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STATE OF NEW HAMPSHIRE
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT
OFFICE OF THE COMMISSIONER

172 Pembroke Road P.O. Box 1856 Concord, New Hampshire 03302-1856

April 2, 2014

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

Retroactive

REQUESTED ACTION

Authorize the Department of Resources and Economic Development, Office of Workforce Opportunity to enter into a contract for services with Safety & Health of Northern New England (VC#167104), Concord, NH in the amount of \$200,000.00 for the delivery of training to meet the federal Mine Safety and Health Administration (MSHA) safety training requirements in New Hampshire. This contract period is effective **RETROACTIVE** to October 1, 2013 and terminating on September 30, 2018. **100% federally funded.**

Funding for this contract is to be encumbered from account titled, Workforce Opportunity, as follows and pending budget approval for FY 2016; FY 2017; FY2018: FY2019.

03-35-35-350010-53360000-102-500731	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
Contracts for Program Services:	\$51,600	\$37,100	\$37,100	\$37,100	\$30,000	\$7,100

EXPLANATION

This contract is awarded in response to RFP#03-DRED-OWO-MSHA on the basis of Safety & Health's extensive expertise in delivering quality safety training programs for the State of New Hampshire employing MSHA certified instructors. (See Attachment A for RFP process details.) An accredited chapter of the National Safety Council, Safety and Health of New England has been delivering quality training programs in New Hampshire since 1970. With over 500 member companies; they provide training to over 2,500 people each year. In addition, Safety & Health instructors have attended the mandatory MSHA instructors training in Virginia.

These funds are made available through U.S Department of Labor (USDOL), Mine Safety and Health Administration (MSHA) to provide the required MSHA safety training to Metal/Non-Metal Surface Mine employees in New Hampshire, and shall be used in accordance with all applicable USDOL MSHA rules and regulations, including program requirements contained in the Mine Safety and Health Administration Grant Program Operator's Manual dated May 1995, and other USDOL implementing regulations contained in 29 CFR Parts 31, 32, 93, 97 and 98. The contract program year is based on the federal granting process. MSHA FY Grants are awarded for the delivery of services between October 1st and September 30th of each year. Regardless of when funds are actually awarded by MSHA, they are available retroactive to the October 1st grant cycle starting period. This granting cycle allows states to pay for reasonable, allocable and allowable pre-award costs incurred by the program.

The Attorney General's Office has approved this contract as to form, substance and execution.

Respectfully submitted, *JRM*

Jeffrey J. Rose

Jeffrey J. Rose, Commissioner

ATTACHMENT A –WIA RFP #3-DREDOWOMSHA DETAILS

Purpose of the RFP

The Department of Resources and Economic Development, Office of Workforce Opportunity (DRED) solicited a Request for Proposal (RFP) on behalf of the State Workforce Investment Board (Board). Under a grant from the US Department of Labor's Mine Safety and Health Administration (MSHA), DRED/OWO receives grant funding from the United States Department of Labor (USDOL), Mine Safety and Health Administration (MSHA) to provide training for the advancement of health and safety in surface mines in New Hampshire.

The purpose of the RFP is to identify an MSHA Certified trainer/training entity to provide Part 46 Annual Refresher Training; First Aid, CPR/AED; and Supervisory training. A contract awarded in response to this RFP shall be effective for the period beginning October 1, 2013 through September 30, 2018.

The first year award will be for Program Year 2013, beginning October 1, 2013 and ending September 30, 2014. Subsequent contract years (program years 2014 -2018) will run twelve months, October 1 to September 30 of each year, with a final date of service on September 30, 2018. Funding for subsequent contract years is contingent on the continuation of federal funding to the State of New Hampshire in support of this training requirement.

RFP Process Details

- On February 18, 2014, DRED/OWO issued a RFP for WIA services on behalf of the State Workforce Investment Board.
- The purpose of the RFP is to identify an MSHA Certified trainer/training entity to provide Part 46 Annual Refresher Training; First Aid, CPR/AED; and Supervisory training statewide for five consecutive years (October 1, 2013 – September 30, 2018) consistent with MSHA rules and regulations.
- A copy of the RFP was posted on the NH Works website and the State of NH procurement website. A Public Notice appeared in the Union Leader on three separate occasions. In addition, a copy of the RFP was sent via email to NH Works partner agencies and USDOL staff with instructions to share as appropriate.
- Office of Workforce Opportunity staff served as the RFP review panel. The review panel members were as follows:
 - Bonnie St.Jean, WIA Program Administrator
 - Michael Power, WIA Outreach Administrator
 - Jacqueline Heuser, Director OWO
- The review panel evaluated each submitted proposal based on the following:

Cover Page	Pass/Fail
Proposal Checklist	Pass/Fail
Organizational Experience and Past Performance	40 points
MSHA Certified Trainers	40 points
Program training Activities and Delivery	40 points
Statement of Compliance Form	Pass/Fail

- One entity, Safety & Health Council of Northern New England, National Safety Council submitted a proposal in response to the MSHA RFP, which is not surprising given the specific type of training solicited and the uncertainty of future grants from US DOL MSHA to support the continuation of training.
- The RFP review panel reviewed and scored the proposal submitted and determined it to be in compliance with RFP requirements.
- The final scores for the Safety and Health Council of Northern New England National Safety Council are as follows:

Name of Reviewer	Organizational Experience and Past Performance (40)	MSHA Certified Instructors (40)	Program Design (40)	Pass/Fail Criteria	Total (120)
Bonnie	38	35	35	All Pass	108
Michael	40	35	38	All Pass	113
Jackie	40	40	35	All Pass	115
Grand Total	118	110	108	All Pass	336

- Based on the scores above (average score of 112), OWO/DRED is proposing to award the MSHA training contract to Safety & Health Council of Northern New England, National Safety Council contingent upon Governor and Council approval.



Subject:

NH Mine & Safety Health Administration Training Grant Contract for Services

FORM NUMBER P-37 (version 1/09)

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Resources & Economic Development, Office		1.2 State Agency Address 172 Pembroke Road, Concord, NH 03302	
1.3 Contractor Name Safety & Health Council of Northern New England		1.4 Contractor Address 57 Regional Drive, Concord NH 03301	
1.5 Contractor Phone Number (603) 229-3393	1.6 Account Number 53360000-102-500731	1.7 Completion Date September 30, 2018	1.8 Price Limitation \$200,000
1.9 Contracting Officer for State Agency Jeffrey J. Rose, Commissioner DRED		1.10 State Agency Telephone Number (603) 271-2411	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory DAVID HENDERSON, EXECUTIVE DIRECTOR	
1.13 Acknowledgement: State of <input type="text"/> , County of <input type="text"/> On <input type="text"/> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace SUSAN A CHUVALA Notary Public - New Hampshire My Commission Expires June 5, 2018			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Jeffrey J. Rose, Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: n/a Director, On:			
1.17 Approval by the Attorney General (Form, Substance and Execution) By: On: 4/8/14			
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(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

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

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

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

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

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

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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

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

OFFICE OF WORKFORCE OPPORTUNITY
CONTRACT FOR MINE SAFETY TRAINING SERVICES

EXHIBIT A
Statement of Work

PARTIES & PURPOSE

This cost reimbursement agreement for services between Safety & Health Council of Northern New England, National Safety Council and the NH Department of Resources & Economic Development, Office of Workforce Opportunity (OWO) will be for a term beginning on October 1, 2013 and terminating on September 30, 2018. **Total payments under this agreement shall not exceed: \$200,000.00** and shall be expended consistent with Exhibit B of this agreement. These funds are made available through U.S Department of Labor (USDOL), Mine Safety and Health Administration (MSHA) to provide the required MSHA safety training to Metal/Non-Metal Surface Mine employees in New Hampshire and shall be used in accordance with all applicable USDOL MSHA rules and regulations, including program requirements contained in the Mine Safety and Health Administration Grant Program Operator's Manual dated May 1995, and other USDOL implementing regulations contained in 29 CFR Parts 31, 32, 93, 97 and 98.

The purpose of this agreement is to procure the services of the Safety & Health Council of New England (Safety & Health) as the contractor to provide the federally required Mine Safety and Health Administration (MSHA) mine safety training in New Hampshire. This contract is issued in response to RFP#03-DRED-OWO-MSHA and awarded on the basis of Safety & Health's extensive expertise in delivering quality safety training programs to over 700 member companies in New Hampshire since 1970.

STATEMENT OF WORK

As the service provider under this agreement, Safety and Health shall provide services as identified in RFP#03-DRED-OWO-MSHA Statement of Work and all other applicable sections of the RFP, incorporated by reference into this contract agreement. Specially, the following shall be provided at a minimum:

1. Deliver a minimum of 15 training sessions in each contract year, typically during the months of February through May, in regions throughout the state, with the majority of the classes held at the Safety and Health Council's training facility in Concord, NH.

OFFICE OF WORKFORCE OPPORTUNITY
CONTRACT FOR MINE SAFETY TRAINING SERVICES

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OFFICE OF WORKFORCE OPPORTUNITY
CONTRACT FOR MINE SAFETY TRAINING SERVICES

2. Deliver additional classes, based on employer/worker demand.
3. Provide:
 - a. appropriate refreshments (breakfast/lunch items as necessary);
 - b. a safety awareness item for each participant; and
 - c. program materials for each classroom participant as well as for companies who conduct their own training but request same/similar materials used by Safety and Health.
4. Develop and publish a training schedule for each program year under contract through this service agreement. This schedule shall be mailed to all NH mining companies with an available address, using information provided by the NH Department of Labor and other applicable resources.
5. Conduct an instructor orientation session each year to review syllabus and training materials in preparation for the delivering of required training under this agreement. Employer feedback shall be solicited to ensure training consistent with employer needs.
6. Provide one to two (1-2) instructors at each training session, and ensure that the instructors delivering the training are qualified to teach the materials. As part of this responsibility, it is understood that the appropriate individual(s) will attend the MSHA instructor refresher training to stay current.
7. Secure the required grant match requirement for each program year of funding. Under Section (503) g of the Mine Act, MSHA may fund only 80% of the activities under a State grant program. The State must provide matching funds of no less than twenty percent of the total costs (80/20 split). MSHA encourages grant recipients to use cash, rather than in-kind contributions, to meet their matching requirements. Therefore, Safety and Health is authorized to charge a fee of up to \$50 per participant to offset the costs of room rentals, refreshments, safety awareness items, and classroom materials, as well as instructor costs not covered by the grant funding. All revenue produced by this authorized program fee shall be tracked and recorded as **program income**, and shall be **used to meet the non-federal share (match) required by this grant**, for each program year. Program income earned during the contract period shall be retained by Safety and Health, added to the contract funds, and used for the purposes and under the conditions applicable to the use of these funds as defined by MSHA and/or the terms and conditions of this agreement.

OFFICE OF WORKFORCE OPPORTUNITY
CONTRACT FOR MINE SAFETY TRAINING SERVICES

Program Performance Goals and Reporting Requirements

As the service provider under this agreement, Safety and Health shall negotiate with the Office of Workforce Opportunity staff the Estimated Workload Measures for each program year covered under this grant agreement, consistent with MSHA federal staff guidance. The Estimated Workload Measures for the first year of this agreement (i.e., PY2013) shall be as follows:

- a. Total number of coal miners to be trained: 355
- b. Total number of metal and/or nonmetal miners to be trained: 121
- c. Total number of contractors working at coal mines, metal mines, and nonmetal mines (including sand and gravel operations): 476
- d. Total number of "others" to be trained: 0

In addition, Safety and Health shall:

1. Make every effort to provide training to workers consistent with the planned **Estimated Workload Measures** negotiated for each program year covered under this agreement.
2. Provide a listing of the trainings provided, and the dates thereof, along with the day's training syllabus and participant sign-in sheet. If any type of testing is conducted as part of the training sessions, Safety and Health shall report, in the aggregate, the results of said testing.
3. Complete a mid-year (October through March) and end-year (October through September) technical report for each year of this contract that includes the following information:
 - a. A comparison of actual accomplishments to the objectives established for the contract period, including per unit cost efficiencies;
 - b. Reasons for objectives not met;
 - c. Description of any significant developments or problems affecting the organization's ability to accomplish the work;
 - d. An evaluation of the impact or results of the program's activities.
4. Assist the Office of Workforce Opportunity with problem resolution for any federal or state audit and/or compliance findings as they relate to this contract.

OFFICE OF WORKFORCE OPPORTUNITY
CONTRACT FOR MINE SAFETY TRAINING SERVICES

EXHIBIT B
Price and Financial Reporting Requirements

PRICE LIMITATION

The conditions and responsibilities outlined in this agreement are further subject to the availability of grant funds. Any party may, after thirty (30) days written notification, suspend this agreement if funds become unavailable to carry out this agreement or if the Safety & Health Council is no longer willing to carry out the agreement. Upon termination, all allowable expenses incurred and paid by Safety & Health prior to the termination date will be reimbursed.

Total agreement not to exceed: \$200,000.00

Funds for each program year covered under this agreement may only be expended in accordance with the maximum allowable grant amount as approved/awarded by MSHA on an annual basis, minus the amount retained at the State level for administrative costs. Upon federal approval and notification of annual MSHA grant awards, the OWO will inform the Safety and Health Council regarding the actual amount of funds and match required for the current grant period.

Actual grant and match amounts for services performed and equipment, training, and travel expenses related to these services from October 1, 2013 through September 30, 2014 is as follows:

- Safety & Health shall be paid up to Fifty-one Thousand, Five Hundred and Ninety-nine (\$51,599.00) and shall generate no less than Thirteen Thousand, Seven Hundred and Seventy-five (\$13,775.00) in cash match.

Funding for October 1, 2014 through September 30, 2018 is contingent upon **annual** MSHA grant awards to support the continuation of this contract. Safety & Health shall submit an updated training plan for OWO approval prior to any new program year expenditures.

In the event that MSHA extends the grant period for a grant awarded within the time frame covered under this contract, or for any other reason allowable within the conditions of this contract agreement, unspent funds from previous years may be carried forward with the written approval from OWO.

TERMS OF PAYMENT

The maximum allowable reimbursement under this contract is **\$200,000.00**. Upon presentation of an invoice for such services and related expenses, which shall be billed quarterly (at a minimum) the amount of the invoice shall be payable to Safety & Health in accordance with the State 30 day minimum payment schedule.

OFFICE OF WORKFORCE OPPORTUNITY
CONTRACT FOR MINE SAFETY TRAINING SERVICES

Invoices shall be sent to: Office of Workforce Opportunity, DRED
Attn: Juli Pelletier
172 Pembroke Rd.
Concord, NH 03302

Payment shall be made to: Safety Health Council of Northern New England
Attn: David Henderson
57 Regional Drive
Concord, NH 03301

FINANCIAL PERFORMANCE AND REPORTING REQUIREMENTS

1. Three to five (3-5) trained instructors and the costs associated with those staff (taxes, travel, etc.) shall be supported by this contract.
2. Financial reporting by Safety & Health shall consist, at a minimum, of quarterly invoices to the Office of Workforce Opportunity (OWO) for training services provided. Invoices are due by the 30th of the month following the quarter end. Safety & Health is encouraged to invoice monthly.
3. Supporting documentation, as mutually agreed to by Safety & Health and the OWO, shall be attached to the invoice to allow OWO to comprehend and track the origins of the amount invoiced. OWO shall endeavor to pay invoices within 30 days of receipt.
4. Safety & Health shall adhere to all federal cash-management requirements, as well as any OWO policies that are more restrictive than the federal requirements.
5. Safety & Health shall track and report all **program income** generated through training fees on all invoices submitted to the OWO. Program income may only be used to support the activities identified as allowable within this agreement and/or RFP#3-DRED-OWO-MSHA.
6. Should the program fees generated by the training sessions not be sufficient to meet the grant's required annual non-federal match amount, Safety & Health must be prepared to document in-kind match sufficient to meet this threshold for each contract year.

OFFICE OF WORKFORCE OPPORTUNITY
CONTRACT FOR MINE SAFETY TRAINING SERVICES

EXHIBIT C
Additional Terms

1. This agreement is funded under the federal Mine Safety and Health Administration (MSHA) through U.S Department of Labor (USDOL), in accordance with all applicable USDOL MSHA rules and regulations, in the event that such funding is reduced, suspended or terminated for any reason, or if MSHA grant terms are significantly changed at the federal level, the OWO or Safety & Health shall have the right to terminate this agreement, to de-obligate funds or to negotiate appropriate modifications to this agreement.
2. Nothing contained in this agreement shall be deemed to constitute a waiver of sovereign immunity of the State of New Hampshire, which immunity is hereby reserved to the State, its agencies and officials.
3. Both parties shall comply with the provisions of each of the following as applicable:
 - 29 CFR Part 93 Restrictions on Lobbying
 - 29 CFR Part 98 Government-wide Debarment and Suspension, Requirements for a Drug Free Workplace
 - 29 CFR Part 37 Nondiscrimination and Equal Opportunity Requirements
 - OMB Circular A-133 Audits of States, Local Governments and Non-Profit Organizations
 - 29 CFR Parts 96 and 99, Audit Requirements
 - The Americans with Disabilities Act of 1990 (Pub. L. 101-336, 104 Stat. 327, 42 U.S.C. 12101-12213 and 47 U.S.C. 225 and 611)
 - Hatch Act (5 U.S.C. Subsection 1501-1508 and 7324-7328) which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds
 - Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 as amended (P.L. 91-616) relating to nondiscrimination on the basis of alcoholism

OFFICE OF WORKFORCE OPPORTUNITY
CONTRACT FOR MINE SAFETY TRAINING SERVICES

- Section 504 of the Rehabilitation Act of 1973 as amended (29 U.S.C. Section 794, 29 CFR Part 32) which prohibits discrimination on the basis of handicap
 - Title IX of the Education Amendments Act of 1972, as amended (20 U.S.C. Subsection 1681-1683, and 1685 and 1686) which prohibits discrimination on the basis of sex
 - The Age Discrimination Act of 1975 as amended (42 U.S.C. Section 6101-6107) which prohibits discrimination on the basis of age
 - Title VI of the Civil Rights Act of 1964 (P.L. 88-352/29 CFR Part 31) which prohibits discrimination on the basis of race, color or national origin
 - Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255) as amended relating to nondiscrimination on the basis of drug abuse
4. Form P-37 and Exhibits A, B, and C constitute the entire agreement between the OWO and Safety & Health, and supersedes all prior agreements and understandings.



*Safety & Health Council of Northern New England
57 Regional Drive, #6
Concord, NH 03301
(800) 834-6472*

**AUTHORIZATION TO ENTER AN AGREEMENT
(Certificate of Vote without Seal)**

This letter acknowledges that David C. Henderson, Executive Director of the Safety and Health Council of Northern New England, is authorized to sign and enter all agreements on behalf of the SHCNNE Board of Directors. David is our contracted employee and legal representative.

Signed: Douglas MacDonald, Chairman of the Board,
Safety & Health Council of Northern New England

Signature: _____

A handwritten signature in black ink that reads "Douglas MacDonald". The signature is written over a horizontal line.

Date: 4/1/2014

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 Safety & Health Council of Northern New England, Inc. is a New Hampshire nonprofit corporation formed December 30, 1970. 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 1st day of April A.D. 2014

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

William M. Gardner
Secretary of State

SAFETY AND HEALTH COUNCIL OF
NORTHERN NEW ENGLAND, INC.
CONCORD, NEW HAMPSHIRE
FINANCIAL STATEMENTS AND AUDITORS' REPORT
JUNE 30, 2012 and 2011

SAFETY AND HEALTH COUNCIL OF
NORTHERN NEW ENGLAND, INC.

FOR THE YEARS ENDED JUNE 30, 2012 and 2011

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Burnham & Malmberg
Professional Association
Certified Public Accountants
155 Manchester Street
Concord New Hampshire 03301
(603) 225-7600

INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Safety and Health Council
Of Northern New England
Concord, NH

We have audited the statement of financial position of Safety and Health Council of Northern New England as of June 30, 2012 and 2011, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the June 30, 2012 financial statements referred to above present fairly, in all material respects, the financial position of Safety and Health Council of Northern New England as of June 30, 2012 and 2011, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Burnham & Malmberg
Concord, New Hampshire
May 9, 2013

SAFETY AND HEALTH COUNCIL OF NORTHERN NEW ENGLAND

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2012 and 2011

	2012	2011
ASSETS		
Cash and cash equivalents	\$ 27,571	\$ 20,058
Cash, Partnership for a Drug-Free Program, restricted(NOTE H)	56,653	60,575
Cash, NH Dept. of Health & Human Services, restricted(NOTE H)	1,795	2,888
Accounts & grants receivable	23,918	12,447
Security deposit	5,245	5,245
TOTAL CURRENT ASSETS	115,182	101,213
PROPERTY AND EQUIPMENT		
Equipment and films	103,774	103,774
Less allowances for depreciation	(102,099)	(101,188)
Net property and equipment	1,675	2,586
TOTAL ASSETS	\$ 116,857	\$ 103,799
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 29,671	\$ 34,872
Accrued salaries and related expenses	11,679	9,413
Line of credit-Merrimack County Savings Bank	29,000	29,000
Due to Partnerships for a Drug-Free NH Program	56,653	60,575
Due to NH Dept of Health and Human Services	1,795	2,888
Customer deposits	450	1,157
TOTAL CURRENT LIABILITIES	129,248	137,905
UNRESTRICTED NET ASSETS	(12,391)	(34,106)
	\$ 116,857	\$ 103,799

The accompanying notes are an integral part of the financial statements.

SAFETY AND HEALTH COUNCIL OF NORTHERN NEW ENGLAND

STATEMENTS OF ACTIVITIES

JUNE 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
INCOME		
Highway, health and safety programs	\$ 186,156	\$ 132,304
Safety conference/member meetings	143,165	143,478
Membership dues	146,265	132,577
Sale of materials	23,186	89,133
Miscellaneous	53,769	43,146
Rental income	10,975	7,320
Interest income	<u>9</u>	<u>6</u>
TOTAL INCOME	<u>563,525</u>	<u>547,909</u>
EXPENSES		
Salaries	184,841	149,743
Highway, health and safety programs	86,388	62,083
Safety conference/member meetings	77,531	92,967
Rent	62,270	63,300
Payroll taxes and benefits	40,447	36,466
Cost of materials sold	18,299	69,422
Miscellaneous	2,252	2,750
Equipment leases	14,242	13,225
Telephone	7,559	8,217
Professional fees	7,952	7,900
Utilities and maintenance	6,402	7,390
Office supplies	5,480	5,760
Insurance	5,296	7,443
Postage	3,442	4,452
Service charges	6,711	5,205
Interest	1,206	1,630
Depreciation	911	1,747
Travel	3,256	2,257
Advertising	5,822	2,242
ED/NSC	1,491	590
Property tax	<u>12</u>	<u>13</u>
TOTAL EXPENSES	<u>541,810</u>	<u>544,802</u>
CHANGE IN NET ASSETS	21,715	3,107
Net assets at beginning of year	<u>(34,106)</u>	<u>(37,213)</u>
Net assets at end of year	\$ (12,391)	\$ (34,106)

The accompanying notes are an integral part of the financial statements.

SAFETY AND HEALTH COUNCIL OF NORTHERN NEW ENGLAND

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2012 and 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 21,715	\$ 3,107
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	911	1,747
(Increase) decrease in:		
Accounts and grants receivable	(11,471)	(7,108)
Prepaid expenses	-0-	1,589
Increase (decrease) in:		
Accounts payable and accrued expenses	(7,950)	3,070
Customer deposits	(707)	(648)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	2,498	1,757
CASH FLOWS (USED) BY INVESTING ACTIVITIES		
Purchase of property and equipment	-0-	-0-
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in line of credit	-0-	-0-
NET INCREASE (DECREASE) IN CASH	2,498	1,757
CASH AT BEGINNING OF YEAR	83,521	81,764
CASH AT END OF YEAR	\$ 86,019	\$ 83,521

SUPPLEMENTAL DATA:

Interest paid	\$ 1,206	\$ 1,630
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The accompanying notes are an integral part of the financial statements.

SAFETY AND HEALTH COUNCIL OF NORTHERN NEW ENGLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

NOTE A - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Safety and Health Council of Northern New England, Inc. (formerly known as Safety and Health Council of New Hampshire, Inc, and Maine Safety Council, Inc.) is a private, nonprofit organization, incorporated in 1971 and registered in the state of New Hampshire. It is dedicated to promoting safety and health in the workplace, on the highway and in the home.

The Council provides services which include:

Seminars and Training Program - Courses and conferences for health and safety, defensive driving, forklifting and safety, aging, etc.

Technical Assistance - Information and technical assistance for safety and health issues

Resource Center - An extensive library of books, articles, tapes, films and slides on safety.

Newsletter and Media Support - Updates for the public and media regarding safety and health issues.

Annual Safety Conference - Sponsor for Northern New England's largest annual conference of public and private safety officials.

Changes in the Organization

Effective February 1, 2004, the Safety and Health Council of New Hampshire, Inc. absorbed another similar nonprofit organization, Maine Safety Council. It had been providing administrative services for that entity. On January 22, 2004, it was voted by the Boards of Maine and New Hampshire Safety Councils to merge.

Financial Statement Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of member-imposed restrictions. Accordingly, net assets of the Council and changes therein are classified and reported as unrestricted for the years ended June 30, 2012 and 2011.

SAFETY AND HEALTH COUNCIL OF NORTHERN NEW ENGLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Allowance for Doubtful Accounts

The Council considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Property and Equipment

These assets are stated at cost. Maintenance repairs and minor renewals under \$1,000 are expensed as incurred, and renewals and betterments \$1,000 and over are capitalized. When an asset is retired or disposed of, the related costs and accumulated depreciation and amortization are removed from the accounts and any gain or loss on the disposition is credited or charged to income. Provision is made using straight line depreciation by annual charges to operations calculated to absorb the costs over the estimated useful lives of the assets.

Compensated Absences

It is the Council's policy to accrue vacation benefits based upon years of service. Sick leave benefits accrue up to 90 days. However, sick leave may not be used as severance or as vacation leave.

As of June 30, 2012 and 2011, the Council had accrued \$4,929 and \$1,422, respectively, for vacation leave.

Advertising

Advertising costs are expensed as incurred. The total amount charged to income for the years ended June 30, 2012 and 2011 were \$5,822 and \$2,242, respectively.

NOTE B - RELATED PARTY TRANSACTIONS

There were no material related party transactions that occurred during these reporting periods.

SAFETY AND HEALTH COUNCIL OF NORTHERN NEW ENGLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

NOTE C - LINE OF CREDIT

The Council has a \$30,000 line of credit with Merrimack County Savings Bank. As of June 30, 2012 and 2011; the outstanding balances on this line of credit was \$29,000. Interest is payable at 6.50% per annum and is due monthly.

It is management's opinion that the Council is in compliance with its debt covenants at June 30, 2012 and 2011. Also the Council expensed \$1,206 and \$1,630 of interest during the years ended June 30, 2012 and 2011, respectively.

NOTE D - LEASE AGREEMENTS

Effective July 1, 2009, and expiring June 30, 2014, the Council signed a five year lease requiring monthly lease payments of \$4,245.

The Council leases equipment under operating leases. In most cases, management anticipates that in the normal course of business, these leases will be renewed or replaced by other leases as expiration occurs.

At June 30, 2012, aggregate annual lease obligations for facilities are as follows:

2012/13	50,940
2013/14	50,940

NOTE E - CONCENTRATION OF RISK

Safety and Health Council of Northern New England, Inc. maintains several bank accounts at one bank. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash at these institutions did not exceed Federally insured limits.

NOTE F - CONTRIBUTED SERVICES

During the year ended June 30, 2012 and 2011, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Council, but these services do not meet the criteria for recognition as contributed services.

SAFETY AND HEALTH COUNCIL OF NORTHERN NEW ENGLAND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

NOTE G - SUBSEQUENT EVENTS

Management has evaluated events through the date the financial statements were available to be issued, May 9, 2013, and determined that there were no subsequent events that required disclosure.

NOTE H - RESTRICTED CASH

The Council acts as a fiscal agent under agreement for Partnership for a Drug Free NH and NH Department of Health & Human Services. These funds are not available for the Council's operations.

NOTE I - INCOME TAX

The Council is exempt from federal income tax under Internal Revenue Code Section 501(c)(3). The Council is also exempt from state income taxes by virtue of its ongoing exemption from federal income taxes. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

The Association complies with the *Accounting for Uncertainty in Income Taxes* standard. Accordingly, management has evaluated its tax positions and has concluded that the council has maintained its tax exempt status, does not have any significant unrelated business income and has taken no uncertain tax positions that require adjustment or disclosure in its financial statements. With few exceptions, the Council is no longer subject to income tax examination by the U.S. Federal or State tax authorities for years before 2009.