff at any institution or developmental services or mental health or elderly and adult agency within the jurisdiction of the Department or any entity providing funding to the Department distributes a survey, questionnaire or similar instrument designed to gauge consumer satisfaction of wards in reference to the services received by the ward including the services provided by the Contractor under this Agreement, the Contractor agrees to allow their wards to participate in such measures of consumer satisfaction unless the Contractor indicates in writing to the Department the reasons why a particular ward should not be allowed to so participate.

## 2. Description of Guardianship Services:

2.1. The following is a general listing of functions to be provided by the Contractor for individuals so named by the probate court as wards of the Contractor. This listing and description is not intended to restate existing rules and regulations already in place, but rather its purpose is to clarify the relationship of the Contractor with respect

to its wards who need and are receiving services in the developmental services, mental health and/or elderly and adult systems. The functions to be performed include:

- 2.1.1. Making decisions regarding the residential and day placement of the ward, utilizing the standards of least restrictive environment and the best interests of the individual ward.
- 2.1.2. Insuring that all legally necessary steps are taken to enable the individual ward to receive comprehensive evaluations and comprehensive treatment and services.
- 2.1.3. Advocating for and requesting appropriate services for the individual ward utilizing the individual service/treatment planning process following established Department standards and law.
- 2.1.4. Being available to give or withhold consent to proposed medical care.
- 2.1.5. Being available to give or withhold consent, where such is legally necessary, to clinically or legally significant treatment or services.
- 2.1.6. Insuring that the ward's civil rights are protected within the context of the decision the guardian is making on behalf of the ward and refraining from unwarranted intrusion into the life of the ward.
- 2.1.7. Assuming responsibility for any and all other duties as are stated in RSA 464-A or as are required by the probate court.

2.2. All of the responsibilities referenced in 2.1. above are contingent upon the actual authority granted in each individual court order specifying the extent and scope of guardianship for each individual.

2.3. In order to perform the functions specified in 2.1., a guardian must be kept aware of the facts or circumstances, which may impact upon the decision. In order to make informed decisions on behalf of their wards, the public guardians should continually maintain significant and appropriate contact with each ward so to assure that their efforts best reflect the personal preferences, values, and desires of the ward to the fullest extent possible. The guardians must seek out information so that they are fully aware of all risks and benefits of any proposed course of action, as well as any alternatives that may exist. Guardians of the person shall maintain regular contact with their wards in order to comply with the "Ethics and Standards for Guardians" shown in Exhibit D.

2.4. Each public guardian has an affirmative obligation to become as familiar as possible with his or her ward. Beyond the personal visits with the ward and other important and significant people in the ward's life, this obligation can also be met through close interaction with the ward's case manager and others who share a responsibility for providing for the needs of the individual.

### 3. Guardianship and Protection Services:

3.1. The Contractor hereby covenants and agrees that during the term of this Agreement, it will provide guardianship services as prescribed in section 1.1., 1.2., 2., and exhibit D.

3.2. The Contractor is obligated to accept all protection services cases referred to the Contractor by the Office of Client and Legal Services. The Department shall make every attempt to obtain a Release of Information from the proposed client with the Contractor except where prohibited from doing so by law. Also, to the extent possible, the Contractor shall be involved in the screening process for protection cases. If the Contractor believes that the appointment of a protective payee or representative payee is inappropriate, the Contractor may refer the client to the New Hampshire Disabilities Rights Center, Inc., New Hampshire Legal Assistance or other attorney so that an administrative appeal or other appropriate legal action can be taken on behalf of the client.

3.3. The Contractor agrees to serve the current total of 285 persons receiving guardianship and protection services, plus 4 pending cases, plus any new persons referred in accordance with paragraphs 1.4 above. However,

the Contractor shall not be obligated to accept more than 290 cases during the contract period. While the Division shall provide the Contractor with letters of approval for each new case assigned to the Contractor, the Contractor may not bill for services until the Contractor is actually appointed as guardian by a probate court.

3.4. The commencement date of this agreement shall be the Effective Date, that is, July 1, 2010, or date of Governor and Council of the State of New Hampshire approval, whichever is later. The Contractor shall not be paid for any services, which may be provided prior to the Effective Date.

Contractor Initials: *JAK*  
Date: *5/14/10*

## Exhibit B

### Methods of Payment

1. Subject to the availability of State funds, and in consideration for the satisfactory completion of the services to be performed under this Agreement, the State shall pay the Contractor a per diem per case rate approved by the Office of Client and Legal Services. However, regardless of the number of persons served by the Contractor during the program period, specified in paragraphs 3.1. and 3.2. of the General Provisions of this Agreement, the State shall pay the Contractor a minimum amount of \$371,698.49 during the program period. The total of all payments authorized or actually made hereunder shall not exceed the amount of \$391,261.57, the price limitation set forth in block 1.8. of the General Provisions.

1.1. The per diem reimbursement rate for the provision of services to persons served under this Agreement shall be:  
\$4.00 for up to 219 clients whose guardianship services are not subsidized in part by an area agency, and \$2.84 for the 48 clients whose guardianship services are subsidized in part by an area agency, \$3.00 for up to 23 additional clients.

1.2. The hourly reimbursement rate for the provision of technical assistance to private guardians shall be \$60.00, not to exceed the amount of \$1,250.00.

The hourly reimbursement rate for the provision of training to area agency, mental health and elderly and adult agency staff and probate court personnel shall be \$60.00, not to exceed the amount of \$1,250.00.

2. Payment to the Contractor will be made on a monthly basis subject to the following conditions:

2.1. The State shall at the beginning of the Agreement period make a payment of \$61,949.75, the estimated fee for service payment due to the Contractor for providing services for a period of two months. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period. This initial payment is the amount the State has determined is necessary to initiate the services.

2.2. A monthly payment equal to \$30,974.87 will be made to the Contractor at the beginning of September and continuing through the end of the agreement or until the maximum amount of the contract has been reached. Adjustments for underpayments or overpayments will be made at the end of the first quarter of the program period and continue at the end of subsequent quarters through June 30, 2011. The per diem rate will be extended to the last day of the month following the month in which the client dies or for whom the guardianship/protection service is terminated.

2.3. The fee for quarterly adjustments shall be calculated by:

a. multiplying the per diem rate times the total number of days of service provided during the quarter to each eligible client under this Agreement and by

b. adding to this amount any reimbursement due for the quarter to the Contractor for clients referenced in paragraph 2.2 and the reimbursement due for the provision of technical assistance to private guardians referenced in paragraph 1.3 of Exhibit A.

2.4. Beginning in October, 2010, and at the end of each quarter thereafter, the Contractor agrees to submit, by the fifth day of the following month, to the Department on a standard form entitled "Quarterly Payment Authorization and Computation, Tri-County Community Action Program." At the end of each month there shall be a list of clients for whom the Contractor is providing services. The list of clients shall indicate the name, address, and date of death for those clients who have died during the month.

The "Quarterly Payment Computation and Authorization, Tri-County Community Action Program" form shall serve as a voucher detailing how reimbursement due for the quarter in which services were performed was calculated. The form shall contain:

- a. Identification of the service period
- b. Contract number and period;
- c. Statistics which document the number of clients on the Contractor's caseload during the service period. The statistics shall be recorded on page two (2) of the form and shall specify the number of persons served by type of services, the names of cases added or closed during the quarter. Orders for new guardianship appointments shall be attached to the statistics as soon as they become available. Persons added during the service period for whom prior approval has not been obtained, but for whom the Contractor is seeking reimbursement, must be formally authorized to receive services before they are calculated into the authorized payment due for the service period. A brief explanation shall be provided for any client for whom services have been terminated.
- d. Cumulative to date revenues received;
- e. Calculation of the total authorized payment due for the service quarter in accordance with 2.3. above;

The first "Quarterly Payment Computation and Authorization, Tri-County Community Action Program" report shall be submitted by no later than October 7, 2010, and the final report by July 7, 2011. Failure to submit such reports shall constitute an Event of Default.

2.5. On a quarterly basis, the State shall ensure that the total payments for services under this Agreement are not less than the prorated minimum contract amounts. The State shall make any payments necessary under this provision by the 15<sup>th</sup> day of the month following the end of the quarter and specifically as provided in subparagraphs 2.5.1-2.5.3 below.

2.5.1. The Contractor shall notify the State in its October "Quarterly Payment and Computation Report, Tri-County Community Action Program", in the event that payment for services for the months of July through September is less than \$92,924.62, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$92,924.62.

2.5.2. The Contractor shall notify the State in its January "Quarterly Payment and Computation Report, Tri-County Community Action Program", in the event that payment for services for the months of July through December is less than \$185,849.25, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$185,849.25.

2.5.3. The Contractor shall notify the State in its April "Quarterly Payment and Computation Report, Tri-County Community Action Program", in the event that payment for services for the months of July through March is less than \$278,773.87, whereupon the State shall issue a supplemental check for the difference between the amount paid to the Contractor and \$278,773.87.

2.6. By August 15, 2010, the Contractor shall submit an annual Quality Assurance Plan for the approval of the Office of Client and Legal Services. The Contractor shall, in a timely fashion, modify or amend the plan based on the Department's response to the plan. The Contractor shall submit a plan acceptable to the Office of Client and Legal Services by no later than October 31, 2010. Failure to submit an acceptable Quality Assurance Plan shall constitute an Event of Default. Payments shall not continue until receipt of the plan.

*JMK*  
*11/10*

a. The Contractor agrees to include a representative, to be named by the Office of Client and Legal Services, to participate in the design and implementation of the Contractors Quality Assurance Plan.

b. The Contractor will submit, on a monthly basis a report on Quality Assurance activities no later than the 5<sup>th</sup> day of the following month.

2.7. The quarterly service payment due shall not be made until and unless the "Quarterly Computation and Authorization, Tri-County Community Action Program" form for the service quarter has been received by the Department.

2.8. The Contractor also agrees that full payment for the final quarter of the program period shall not be made by the Department until and unless the Contractor submits the "Quarterly Payment Computation and Authorization, Tri-County Community Action Program" form for the final quarter of the program period and "Summary Report of Quality Assurance Activities" of activities for the agreement period.

3. 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 noncompliance with any federal or state law, rule, or regulation applicable to the services provided, or if the said services have not been satisfactorily completed in accordance with the terms and conditions of this Agreement.

This Contract is funded by the New Hampshire General Fund, as follows:

NH General Fund: \$391,261.57

## EXHIBIT C

### SPECIAL PROVISIONS

#### 1. RECORDS AND ACCOUNTS.

1.1. Access to Records. Between the Effective Date and a date six years after the Completion Date, at any time during the Contractor's normal business hours, and as often as the State shall reasonably demand, the Contractor shall make available to the State its fiscal records related to this Agreement and any books, records, documents, papers or reports maintained by the Contractor which relate to such fiscal matters. The term "Contractor" includes all persons, natural or fictional, which are controlled by, under common ownership with, or an affiliate of, the entity identified as the Contractor in block 1.3. of the General Provisions of this Agreement.

1.2. Audit of Records. The Contractor agrees to submit to the Department within ninety (90) days of the end of the Contractor's fiscal year an audited financial statement following guidelines as established by the American Institute of Certified Public Accountants as published in a guidebook entitled "Audits of Voluntary Health and Welfare Organizations." The audit shall be prepared by an independent certified public accountant and provide an itemized accounting of all revenues and expenditures related to the provision of service to clients under this Agreement. All fiscal records related to this Agreement must be kept on the accrual method of accounting and in accordance with generally accepted accounting principles as promulgated by the American Institute of Certified Public Accountants.

#### 2. TERMINATION.

2.1. In the event of termination under paragraph 10 of the General Provisions, the approval of such a Termination Report by the State shall entitle the Contractor to receive that portion of the Contract Price earned to and including the date of termination. The Contractor's obligation to continue to provide services under this Agreement shall cease upon termination by the State.

2.2. In the event of termination under paragraph 10. of the General Provisions, the approval of a Termination Report by the State shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by the State as a result of the Contractor's breach of its obligations hereunder.

2.3. Notwithstanding anything in this Agreement to the contrary, the State may terminate this Agreement without cause upon thirty (30) days written notice.

#### 3. INSURANCE AND BOND.

3.1. 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, both for the benefit of the State, the following insurance:

3.1.1. Statutory workers' compensation and employees liability insurance for all employees engaged in the performance of the Services; and

3.1.2. Comprehensive public liability insurance against all claims of bodily injuries, death or property damage, in amounts not less than \$2,000,000 for bodily injury or death in any one incident, and \$500,000 for property damage in any one incident; and

3.1.3. Professional malpractice insurance covering all professional and/or licensed personnel engaged in the performance of the services hereunder.

3.2. During the term of this Agreement, the Contractor shall maintain a fidelity bond, covering the activities of all employees or agents with authority to control or have access to any funds provided under this Agreement in an amount equal to at least twenty-five (25) percent of the minimum contract amount specified in paragraph 1 of Exhibit B.

#### 4. DATA: ACCESS BY STATE.

Between the Effective Date and a date six years after the Completion Date, at any time during the Contractor's normal business hours, and as often as the State shall reasonably demand, the Contractor shall make available to the State all data for examination, duplication, publication, translation, or for any other purpose. Nothing in this subparagraph shall require the Contractor to make available data which would violate any statute, other provisions of this Agreement, or agreements with unrelated third parties. The term "Contractor" includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, or an affiliate of, the entity identified as the Contractor in block 1.3. of the General Provisions of this Agreement.

#### 5. TIME STUDY.

The parties agree to pilot different reporting indicators. The Contractor agrees to perform a time study for all State funded clients. The time study shall be performed in accordance with procedures established by the State. The Contractor shall provide the State with "Quarterly Statistical Reporting" forms within thirty days after the end of each quarter. The parties further acknowledge that said forms may undergo changes to refine the data collected and may be modified by mutual agreement.

EXHIBIT C - 1

ADDITIONAL SPECIAL PROVISIONS

1) **Gratuities or Kickbacks**

The Contractor agrees that it is a breach of this Agreement to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Agreement. The State may terminate this Agreement and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

2) **Retroactive Payments-Individual Services**

Notwithstanding anything to the contrary contained in this Agreement or in any other document, agreement or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for any services provided to any individual prior to the Effective Date of this Agreement and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

3) **Retroactive Payments-Contractor Services**

Notwithstanding anything to the contrary contained in this Agreement or in any other document, agreement or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for any costs incurred for any purposes prior to the Effective Date of the Agreement.

4) **Audit Requirement**

On or before the date set forth in Section 1.7 of these General Provisions, the Contractor shall deliver to the State, at the address set forth in Section 1.2 of these General Provisions, an independent audit performed by a Certified Public Accountant, of the Contractor, including the funds received under this Agreement.

The following requirement shall apply if the Contractor is a State or Local Government or an Institution of Higher Education or Other Non-Profit Organization: If the federal funds expended under this or any other Agreement from any and all sources exceeds \$500,000 in the aggregate in a one year fiscal period the required audit shall be performed in accordance with the provisions of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations for fiscal years ending on or after December 31, 2003.

5) **Credits**

All documents, notices, press releases, research reports, and other materials prepared during or resulting from the performance of the services or the Agreement shall include the following statement: "The preparation of this (report, document, etc.) was financed under an Agreement with the State of New Hampshire, Department of Health and Human Services, with funds provided in part or in whole by the (State of New Hampshire and/or United States Department of Health and Human Services.)"

6) **Debarment, Suspension and Other Responsibility Matters**

If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with the provisions of Section 319 of the Public Law 101-121, Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions; with the provisions of Executive Order 12549 and 45 CFR Subpart A, B, C, D, and E Section 76 regarding Debarment, Suspension and Other Responsibility Matters, and shall

complete and submit to the State the appropriate certificates of compliance upon approval of the Agreement by the Governor and Council.

**7) Criminal Background Check**

The Contractor shall conduct criminal background checks if a potential applicant for employment or volunteer, funded under this contract, may have client contact in the client's place of residence.

**8) Adult Protective Service Registry**

The Contractor shall meet the requirements of RSA 161-F: 49 Registry, VII, which requires the submission of the name of a prospective employee who may have client contact, for review against the State Adult Protective Service Registry, effective July 1, 2007.

**9) Complaint Resolution Policy**

The Contractor shall develop a written policy with regard to the intake, investigation, resolution, and reporting of complaints received from wards, families of wards, or providers of services to wards. Said policy shall be available for distribution to interested parties as needed.

*[Handwritten Signature]*  
*[Handwritten Date]*

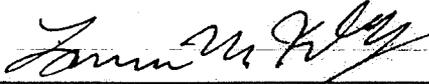
NH Department of Health and Human Services

STANDARD EXHIBIT G

CERTIFICATION REGARDING  
THE AMERICANS WITH DISABILITIES ACT COMPLIANCE

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 make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

  
\_\_\_\_\_  
(Contractor Representative Signature)      Lawrence M. Kelly, Executive Director  
(Authorized Contractor Representative Name & Title)

Tri County Community Action Program, Inc.      5/4/10  
\_\_\_\_\_  
(Contractor Name)      (Date)

## NH Department of Health and Human Services

**STANDARD 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 and those parts of the HITECH Act 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.

**BUSINESS ASSOCIATE AGREEMENT**

**(1) Definitions.**

- a. "Breach" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D. Sec. 13400.
- 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.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 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 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
- 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, unreasonable, 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) 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, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do 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 HITECH Act, Subtitle D, Part 1, Sec. 13402 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 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. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.
- b. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec.13404.
- c. 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.
- d. 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)b and (3)k herein. 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 pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
- e. 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.
- f. 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.
- g. 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.

Contractor Initials: 22K  
Date: 5/17/10

- h. 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.
- i. 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.
- j. 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.
- k. 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 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 standard provision #10 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, and the HITECH Act as 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 and the HITECH Act.
- 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 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.

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

Dept. of Health & Human Svs.

Tri County Community Action Prog.

The State Agency Name

Name of the Contractor

Nancy L. Rollins

Lawrence M. Kelly

Nancy L. Rollins

Signature of Authorized Representative

Signature of Authorized Representative

Name of Authorized Representative

Lawrence M. Kelly

Name of Authorized Representative

Associate Commissioner

Public Guardian

Title of Authorized Representative

Title of Authorized Representative

5-24-10  
Date

5/17/10  
Date

TRI-COUNTY COMMUNITY ACTION, INC.,GS

BUDGET FISCAL YEAR 2011  
 July 1st, 2010 through June 30th, 2011

Department of Health and Human Services  
 Division of Behavioral Health and Developmental Services  
 KEY ADMINISTRATIVE PERSONNEL AND THEIR ANNUAL SALARIES

Name	Position Title	Annual Salary	% by Contract
	Individual	Position Salary	Annual Salary
Jayne McCabe	Associate Director	\$46,800.00	
Jennifer Watson	Program/Estate Assoc	\$31,200.00	
Patrick Gilmartin	Staff Guardian	\$35,360.00	
Richard Julian	Staff Guardian	\$35,360.00	
Joyce Garman	Staff Guardian	\$35,360.00	
Sandi Caron	Staff Guardian	\$31,200.00	
Sherri Litchfield	Staff Guardian	\$27,040.00	
Annette Lucas	Staff Guardian	\$27,040.00	
Pauline German	Receptionist/Clerk	\$17,160.00	
Andrea Baird	Receptionist/Clerk	\$9,750.00	
Key Salaries		\$296,270.00	
Key Fringe Benefits		\$80,714.40	
<b>TOTAL SALARIES OF KEY PERSONNEL</b>		<b>\$376,984.40</b>	Over All 39%

TRI-COUNTY COMMUNITY ACTION, INC./GUARDIANSHIP SERVICES

BUDGET FISCAL YEAR 2011  
July 1st, 2010 through June 30th 2011

REVENUE

DHHS/Guardianship/Protection TOP TIER	219 @ \$4.00 per diem x 365 days	\$319,740.00	
DD MEDICAID CLIENTS MIDDLE TIER *Unchanged	48 @ \$2.84 per diem x 365 days	\$49,756.80	
THIRD TIER *Springing Guardianships Lesser Restrictive Alternative	23 @ \$3.00 per diem x 365 days	\$25,185.00	\$394,681.80
Technical Assistance \$60/hr. Training		\$1,250.00 \$1,250.00	
1.5% Vacancy Rate *DHHS		-\$5,920.23	\$388,761.57
<b>MINIMUM DIVISION CONTRACT (Guaranteed)</b>		\$371,698.49	
<b>TOTAL DIVISION</b>	290 Maximum Slots	<b>\$391,261.57</b>	<b>\$371,698.49</b>
<b>CONTRACT - NH DEPARTMENT OF CORRECTIONS *Partial</b>	5 @ \$6.00 per diem x 365 days		<b>\$10,950.00</b>
<b>TOTAL DOC</b>	15 Maximum Slots	<b>\$32,850.00</b>	
<b>CONTRACT - NH BUREAU OF ELDERLY AND ADULT SERVICES</b>	2 @ \$5.20 per diem x 365 days		<b>\$3,796.00</b>
<b>PRIVATE PAY CLIENTS:</b>			
Person Only *Community Based \$230.00/Month	60 Slots @ \$7.56 per diem x 365 day	\$165,564.00	
Person Only *Nursing Home Based \$225.00/Month	55 Slots @ \$7.40 per diem x 365 days	\$148,555.00	
Private Payment/Contract Clients Discrepancy/Rate *Community Based	No Assessment	\$0.00	
Private Payment/Contract Clients Discrepancy/Rate *NHome Based	No Assessment	\$0.00	
DD MEDICAID CLIENTS	48 Slots @ \$2.22 per diem x 365 days	\$38,894.40	
<b>PRIVATE CLIENTS/PERSON</b>			<b>\$353,013.40</b>

<b>PRIVATE ESTATE AND FINANCIAL MANAGEMENT SERVICES</b>			
EST/BILLABLE TIME	300 @ \$140/hr.		\$42,000.00
EST/BILLABLE TIME	600 @ \$85/hr.		\$51,000.00
EST/BILLABLE TIME	400 @ \$45/hr.		\$18,000.00
EST/BILLABLE TIME	150 @ \$25/hr.		\$3,750.00
TRUST/BILLABLE TIME	12 @ \$320.00		\$3,840.00
PRIVATE CLIENTS/ESTATE/TRUST			\$118,590.00
PAYEE SERVICES	82 @ \$37.00/month		\$36,408.00
PAYEE SERVICES	20 @ \$10.00/month		\$2,400.00
NEW PAYEE SERVICES	25 @ \$37.00/month		\$11,100.00
TOTAL PRIVATE/PAYEE FEES			\$49,908.00
TOTAL PRIVATE REVENUE			\$521,511.40
MISCELLANEOUS			
CONSULTING SERVICE *New Rate	100h @ \$30.00/hr.		\$3,000.00
Redeveloped Program	Primarily Community Based		
NEW NURSING HOME SERVICE	10 @ \$60/Annually		\$600.00
Non TCC Cases - Family Support	Quarterly Visits		
CLIENT OUT OF POCKET REIMB.			\$21,405.57
TOTAL MISCELLANEOUS FY 2010			\$25,005.57
TOTAL REVENUE			\$932,961.46

**EXPENSES**

<b>SALARIES</b>			
<b>Position</b>	<b>Rate</b>	<b>Annual</b>	
Director dk	\$29.25	\$60,840.00	
Associate Director jm	\$23.00	\$47,840.00	
Client Services System Admin. st	\$17.00	\$35,360.00	
Program Associate jsw	\$15.00	\$31,200.00	
Staff Guardian pg	\$17.50	\$36,400.00	
Staff Guardian rj	\$17.50	\$36,400.00	
Staff Guardian jg	\$17.50	\$36,400.00	
Staff Guardian sc	\$15.00	\$31,200.00	
Staff Guardian al	\$13.00	\$27,040.00	
Staff Guardian sl	\$13.00	\$27,040.00	
Estate Guardian/Conservator ks	\$14.00	\$29,120.00	
Payee Administrator lj	\$13.75	\$28,600.00	
Benefits Administrator cs/ptime	\$14.00	\$11,340.00	
Program Associate dc	\$13.00	\$27,040.00	
Receptionist/Clerk pg/ptime	\$11.00	\$17,160.00	
Receptionist/Clerk ab/ptime	\$7.50	\$9,750.00	
Office Clerk/ open/ptime	\$7.25	\$7,540.00	
<b>Total Salaries</b>			<b>\$492,730.00</b>
<b>FRINGE BENEFITS:</b>			
FICA @ .064%		\$31,534.72	
Medicare @ .0145%		\$7,144.59	
Unempl. Comp.		\$5,100.00	
Health Insurance		\$142,000.29	
Dental Insurance		\$14,640.00	
Worker's Comp. @ .0307%		\$15,126.81	
Annuity Expense		\$21,469.84	
<b>TOTAL FRINGE BENEFITS</b>			<b>\$237,016.25</b>
<b>ADMINISTRATIVE COSTS:</b>			
TRI-COUNTY COMMUNITY ACTION, INC. Indirect costs	9.50%		<b>\$80,664.24</b>

<b>OFFICE MANAGEMENT:</b>			
OFFICE SPACE W/C		\$25,000.00	
TELEPHONE & CABLE		\$15,500.00	
POSTAGE		\$6,800.00	
OFFICE SUPPLIES		\$13,000.00	
REPRODUCTION		\$30.00	
PRINTING/PUBL./ADVERT.		\$600.00	
TRAINING		\$1,800.00	
CONFERENCES/REGISTRATIONS		\$2,000.00	
LEGAL FEES		\$14,000.00	
TRAVEL @ .48 PER MILE		\$29,000.00	
VOLUNTEER TRAVEL		\$370.98	
VOLUNTEER RECOGNITION		\$50.00	
CONTRACTED SERVICES		\$5,000.00	
LEASED EQUIPMENT		\$6,200.00	
EQUIPMENT PURCHASES		\$3,200.00	
<b>TOTAL OFFICE MANAGEMENT</b>			<b>\$122,550.98</b>

<b>% CONTRACT</b>		<b>39%</b>
<b>TOTAL INCOME</b>	<b>\$932,961.46</b>	
<b>TOTAL EXPENSES</b>	<b>\$932,961.46</b>	
<b>BALANCE</b>	<b>\$0.00</b>	